

MEMORANDUM OF UNDERSTANDING

BETWEEN **HAWKE’S BAY REGIONAL COUNCIL**

AND **NORTHLAND REGIONAL COUNCIL**
AUCKLAND REGIONAL COUNCIL
WAIKATO REGIONAL COUNCIL
BAY OF PLENTY REGIONAL COUNCIL
TARANAKI REGIONAL COUNCIL
GISBORNE DISTRICT COUNCIL
MANAWATU-WANGANUI REGIONAL COUNCIL
WELLINGTON REGIONAL COUNCIL
CANTERBURY REGIONAL COUNCIL

Intention of the parties

1. This agreement forms part of the Afforestation Grant Scheme between the Minister of Agriculture and Forestry (MAF) and the parties to this Memorandum of Understanding and is contemplated under the provisions of clause 1.5, 6.1, 6.3 of the Afforestation Grant Scheme.
2. It is intended to govern the relationship between the Nominated Recipient described in the Funding Agreement for the Afforestation Grant Scheme. For the purposes of this Memorandum of Understanding (MOU)the Nominated Recipient means “Hawkes Bay Regional Council”).
3. It is intended that this ~~MOU~~Memorandum of Understanding governs the relationship between the parties in undertaking the obligations owed to MAF under the Funding Agreement for the Afforestation Grant Scheme.

Term, amendment and renewal of this agreement

4. The agreement shall take effect:
 - 4.1. Upon execution by the parties; and
 - 4.2. When all parties have approved the Funding Agreement for the Afforestation Grant Scheme.
5. The agreement shall remain in effect until superseded by mutual agreement between the parties, or cancelled by one party advising the other in writing.
6. The agreement may be amended from time to time by mutual agreement between the parties.
7. The parties agree that this agreement will be reviewed every two years more or less with the first review taking place on or about _____ day of 2010.

Allocation Panel

8. The parties will appoint an Allocation Panel. The Allocation Panel will consist of no more than 5 representatives of the parties to this agreement or persons nominated by them and approved by the CEO's of each of the participating authorities.
9. In the event of a disagreement as to the composition of the Allocation Panel the matter should be put to a vote with each party carrying one vote each.
10. In addition to the members of the Allocation Panel nominated by the parties, there shall be an independent chair (paid by retainer funded by the parties) and a representative of MAF will be co-opted on the recommendation of MAF.

Allocation Process

11. The Allocation Panel will meet as required to consider applications by landowners for participation in the Afforestation Grant Scheme. The Allocation Panel shall have absolute discretion in deciding eligibility.
12. Each applicant will provide a Statement of Capability with their application. The Allocation Panel may require any or all applicants to provide such information by way of Statutory Declaration as may be required.

Grant criteria

13. Each party shall rank the applicants within their own regional or unitary authority boundaries from the total list of applicants and supply that to the Allocation Panel. The ranking of applications will have no binding effect on the Allocation Panel. In each party's own weighted self assessment a reserve list of applicants will be provided in the event that a successful applicant does not complete or decides not to participate in the Afforestation Grant Scheme.
14. The Allocation Panel, without being bound, will consider each and every application in accordance with the assessment criteria (annexed). To avoid doubt, in the event of a contest between applicants who achieve an equal score on merit, the assessment committee may take into account in deciding which of the two equal applicants succeeds the following:
 - 14.1. Capability
 - 14.2. Size of woodlot
 - 14.3. Capacity
 - 14.4. Delivery
15. Nothing in this MOU prevents a party applying in its own name under the Afforestation Grant Scheme but no party may apply for a grant under MAF's open tender process in addition to any grant that may be available under this Scheme. In that event the Allocation Panel will adopt best practice with regard to management of any conflict of interest that may arise.
16. The Allocation Panel may take such advice as is appropriate to assess quality control and capability.
17. Before the list of successful applicants is made public, each of the parties shall be provided with a preliminary list of successful applicants and may

make such comments as it thinks fit. The views of any particular party are not binding on the Allocation Panel.

18. The expenses of the Allocation Panel shall be met by each of the parties save in respect of any out-of-pocket disbursements incurred by a party and the costs of the independent chair in which case this cost will represent a cost of administering the Afforestation Grant Scheme and be factored into the cost structure set out in Item 3 Schedule 2 to the Funding Agreement for the Afforestation Grant Scheme.

Contracting

19. Upon publication of the list of successful applicants the nominated recipient will take such steps as maybe required to complete the contract arrangements between MAF and the landowner, and in particular the Afforestation Grant Agreement.

Payment

20. Payment under the scheme will be made to each and every landowner based on paid invoices. The minimum level of invoices prior acceptance of a valid claim for payment shall be \$10,000 (plus GST). The Allocation Panel in its discretion may withhold payment in circumstances where it is prudent to assess the quality and capability of the landowner prior to payment. The aim of the Allocation Panel will be to have payment made within 6 months of the landowner incurring the expense.

Costs

21. The administration fee payable by MAF under the funding agreement for Afforestation Grant Scheme will be allocated on a region by region basis according to the proportion of the total funding made available to applicants within each regional or unitary boundary for that region.

Disputes

22. In the event of a dispute between the parties, the dispute will be referred to the independent chair of the Allocation Panel (whose decision shall be final).

Indemnities

23. Each party shall arrange such insurance cover as may be required to meet any anticipated losses arising from the administration of the scheme within the parties regional boundaries. Each party will bear its own losses within its own regional boundaries provided however that in a meritorious case the other parties may resolve to assist by making a contribution toward the losses incurred by a particular party.
24. The parties agree to make themselves (and their liability insurers) aware of the provisions of clause 17 and 18 of the Funding Agreement for the Afforestation Grant Scheme.

Media/Promotion

25. The advertising of the scheme and invitation for applications shall be a shared cost between the parties. Any media promotion shall be arranged on a global basis by the nominated recipient and the cost shared equally amongst the participating parties.

Limited Assignment/Sub-contracting

26. The parties may, in their discretion, contract out the functions of quality control and assessment to an accredited consultant or contractor subject however to the approval of the Allocation Panel.

Acceptance

27. The undersigned accept the terms of this agreement on behalf of each of the parties.

Ken Paterson
Chief Executive
Northland Regional Council

Date:

Peter Winder
Chief Executive
Auckland Regional Council

Date:

Clare Crickett
Acting Chief Executive
Waikato Regional Council

Date:

Bill Bayfield
Chief Executive
Bay of Plenty Regional Council

Date:

Basil Chamberlain
Chief Executive
Taranaki Regional Council

Date:

Lindsay McKenzie
Chief Executive
Gisborne District Council

Date:

Andrew Newman
Chief Executive
Hawke's Bay Regional Council

Date:

Michael McCartney
Chief Executive
Manawatu-Wanganui Regional Council

Date:

David Benham
Chief Executive
Wellington Regional Council

Date:

Dr Bryan Jenkins
Chief Executive
Canterbury Regional Council

Date:

DRAFT ASSESSMENT CRITERIA (REFER CLAUSE 14 MOU)

Note: once an Allocation Panel is formed the overall allocation process will be refined by that Panel. It is envisaged the Panel will meet three times per year.

PROCESS FOR ALLOCATION OF FUNDS

STAGE 1

Call for expressions of interest from Councils

3 grant options

- 1 Exotic blocks (High C)
- 2 Indigenous (LOW C)
- 3 riparian strips (HIGH/LOW C)

Criteria:

Primary:

- 1 Fast carbon
- 2 Soil conservation LUC class VIe and VIIe
- 3 Water quality

Secondary:

- 4 Flood protection
- 5 Biodiversity

STAGE 2

Councils Capability statement
Panel Assessment of applications
Councils Ranking own issues based on above (include a reserve list)
Communicate back to councils
Contracts

STAGE 3

Contracts with Landowners