



**Annual Plan and Budget  
2017-2018**

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## Karakia

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Ko Rangi  
Ko Papa  
Ka puta ko Rongo  
Ko Tane Mahuta  
Ko Tangaroa  
Ko Tumatauenga  
Ko Haumietiketike  
Ko Tawhirimatea  
Tokona te Rangi ki runga  
Ko Papa ki raro  
Ka puta te ira tangata ki te whai ao, ki te ao marama  
E Rongo, whakairia ake ki runga, Kia Tina! Tina!  
Hui e, Taiki e!

## Vision

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*He reo tō te wai  
He reo anō tō te tāngata  
Kotahi tonu whakapapa, whakakotahitia!*

*Our water has its language  
As too do our people have theirs,  
Both born of one whakapapa, United!*

Te Wai Māori Trust's vision statement recognises that all hapū, iwi and tupuna share the same kawa-based relationship with their rivers, lakes and coastal waters. In kawa, all living things are linked through whakapapa, connecting people, birds, fish, trees and natural phenomena, and legitimising our place in this land and shaping our views as peoples of this land.

We must therefore ask whether what we are doing now will go far enough to protect and enhance habitats and taonga freshwater species. Our vision therefore speaks to moving from talk to action, to strategize and mobilise, to put the aspirations of taonga species first. We must find solutions to improve waterways, streams and rivers to ensure changes are not at the expense of our freshwater fisheries.

## Strategic Outlook

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Te Wai Māori Trust (Wai Māori) has developed a Strategic Plan (strategic plan) that sets the direction for the next 3 years. The strategic priorities are:

- Protect and enhance Māori rights and interests in freshwater and freshwater fisheries
- Advance Māori interests in freshwater fisheries
- Build effective strategic relationships

The strategy identifies a programme of action to progress the long-term outcomes we work towards, including:

- Increasing iwi and hapū capacity and capability in freshwater fisheries and their ability to control their freshwater fisheries
- Promoting and sharing indigenous fisheries expertise, knowledge and understanding
- Increasing the quality and range of information to iwi and hapū on freshwater fisheries and their interests thereof
- Enhancing the health and wellbeing of the indigenous fisheries and their environment.

The development of the strategic plan was guided by engagement with iwi and hapū through surveys, participation in working groups, the review of the Wai Ora Fund and the Tuna Conference held at Whanganui in July 2017. We also commissioned an environmental scan of the freshwater and freshwater fisheries sector and a report on Taonga freshwater fisheries in Aotearoa. These reports, and the views and responses of iwi and hapū through our engagement have helped to shape the key actions and objectives for the next three years.

This Annual Plan sets out the actions and objectives for year one of the Strategic Plan and the resources required for the activities to be undertaken to meet those objectives.

## Key actions for 2017-18

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### Priority Project: Protect Rights and Interests in Freshwater for hapū and iwi

Objective 1: Support iwi, hapū and whānau to advance their rights and interests and aspirations in freshwater and freshwater fisheries:

- Analyse and respond to government freshwater reforms to ensure policy options are aligned with iwi rights and interests
- Deliver policy and advisory services to iwi, hapū and whānau on freshwater policy reforms as they relate to freshwater fisheries and their habitats
- Promote appropriate tools, processes and relevant legal mechanisms to give effect to iwi rights and interest and aspirations for their freshwater fisheries
- Ensure opportunities are available for iwi to be actively involved in the development of government freshwater reforms
- Develop a Regional Council score card (Good Council Index); evaluate the Regional Councils performance with iwi and hapū.

## Priority Project: Freshwater fisheries development

Objective 1: Provide funding to iwi, hapū and whānau to support them to protect, enhance and develop their freshwater fisheries and habitats:

- Wai Ora Fund:
  - Develop a funding strategy and priorities for Wai Ora Fund to align with the strategic priorities and long-term outcomes
  - Improve the Wai Ora Fund process including identifying opportunities to build the capability of iwi and hapū to complete funding applications
  - Provide funding to iwi, hapū and whānau through the Wai Ora Fund to support them to protect, enhance and develop their freshwater fisheries
  - Hold a wananga to provide an opportunity for past, present and future Wai Ora applicants to connect and learn from each other
  - Develop and implement a communications strategy for the Wai Ora Fund including developing an information hub/portal for Wai Ora projects
  - Seek opportunities for alignment with other agencies that fund freshwater fisheries initiatives to influence/leverage funding to support taonga freshwater fisheries projects, capability/capacity building of Māori communities and scientists, and the implementation of restoration actions.
- Other funding requests:
  - Develop a funding strategy, priorities and criteria for other distributions of the trust income (outside of the Wai Ora Fund) to ensure distributions are consistent with the Trust's purpose and the definition of freshwater fisheries under the Māori Fisheries Act.

Objective 2: Assist iwi and hapū to lead the national coordination of efforts to improve the management of Piharau/Kanakana

- Piharau/Kanakana Group:
  - Work alongside iwi and hapū (iwi steering group) to lead the national coordination of efforts to improve the management of piharau/kanakana
  - Use multi-stakeholder, collaborative processes to support iwi and hapū to lead the decision-making on the management of piharau/kanakana
  - Assist iwi and hapū with other stakeholders/interest groups to develop and implement strategies to improve the management of piharau/kanakana and provide for the articulation and identification of iwi and hapū values, aspirations and perspectives for piharau/kanakana.

Objective 3: Identify and develop options to uphold Te Mana o Ngā Tuna

- Work with iwi, hapū and whānau to enhance the status and aspirations of tuna for their future:
  - Analyse potential options for protecting tuna

- Establish and operate a Tuna Forum to develop a collective model for the management of the tuna fishery to influence decision making and management processes.

## Priority Project: Strategic Relationships

### Objective 1: Build Effective Strategic Relationships

- Develop and implement a communications and engagement strategy with iwi, hapū and whānau (includes website refresh)
- Build and maintain relationships with central and local government
- Collaborate with iwi and hapū and government agencies on Piharau/Kanakana Collective strategies
- Collaborate with commercial and customary non-commercial interests to support iwi to have an effective influence on industry policy to assist with enhancing the management and development of tuna.

### Objective 2: Reorganise Wai Māori capacity for the future

- Reorganise Wai Māori as an agent of MIOs, hapū and iwi to act as an influencer and advocate for the protection and advancement of freshwater and freshwater fisheries based on Te Mana o Te Wai, Whakapapa and Kaitiakitanga.

## Provide governance, oversight and resources to enable the Trust to operate effectively

- Directors continue to comply with their fiduciary duties as described in the Māori Fisheries Act, Trust Deed and constitution
- Directors develop and implement the risk management framework to manage any risks that will prevent Wai Māori from achieving its objectives
- Directors conduct a review of Board performance to identify opportunities for the Board and individual board members to improve their governance performance over time
- Continue to invest funds in the joint portfolio managed by Te Ohu Kaimoana Portfolio Services Limited in accordance with an agreed Statement of Investment Policies and Objectives.
- Provide resources and an environment needed to enable Wai Māori to meet the objectives and actions that have been agreed
- Directors are provided with training, in line with the evaluation of the Board's skill needs.

## Key performance indicators

- ✓ Projects that build effective, strong and enduring relationships between parties with customary and commercial interests in tuna are agreed and implemented by all interested parties
- ✓ Projects that build effective relationships with iwi and hapū, government agencies and other stakeholders with interests in kanakana / piharau are agreed and implemented by all interested parties
- ✓ Environmental reporting tools developed that acknowledge cultural values, and provide a role for iwi and hapū nationwide in implementation and interpretation
- ✓ Proposals for freshwater and freshwater fisheries management at a national level are analysed and practical solutions aligned to iwi rights and interests offered
- ✓ Technical and independent advice is provided to iwi and hapū in discussions with government and government agencies on freshwater and freshwater fisheries, where appropriate
- ✓ Increased quality and range of information available for iwi and hapū on freshwater fisheries
- ✓ Māori organisations can apply to the Wai Ora Fund that promotes Māori interests in freshwater fisheries through development, education and research
- The significance of tuna to iwi, hapū and whānau is recognised in the Resource Management Act and regional plans
- ✓ A performance evaluation process to report back to iwi, hapū and whānau is developed by Wai Māori
- ✓ Regional Councils have a benchmark to improve performance and engagement with Māori.
- ✓ All statutory obligations have been met as required.

## Budget for 2017-18

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### Income

In FY17/18 Wai Māori is expected to generate total income of \$1,449,000 (FY16/17: \$1,640,000) from the investment income.

Income	Budget FY17/18
Portfolio Income available for operating <sup>1</sup>	920,000
<b>Total Income</b>	<b>920,000</b>

### Expenses

Wai Māori will have expenses of \$ 1,063,843 for the year (FY16/17: \$884,000) in the following key areas:

Expenses	Budget FY17/18
Projects:	
Wai Ora Fund	328,600
Protect Māori Rights and Interests	121,000
Tuna Forum	32,000
Tuna Status	60,000
Piharau / Kanakana	35,000
Research	30,000
Directors Fee, training and other	89,000
Professional Services <sup>2</sup>	15,000
Te Ohu overhead contribution <sup>3</sup>	302,290
Sponsorship and other costs	48,000
<b>Total Expenses</b>	<b>1,063,843</b>

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<sup>1</sup> Refer to key assumptions regarding 4% spending rule.

<sup>2</sup> Not otherwise included in the project listed above.

<sup>3</sup> Refer to key assumptions for breakdown of overhead contribution

## Key assumptions

Key assumptions in constructing the budget are:

- Wai Māori income is based on:
  - 4% spending rule on capital of \$23 million increasing to \$25 million because of distributions from Te Ohu Kaimoana
  - Investment income expectation is 6.3% based on SIPO level of 4.5% plus inflation (forecast 1.8% for September 2017 quarter) - after all management fees, but not including independent advisor fees
  - Annual drawdowns for operational expenditure are targeted to be no more than 4% of the average of the previous 3 years of the total portfolio investment fund attributable to Wai Māori
  - Some of the underspend for FY15, FY16 and FY17, after allowing for distributions to the capital maintenance reserve to maintain and grow the portfolio, has been budgeted to be used this year to supplement the available income.
  - Transition to the diversified portfolio agreed under the Statement of Investment Objectives and Policies (SIPO) and review of SIPO completed to ensure it continues to be appropriate for the organisation's requirements and investment climate
  - Short term funds held outside of the portfolio are managed to maximise returns, within acceptable risk parameters, for the period they are held
  - Available cash flows are managed to meet the needs of Wai Māori
  - The returns from the portfolio are monitored to ensure the planned expenditure is aligned with the prospective available returns
  - Surplus investment income, above the 4% available for annual drawdowns, is transferred into a capital maintenance reserve to preserve the real value of the portfolio and therefore income available for operational expenditure.
- Te Ohu Kaimoana overhead charge includes HR charge of \$182,341, infrastructure charge of \$39,949. Also includes \$80k proposal to employ Senior Advisor (RMA) – this is based on a .8 FTE shared with Te Ohu and includes a percentage of the infrastructure charge. Recruitment for the position complete in early 2018. Te Ohu recovers direct costs.
- Wai Ora funding does not include existing contracts commitment totalling \$14,500 for FY2015-16 and \$127k for FY2016-17.
- Protect Māori rights and interests under projects includes approved funding from FY2017-17 of \$40K to Iwi Leaders Group for Freshwater for Wai 2358 Inquiry.
- Sponsorship for Māori Fisheries Conference of \$10k will include the cost of a recipient(s) of the Wai Ora Fund attending the conference and presenting on their project.