

Governance and Strategic Direction



governance and strategic direction group

Overview of Group

This group comprises the Governance and Strategic Direction activity, which includes the following functions:

- Democracy
- Kaupapa Maori
- Policy and Strategic Direction
- Corporate Support functions, which includes:
 - Corporate Administration
 - Corporate Property
 - Information Technology and Information Management
 - Records
 - Customer Services
 - Land Information Services
 - Accounting and Treasury

The Governance and Strategic Direction Group underpins Council's democratic processes and provides policy and priorities for strategic direction, advocacy, and delivery of services to best meet the community's needs.

The activity is central to ensuring that Rotorua District Council's services are contributing towards the promotion of community outcomes and improving social, cultural, economic and environmental well-being for the people of the district.

The review of the community outcomes undertaken in 2008 confirmed that the outcomes are still relevant and while significant progress has been made, there is still a long way to go. As a result of this consultation, 'community leadership' was added as an overarching theme. Council's community leadership role is particularly important in the current economic environment where a clear direction and commitment is needed to address a wide range of issues. Council's role in promoting sustainable development and the well-being of the community is also of significant importance and underpins many of the proposals set out in the draft Ten Year Plan.

Strategic Direction and Highlights

Cost Management

It is anticipated that there will be no significant changes in the level of service in this period. However considerable work has been done during the preparation of this plan to hold or reduce corporate costs, with more work to be undertaken over the next few years to explore shared services with other organisations and local authorities. A procurement review has led to major savings in areas such as printing and stationery, computers, copiers/printers, legal costs, insurance and vehicle fleet.

Communities for Climate Protection

Council has adopted a co-ordinated and corporate-wide approach to environmental protection and sustainable development, to ensure it becomes a central part of RDC's operations. The aim is to lead by example and "walk the talk" before also promoting increased sustainability amongst Rotorua communities.

In 2008 Council developed a sustainability policy and a corporate action plan to reduce energy use and emissions. For the Rotorua District Council there are significant opportunities to reduce costs and improve efficiency. Long-term opportunities from Council's leadership in this area include marketing Rotorua as a 'green' tourism destination.

Council has an important role in planning how Rotorua will cope with the impacts of global environmental issues in the future, and in educating people about the key issues that are likely to affect us. Recognising this responsibility Council has become a member of the Communities for Climate Protection (CCP) programme run by the International Council for Local Environmental Initiatives (ICLEI).

Rotorua District Council's efforts as a sustainable business also earned it the Not-For-Profit Trailblazer Award at the 2008 Bay of Plenty Sustainable Business Awards.

Organisation of Local Government in the Bay of Plenty

The Royal Commission of Inquiry into Local Government in Auckland may ultimately lead to some wider changes for local government. The Mayors and chairs of the Bay of Plenty have agreed to review the outcomes and recommendations from the Royal Commission's inquiry and consider whether there is any need for change in the Bay of Plenty.

The steps for Rotorua are likely to be:

1. Analysis of Royal Commission Report
2. Report on options for Rotorua
3. Consideration of Next Steps that may include wider consultation or to discontinue any further consideration.
4. Should there be a decision to 'proceed further' it is not likely that there will be any change for Rotorua until 2012.

Customer Service

Council's new Customer Centre began operation in December 2008 and replaced numerous customer counters spread throughout the Civic Centre's three floors. The public entrance to the building remains in the original location - with access from both Haupapa and Hinemaru streets. The centre provides a more efficient service and improves customer satisfaction with council services by ensuring more inquiries can be dealt with at the first point of contact, whether by phone or in person.



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Rating System

Significant work has been done since the last Ten Year Plan on reviewing the basis of rating in Rotorua District. The previous Ten Year Plan signalled that Council would consider a move to a system of rating based on capital value. A proposed framework was rejected by the community in late 2008 and since then Council has been working on a new proposal that reflects the key themes raised during the submission process. A hybrid rating framework, a combination of land value general rate and capital value targeted rates, is now included in this plan.

Other Issues

Other issues that Council will address prior to the 2010 local body elections and over the ensuing years are:

- Review of representation, including canvassing opinion for Maori representation, STV or FPP voting and community boards.
- Role of joint committees with territorial and regional authorities.
- Facilitating participation in decision making processes by Maori.
- Strengthening relationships with community partners, including the Te Arawa Lakes Trust and other entities.
- Responding effectively to community input into annual and strategic planning documents.
- Co-ordination, prioritisation and completion of numerous policy requirements resulting from changes in the local government environment.
- Greater demand on process and facilitation along with consultation and communication.
- Increasing the organisation's capacity to align with Maori through joint projects.
- Developing and implementing cultural training.
- Providing leadership at a senior management level.
- Advising and guiding the organisation on Tikanga and Maori protocol and culture.
- Responding to changing demands for services from the community.

- Responding to greater compliance requirements.
- Responding to demand on process and facilitation along with consultation and communication.
- Reviewing and adopting subsequent Ten Year Plans.
- Undertaking community outcomes monitoring and developing a community outcomes action plan.
- Ensuring annual reports are completed by statutory deadlines.

Potential Significant Negative Effects

Though no significant negative effects have been identified in relation to this activity group, some minor negative effects associated with the democratic process have been highlighted in the Governance and Strategic Direction Activity Plan.

Asset Management Plans Information

The key assets used in this activity group are:

- Civic Centre
- Land
- Information technology assets (including software and databases)

The significant assets are covered by a separate asset management plan.



Governance and Strategic Direction Assets

Asset Type	Cost/Valuation (\$000s)	Accumulated Depreciation (\$000s)	Book Value 1 July 2008 (\$000s)
Aerial Maps Collection	701	250	451
Buildings	13,788	1,168	12,621
Computer Hardware	3,817	2,550	1,266
Computer Software	4,990	3,220	1,769
Furniture	1,300	1,115	185
Land	12,514	-	12,514
Office Equipment	460	413	47
Plant and Machinery	1,027	452	576
Roading	314	-	314
	38,912	9,168	29,744

governance and strategic direction activity plan

Why we do it

To provide the organisation and community with inspiring, competent leadership and direction; to ensure public awareness of and involvement in Council decision making processes; and to provide high quality governance, advice and support to elected members and staff. Much of this work is subject to legislative and consultative requirements.

What we do

- Provide leadership for Council as an organisation; and political, social, cultural and economic leadership and advocacy for the community.
- Provide advice and support to elected members and staff on all aspects of the democratic process.
- Provide opportunities for public participation in decision-making and around how resources should best be allocated to meet community needs and aspirations.
- Undertake decision-making, policy formulation and adoption, community consultation, servicing Council meetings, district and civic functions, and specific archive requirements.
- Ensure our internal systems and processes are up to date and capable of supporting and enabling the organisation to perform its key tasks effectively and efficiently.









- Manage three yearly council elections.
- Facilitate citizenship ceremonies.
- Provide for the many costs associated with the statutory requirements of Council conducting its normal business.
- Provide advice and assistance in the development of Council policies which affect Maori and promote and enhance the efficient management of Tangata Whenua resources.
- Facilitate communication with Maori on issues and decisions that directly or indirectly affect them.
- Manage Council's relationship with Te Arawa and Tangata Whenua.
- Advise the council on protocol and Tikanga Maori.
- Foster a positive partnership between Tangata Whenua and Council.
- Promote awareness and understanding of Maori culture and protocols.



governance and strategic direction activity plan cont.

Community Outcomes

This activity covers a range of specific functions but is also the home of corporate governance and planning. It therefore contributes to all community outcomes by providing corporate leadership and direction for the organisation.

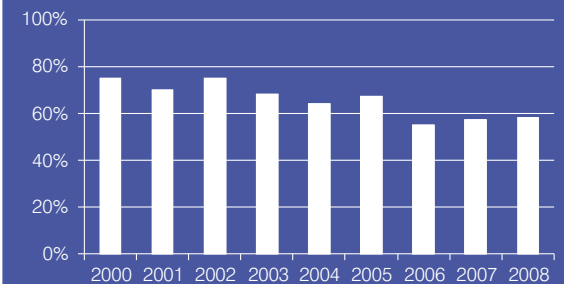
Community Outcome	How the council contributes
 Safe & Caring	<ul style="list-style-type: none"> By considering and incorporating safety aspects into services and facilities provided by council.
 Environment	<ul style="list-style-type: none"> By helping to maintain the natural and physical environment through various activities.
 Health	<ul style="list-style-type: none"> By providing facilities and services to standards and quality expected to ensure a healthy community.
 Prosperity	<ul style="list-style-type: none"> By ensuring the community's views are heard before decisions are made.
 Facilities & Services	<ul style="list-style-type: none"> By providing sound democratic and corporate governance. By leading the development of a vision for the district.
 Maori Culture	<ul style="list-style-type: none"> By making decisions that respond to or plan for current and future community needs. By increasing the organisation's capacity to consult, inform and respond to concerns raised by Maori. By undertaking the role of caretaker for many of the district's resources, for today's and future generations.
 Learning	<ul style="list-style-type: none"> By ensuring that council provides services and facilities that increase the learning and knowledge of its residents.
 Happening	<ul style="list-style-type: none"> By undertaking a number of activities and initiatives to help make Rotorua the destination of choice for national and international visitors.

Did you know?

Rotorua residents consistently give an above average performance rating to the mayor, councillors and council staff. However, over time there has been a gradual fall in perceived performance – both in Rotorua and at the national level. Council strives to maintain its service levels and provide ample opportunities for public feedback. Examples include:

- Consultation on Council's Ten Year Plan, annual plans and any significant proposals.
- Public input on the rating model used by Council to fund services.
- Three yearly elections.

Very good/fairly good
Performance rating of Mayor and Councillors



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What does the council plan to do in the future

What is the council currently doing?	What will we do in years 1 to 3?	What will we do in years 4 to 10?	How will we know if we achieve our objective? (key result areas)
Consulting with community on rating options (capital value or land value).	Undertake a review of the options for local government in the Rotorua District.	Undertake representation reviews (required at least every 6 six years).	Residents are mostly satisfied that Council has made decisions that are in the best interests of the district. Processes are undertaken in a timely manner and in accordance with all legislative and regulatory requirements.
Undertaking a review of elected members representation for 2010 elections.	Undertake council elections in 2010.	Council elections (every 3 years).	
Preparing the Ten Year Plan for 2009-19.	Prepare and consult community on Council's Ten Year Plan and Annual Plan.	Preparation, consultation and adoption of Ten Year Plans and Annual Plans.	
Overviewing expenditure for the financial year.	Review significant policies.	Ongoing review of significant policies.	
Completed a review of levels of service for specific activities.	Review levels of service to meet the needs of the community whilst ensuring service delivery remains affordable.	Ongoing review of levels of service and affordability of service delivery with community.	



Did you know?

Rotorua District Council has a proud history of working with Te Arawa on decisions affecting Maori. In addition to Te Arawa Standing Committee, Maori have input to Council through hui, consultation committees, formal protocols and memoranda of understanding. Council is continually seeking to improve its relationship with iwi and Maori, and to ensure that Rotorua's living Maori culture is valued. Examples include:

- Marae based seminars in partnership with government agencies to improve information access and capability for Maori throughout the District.
- Facilitation support for Matariki, Maori Language Week and other events.
- Maori language courses with council staff, elected members and staff from other agencies.

governance and strategic direction activity plan cont.

Measuring our achievements

Level of Service	Performance measures	Current performance	Performance targets									
			09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19
Governance, Leadership and Decision making.	% of residents satisfied with Council's decisions and actions ¹ .	70%	71%	72%	73%	>73%						
	% of residents rate level of council information to be sufficient ¹ .	60%	61%	62%	63%	>63%						
	Triennial election held without successful appeal	Last elections in 2007		Triennial Elections held			Triennial Elections held			Triennial Elections held		
	Electoral representation reviewed in timely manner	Representation review completed in 2006	Representation review completed						Representation review completed			
	Review options for local government in Rotorua District	Triannual meetings every 4 months	Report on options and public consultation	Implementation of 2010 consultation results								
	At least every three years report on Community Outcomes progress	Last report to community in 2007	Community Outcomes Report				Community Outcomes Report			Community Outcomes Report		Community Outcomes Report
	Review Community Outcomes every 6 years	Last reviewed in 2008					Review Community Outcomes					
Encourage the preservation and sustainable development of Maori resources.	Provide funding and assistance for the preparation of Mana Whenua plans.	At least 2 Mana Whenua plans are produced for the year.	1 plan	1 plan	1 plan	2 plans per year						
Foster partnership between Council and Maori on matters of mutual interest.	Hold a workshop between Maori and Council to discuss matters of mutual interest.	At least one workshop is held for the year.	1 workshop per year									

¹As measured by annual NRB Survey

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Negative effects

Negative effects	Mitigation options
Interest groups may dominate the decision-making process.	Wider consultation with under-represented groups.
Poor voter turnout for council elections.	Comprehensive multi-channeled promotion of the electoral process.
Insufficient candidates seeking election.	Candidate information briefings and material.

Funding conditions

Who benefits from the activity?

The community as a whole.

What is the period of benefit?

Benefits are intergenerational and ongoing with the continuing development of Council as an efficient and effective organisation.

Who creates need for the activity?

The need to undertake this activity is created by the community as a whole, supported by legislation.

Funding source

It is considered that the benefits of expenditure in this activity extend to the community as a whole. Up to 90% is funded from general rates with 1% from a targeted rate for the community board and the balance funded from property rental user fees and charges.

Major changes planned for assets

Reason for change	What will be done?	Year 1 (\$000s)	Year 2 (\$000s)	Year 3 (\$000s)	Year 4 -10 (\$000s)
Increased demand	Implement Grow Rotorua Development Fund	3,500	3,605	-	-
Increased levels of service	Strategic purchase of properties ¹	1,000	515	1,061	6,788

Note 1: Year 1 - Lake Road acquisition
Years 2 to 5 - Victoria Street acquisition

Asset Management

Key assets

The key assets associated with this activity are the Civic Centre and specialised information technology assets.

Maintaining our assets

Management of key assets is provided for in a separate asset management plan.



governance and strategic direction activity plan cont.

Financial summary (plan 2009/10 and forecast 2010/11 to 2018/19)

Governance & Strategic Direction (\$000s)	Actual 2007/08	Annual Plan 2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Operating Expenses												
Direct Costs	4,514	4,512	5,082	5,317	5,287	5,426	5,678	5,702	5,866	6,052	6,084	6,259
Financial Costs	123	221	212	257	269	306	325	339	313	318	316	271
Depreciation	703	741	650	614	559	569	554	546	530	516	501	521
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total Costs	5,340	5,474	5,944	6,188	6,115	6,301	6,557	6,587	6,709	6,886	6,901	7,051
Revenue												
Capital Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Fees and Charges	610	515	511	526	542	558	575	592	610	628	647	666
Investment Income	-	-	39	41	44	47	51	54	58	62	66	71
Subsidies and Grants	-	-	-	-	-	-	-	-	-	-	-	-
Targeted Rates	48	50	50	52	53	55	56	58	60	61	63	65
Total Revenue	658	565	600	619	639	660	682	704	728	751	776	802
Internal Recoveries												
Internal Recoveries	1,535	1,807	1,932	1,932	1,932	1,932	1,932	1,932	1,932	1,932	1,932	1,932
Total Internal Recoveries	1,535	1,807	1,932	1,932	1,932	1,932	1,932	1,932	1,932	1,932	1,932	1,932
Net Cost of Service	3,147	3,102	3,412	3,637	3,544	3,709	3,943	3,951	4,049	4,203	4,193	4,317
Capital Costs												
Renewals	-	-	124	58	102	155	141	85	30	619	91	305
Growth	-	-	3,500	3,500	-	-	-	-	-	-	-	-
Backlog	-	-	80	-	-	-	-	-	-	-	-	-
Level of Service	-	-	1,100	515	1,061	1,639	2,251	2,898	-	-	-	-
Total Capital	1,668	4,781	4,804	4,073	1,163	1,794	2,392	2,983	30	619	91	305
Operational Funding												
Net Cost of Service	-	-	3,412	3,637	3,544	3,709	3,943	3,951	4,049	4,203	4,193	4,317
Plus Capital Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Less Depreciation	-	-	(650)	(614)	(559)	(569)	(554)	(546)	(530)	(516)	(501)	(521)
Add back Depreciation Funded by Rates	-	-	124	58	102	155	141	85	30	619	91	305
Operations Funded by General Rates	-	-	2,886	3,081	3,087	3,294	3,530	3,489	3,549	4,305	3,782	4,101
Capital Funding												
Funding from Depreciation (Rates)	-	-	124	58	102	155	141	85	30	619	91	305
Loans from/(to) Corporate Fund	-	-	4,680	4,120	1,061	1,639	2,251	2,898	-	-	-	-
Capital Grants	-	-	-	-	-	-	-	-	-	-	-	-
Development Contributions	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital	1,668	4,781	4,804	4,178	1,163	1,794	2,392	2,983	30	619	91	305

Minor roundings may occur in above totals