

Name: Davina Smolders

Ward: Bay of Islands - Whangaroa

Date: 31 January 2026 - JANUARY 2026 MEMBER REPORT

Meetings Attended

Date	Meeting Topic	Comment
10 Jan	MWaR with Ngapuhi - uncosted	Meeting with MP
11 Jan	MWaR with Ngapuhi - uncosted	Meeting with MP
22 Jan	Finance Committee – Short listing candidates	Held in chambers
27 Jan	Interviews for Committees	4 x interviews in Chambers
28 Jan	100 Day Plan workshop Reforms & Submissions Workshop	Presentation Presentation
29 Jan	FNHL Introduction Hui Committee Interview	Ngawha Innovation Park CEO Performance
30 Jan	MWaR with Ngapuhi – uncosted Committee Interview	Meeting with two MP's Finance, Assurance and Risk

*Please note these do not include ratepayer meetings – where I met with 44 people across 26 different meetings/venues.

Community Matters

This section should be completed for matters arising within the community, which Council need to be aware of. It could be related to ongoing projects, requests, feedback etc.

Topic	Comment
Iwi Governance Overlap	Reviewed duplication between Māori wards, MWaR agreements, and iwi MOUs. This creates overlapping influence channels funded by ratepayers.
MWaR Legal Status	Examined statutory implications of Mana Whakahono ā Rohe agreements. These agreements bind future councils beyond election cycles.
Partnership Cost Transparency	Assessed lack of consolidated reporting on iwi and hapū partnership costs. Cumulative financial exposure remains unclear.
Rising Council Debt	Reviewed sustained growth in borrowing and short-term debt reliance. This increases long-term fiscal risk.

Operating Overspends	Monitored repeated operating expenditure overruns. These reduce capacity for infrastructure investment.
Capital Works Delays	Examined under-delivery of planned capital projects. Deferred works contribute to future cost escalation.
Employment Settlements	Reviewed expenditure on legal and employment-related settlements. These indicate internal organisational pressure.
Staffing Cost Growth	Assessed workforce expenditure exceeding LTP assumptions. This impacts long-term affordability.
One-Off Funding Use	Reviewed reliance on special dividends and one-off payments. This masks underlying financial pressures.

FNHL Governance Risks	Examined governance separation between Council and Far North Holdings. Potential role overlap creates accountability risks.
Consultation Classification	Reviewed MWaR classification as medium significance. This avoided enhanced public consultation.
Accountability Diffusion	Assessed fragmentation across committees, CCOs, and partners. Responsibility for outcomes is unclear.
Community Satisfaction Decline	Reviewed resident survey results showing reduced confidence. Core service satisfaction has fallen significantly.

Financial Sustainability	Assessed alignment between planning, delivery, and debt. Structural imbalance is emerging.
Procurement Benchmarking	Examined reduced competitive tendering in partnership models. Value-for-money is harder to assess.
Democratic Lock-In	Reviewed long-term agreements limiting future policy change. Electoral accountability is weakened.
Reporting Consolidation	Identified absence of aggregated financial risk reporting. Cumulative exposure is not visible to the public.

Conflict of Interest Risk	Reviewed governance safeguards around personal relationships. Perception risks require stronger management. – Specific examples studied.
External Oversight Need	Assessed justification for independent review. Cumulative risks warrant scrutiny.
Rates Affordability	Reviewed interaction between debt, costs, and rates. Current settings may be unsustainable.
Development Contributions Policy	Reviewed proposed changes enabling expanded development contributions. Assessed impacts on housing affordability and growth.

Finance and Revenue Policy	Examined amendments linking revenue policy to DC implementation. Identified risks to future ratepayers and developers.
Public Submission Strategy	Developed clear guidance for residents on making effective submissions. Focused on accessibility and participation.

Consultation Accessibility	Assessed whether consultation processes were understandable to the public. Promoted plain-English engagement.
Housing Cost Impacts	Reviewed how DCs and policy changes affect build costs. Highlighted flow-on effects to first-home buyers.
Growth Affordability	Examined relationship between council charges and local development. Focused on enabling sustainable growth.
Regulatory Burden	Reviewed cumulative impact of new financial and planning rules. Identified barriers to small developers and families.
Policy Transparency	Assessed clarity of council policy explanations. Identified areas needing better public disclosure
Community Advocacy Support	Provided practical tools for residents to engage in submissions. Encouraged wider civic participation.
Rates and Charges Alignment	Reviewed interaction between DCs, rates, and service costs. Considered long-term affordability.
Taipa Wastewater Upgrade	Reviewed timing and funding of the Taipa wastewater treatment project. Delivery is deferred despite ongoing capacity and compliance risks.
Wastewater Infrastructure Planning	Assessed prioritisation of major wastewater upgrades district-wide. Several projects are delayed to later years.
Infrastructure Sequencing	Reviewed whether essential infrastructure is being prioritised ahead of discretionary projects. Identified misalignment with affordability goals.
100-Day Plan & Affordability	Assessed lack of costings and funding sources in Year One priorities. Household impacts were not clearly addressed.
Hall Road Property Disposal	Investigated process and governance around Hall Road land sale. Reviewed transparency and decision-making records.
FNHL Property Involvement	Examined role of Far North Holdings in property transactions. Assessed separation between commercial and governance functions.
Land Disposal Governance	Reviewed compliance with disposal and consultation requirements. Identified risks to public confidence.
LGOIMA Compliance	Monitored timeliness and completeness of official information responses. Multiple delays and refusals were noted.
LGOIMA Transfer Duties	Reviewed application of section 14 transfer obligations. Identified inconsistent handling between entities.
Information Withholding	Assessed use of withholding and refusal grounds. Some decisions appear overly restrictive.
Transparency Barriers	Reviewed barriers to accessing operational and financial data. Information is often fragmented across departments.

Capital Funding Clarity	Examined how major projects are funded and disclosed. Long-term impacts are not always transparent.
Discretionary Spending	Reviewed spending on non-core initiatives. Assessed alignment with core service delivery.
Budget Forecast Accuracy	Examined reliability of financial forecasting. Repeated variances raise governance concerns.
Zero-Based Budgeting	Monitored implementation of zero-based budgeting approach. This has potential to improve cost control.
Strategic Relationships Staffing	Reviewed rapid growth in Strategic Relationships staffing costs. Increases appear disproportionate to service delivery outcomes.
Community Engagement Costs	Examined expenditure on Community and Engagement staff. Budget growth has outpaced measurable performance improvements.
Mayor's Office Staffing	Reviewed expansion of staffing within the Mayor's office. Three additional roles increase overhead without clear public justification. NoM lodged.
Organisational Cost Control	Assessed effectiveness of workforce budgeting and controls. Current settings risk embedding structural overspend.
Kerikeri Ring Road	Reviewed confidential briefing papers and project status. Assessed risks, timelines, and funding implications.
Staff Turnover Trends	Reviewed high turnover and payout levels in the last triennium. These indicate organisational instability.
Staff Culture Concerns	Assessed reports of low morale and staff dissatisfaction. Workforce wellbeing impacts service delivery.
Remuneration Authority Submission	Prepared and followed up on Council's remuneration submission. Awaiting formal response and outcomes
Election Ballot Security	Reviewed concerns regarding ballot handling during campaigning. Identified improvements for future elections.
CEO KPIs and Leave	Examined CEO performance measures and leave taken. Reviewed transparency and reporting practices.
Mayoral Discretionary Fund	Reviewed use and governance of the Mayor's discretionary funding. Sought clearer accountability. Sought further info.
Information Follow-Ups	Issued follow-up questions seeking clarification on incomplete responses. Promoted full disclosure with CEO.
Kerikeri Dump Station	Reviewed community concerns regarding dump station operations. Provided public explanation and context.
Elected Member Priorities	Assessed lack of coordinated priority setting. Current approach appears fragmented and uncosted. Advocated for grouped and costed priorities. This supports affordability and planning discipline. Sought further info.

Kaeo Water Delays	Investigated delays in delivering long-term water solutions. Sought accountability for extended timelines.
Kaitaia Warehouse Review	Followed up unresolved issues and governance concerns. Reviewed conflict-of-interest processes. To follow up.
Significance Policy Compliance	Assessed whether engagement and significance policies were applied. Identified potential procedural gaps. Sought further info.
FNHL Asset Valuations	Reviewed valuation processes for FNHL assets. Sought assurance on accuracy and transparency. Sought further info.
FNHL Capital Projects	Examined oversight of capital investments. Reviewed alignment with sustainability objectives. Sought further info.
Operating Budget Risks	Reviewed warnings regarding operational sustainability. Identified emerging financial pressures. Sought further info.
FNHL Housing Delivery Structures	Examined housing entities and CHP arrangements. Identified delivery and funding limitations. Sought further info.
FNHL External Investments	Reviewed investments outside the district. Assessed authority and strategic rationale. Sought further info.
Marina Berth Sales	Examined marina berth disposals and revenue allocation. Reviewed governance processes. Sought further info.
FNHL Special Dividend	Reviewed \$5 million dividend source and impacts. Sought further info to assess effect on debt and reserves.
FNHL Asset Conflicts	Examined asset sales and potential conflicts. Promoted stronger governance safeguards. Sought further info.
Russell Toilets	Referred beachfront toilet matters to Community Board – not in my scope.
Committee Appointments Review	Reviewed legality of past committee structures. Assessed compliance with statutory requirements.
LGNZ Membership Value	Reviewed costs and benefits of LGNZ fees. Assessed overlap with internal roles.
Electioneering Allegations	Investigated reports of Council staff election activity and THOON involvement. Council advised no knowledge.
Marae Rating Liability	Followed up on rates liability for marae land. Current responses remain incomplete.
MWaR Implementation	Reviewed operationalisation of MWaR agreements. Assessed governance and cost impacts.
	* PLEASE NOTE: Some of the matters outlined above were initially raised in November and December 2025 but were not assessed for further action until January 2026, due to the time required to obtain information and evaluate next steps.

Portfolio Update: (Name of Portfolio)

- None

Matters for Discussion

This section should be completed for matters which the elected member wishes to raise with wider Council, Community Boards and/or in relation to delivery.

- Many of the issues raised above in the 'Community Matters' section, require ongoing follow-up and oversight by elected members, community board members and the CEO. I consider it important that these matters are not simply noted, but are actively monitored and progressed to ensure timely, efficient and effective delivery of Council services.

Training / Conference Attendance

This section is to be completed when an elected member has attended a professional development opportunity or a conference on behalf of Council. It should outline the learnings from attending the event and value to the organisation.

Name of Event: Nil

Date of Event:

Learnings:

Value for the organisation: