

SUSTAINABLE DEVELOPMENT

Sustainable Wellbeing Statements

In addition to its role as a provider of public infrastructure and services, Council makes an important contribution to local development as a leader and an enabler. The Local Government Act 2002 requires Council to facilitate community discussions to identify a shared vision and priorities and then over time to monitor progress towards improved community wellbeing.

*Ma te noho marama ki nga tumanakotanga
mo inaiane ka taea e tatou te nuku whakamua*

*Only by having a clear understanding of where we are now
can we hope to move forward to where we want to be in the future*

Over the past several years Council has developed baseline sets of indicators for each of four dimensions of wellbeing – social, economic, environmental and cultural. These indicator sets will be further developed during the coming years. They will also be aligned with the Community Outcomes Monitoring Programme that is currently being developed by an inter-agency working group.

The statements that follow present up-to-date local information on:

- Social wellbeing
- Economic wellbeing
- Environmental wellbeing
- Cultural wellbeing

When interpreting this information it should be recognised that there are many influences on community wellbeing, including Council activities, Government policies and services, national and international economic conditions, technological advances, and many other factors.

Social Wellbeing Statement

A report published in 2002 presented data on more than 40 indicators of social progress in the Rotorua District. This information is kept up-to-date on Council's website as it comes to hand. The information is compiled from a range of sources, including Government agencies and community surveys. The indicators were carefully chosen on the basis of relevance, availability and public feedback. Ongoing consultation is undertaken with local organisations and individuals to continue refining the data set.

Council's social monitoring programme covers the following broad topics:

- Rotorua's People
- Health
- Housing
- Education

- Standard of Living
- Community safety
- Social connection
- Democracy

Rotorua's People

Rotorua's demographic profile is the 'canvas' on which social trends are overlaid. Characteristics such as age and ethnicity are determinants of social outcomes such as education, health and employment. Key demographic trends in Rotorua include:

- Moderate population growth averaging 0.4% per annum over the coming 20 year period, with more rapid growth in the eastern suburbs, northern rural and eastern lakes areas.
- Increasing numbers of Māori, Pacific Islands and Asian residents.
- Increasing numbers of older residents.

Health

The annual number of people in the Lakes area who die before age 65 was 31% in 1999 compared with 34% in 1998. More recent figures, to be released next year, will help clarify whether or not this is the start of a positive trend. The comparable 1999 figure for New Zealand overall was 24%. The reason that an above-average number of Rotorua people die before age 65 is due at least in part to the relatively poor health status of Māori. Other indicators show that Rotorua has an above average rate of young parenting, low birthweight babies and infant deaths.

Housing

Since the early 1990's household overcrowding has fallen both locally and nationally. Around 440 dwellings in the Rotorua District could be considered 'high occupancy' as at March 2001. Over the period 1991 to 2001, home ownership in Rotorua fell from 74% to 66%. This compares with a 2001 home ownership rate of 68% throughout New Zealand as a whole. The decline in home ownership over the past decade may be partly due to policy changes such as the introduction of the student loans scheme, and may also be due to changing householder preferences. Housing New Zealand Corporation currently provides a stock of 685 housing for low-income families in Rotorua, and Rotorua District Council currently provides 146 units for pensioners.

Education

Pre-school education in Rotorua is readily available through the District's many kindergartens, play centres, kohanga reo and pre-school groups. There are around 89 licensed early childhood services in the District providing an early start to the formal education of more than 3,400 Rotorua children. According to Ministry of Education statistics, 47% of Rotorua students attend a school with a decile rating of 3 or lower. There has been a recent positive trend in high school education, with the number of student stand-downs dropping to 257 in 2002 from 286 in 2001. This was in contrast with many other parts of New Zealand which experienced a rise in stand-downs between 2001 and 2002. According to Census results, the percentage of working-age population in the Rotorua District with some form of academic qualification increased to 69% in 2001 from 60% in 1996. However, the percentage of working-age people with an academic qualification remains below the 2001 national average of 72%. More frequent information from the Ministry of Education shows that the percentage of Rotorua school leavers with no formal

qualification is around 21% compared with 18% at the national level over this period.

Standard of Living

Around 34% of Rotorua children live in sole-parent families, which is slightly higher than the rate of 33% in 1991. Children growing up in sole-parent families tend to be disadvantaged in terms of health, education and future earning opportunities. In real terms (1999 dollars) median household income in the Rotorua District increased from \$33,337 in 1991 to \$36,569 in 2001. This is around \$1,300 below the national median household income of \$37,920. As at December 2003, 2,920 people were registered as receiving the Unemployment Benefit at the Rotorua work service site, down slightly from 3,046 in December 2002. The Bay of Plenty regional unemployment rate is currently around 5.9%, which is the lowest it has been in many years.

Community safety

As at June 2003, 21% of Rotorua residents thought the District was not really/definitely not a safe place to live, up from 13% in 2002 and slightly above the national average of 17%. The main reasons people gave for saying the District was not safe included problems with young people, burglaries, and physical violence. There has been an increase in serious crimes in the past several years, particularly violence-related and drug offences. The total number of reported crimes in the Rotorua Police District increased to 12,228 in the year to December 2003 compared with 10,304 in the year to December 2000. This is an increase of 19% over a three-year period. Contributing factors included an increase in reported dishonesty offences, drugs and anti-social offences, violence offences, property damage offences and property abuses. Note that changes in reported offending may partly reflect trends in public awareness rather than actual offending. The annual number of road traffic accidents in the Rotorua District increased to 155 in 2002 compared with a low of 95 in 2000. There were 226 road casualties in the District in 2002 compared with 142 in 2000. On a positive note, the annual number of road fatalities in the District has remained in single figures for the period 2000-2002. The Land Transport Safety Authority estimates that the social cost of crashes in the Rotorua District in 2002 was \$64.7 million.

Social connection

As at June 2003, 72% of residents rate Rotorua's community spirit as good or very good compared with 75% in 2002. The perceived level of community spirit in Rotorua is similar to the national average. More than half of all Rotorua residents feel that they can generally trust strangers, which is slightly above the national average.

Democracy

In 2001 the voter turnout for the Rotorua District Council election dropped to its lowest recorded level of 49%. However, satisfaction with Council services and elected representatives remains fairly high compared with other districts. As at June 2003, 68% of Rotorua residents rated the performance of the Mayor and Councillors as good/very good compared with the national average of 56%. Major issues on which Rotorua residents want consultation include roading, airport development, lake ownership, town planning, lake water quality and rates.

Economic Wellbeing Statement

This section presents available information on the Rotorua economy under the following headings:

- Economic overview
- Business confidence
- Agriculture
- Forestry
- Manufacturing
- Construction and real estate
- Transport
- Wholesale and retail
- Tourism and hospitality

Economic overview

Rotorua's economic output is estimated at \$2,000 million per year. Rotorua's estimated economic growth rate is currently steady at around 4% per annum, which is slightly above the trend at the national level. A growth rate of around 2.6% per annum is projected in the longer term. Labour force participation has increased substantially over the past decade, and unemployment has fallen. Rotorua's occupational profile is gradually changing, with fewer agricultural workers and increased numbers of manufacturers, professionals, teachers and other service occupations. Census results show that the most significant industries in the District in terms of employment include retail trade (employing 3,500 people), manufacturing (3,500), property and business services (2,550), health and community services (2,500), agriculture and forestry (2,400), accommodation, cafés and restaurants (2,300) and education (2,300). Fast-growing sectors over the coming years are expected to include trade and tourism, machinery and equipment manufacturing, wood products manufacturing, health, education, forestry and transport. There are a number of available sites for new investment in the Rotorua District, particularly for light industry. Major new developments include a 22-hectare business park opposite Rotorua Airport, as well as a rural 67-hectare site greenfield site in Rerewhakaaitu to accommodate strategic wood processing industries. Council is currently initiating community consultation to develop a 'sustainable growth' strategy for the District, which will encompass action plans for specific industry sectors. Economic growth across all industries is also being supported through the implementation of the Rotorua Employment Skills Strategy, which was developed in 2002-03 with support from industry, Council, Waiariki Institute of Technology, Work and Income Bay of Plenty and the Tertiary Education Commission.

Business confidence

Council commissions a quarterly survey of Rotorua firms to assess trends in business confidence. The results are compared with those of a national survey undertaken by the National Bank. The most recent results for December 2003 show that local confidence in national general business conditions remains well above the national average. A net 26% of Rotorua businesses expect national business conditions to improve over the coming year compared with a net 16% of businesses nationally that feel general business conditions will in fact worsen. A similar pattern holds with respect to local general business conditions, with a net 37% of Rotorua businesses expecting an improvement over the next 12 months. As at December 2003, a net 36% of Rotorua businesses were expecting local economic activity to increase over the next year.

Agriculture

The agricultural industry directly employs around 1,400 people in Rotorua, with a further 180 employed in agricultural services. Most of the agricultural land in Rotorua is dedicated to dairy, beef, sheep and deer farming. There is an increasing number of smaller lifestyle blocks in the District, as well as rationalisation and more intensive use of larger farming blocks. Dairy and deer farming have shown strong profitability in recent years. Horticulture remains a relatively minor industry in the Rotorua District, although there may be scope for introducing new crops based on specific soils and microclimates.

Forestry

Rotorua's forestry sector directly employs more than 750 people. When indirect employment such as manufacturing and transport are accounted for, the local forestry sector accounts for around 3,000 jobs and an estimated \$250 million of income. Rotorua is located in close proximity to vast plantation forestry resources, including the extensive Kaingaroa Forest. The Central North Island supply area produces nearly 56% of New Zealand's annual wood harvest, and is projected to remain the dominant wood-producing region in New Zealand. There are opportunities for further investment in both planted production forestry and timber processing in the Rotorua area. Indirect investment opportunities also exist in terms of forestry inputs, engineering services, consulting, research, and education. The Waiariki Institute of Technology is New Zealand's Centre of Excellence in Wood Processing Education and Training, training approximately 150 persons per annum for the wood processing sector.

Manufacturing

The manufacturing sector accounts for 13% of employment in the District. Around two-thirds of all manufacturing employment in Rotorua relates to wood products and machinery production, which reflects the importance of these sectors within the local economy. In the period 1988 to 2001, employment in Rotorua's wood and paper products sector increased by around 400 full-time equivalents. Food and beverage processing is also a significant local employer.

Construction and real estate

The construction sector, including building-related services such as plumbing and roofing, employs around 1,500 people in Rotorua. Approximately 60% of equivalent full-time jobs in this sector relate to trade services. The continued development of tourism and other business activity will be a key driver of commercial construction growth in the future. The residential building sector remains fairly flat with growth of 10% in the number of building consents issued for new dwellings in 2003 calendar year, slightly above the national growth rate of 9% for the same period. Nevertheless, the local real estate market is active both nationally and locally. There was annual average growth of 38% in the number of Rotorua dwellings sold in the year ended December 2003, well above the national figure of 18%.

Transport

The transport and storage sector accounts for around 1,000 jobs in Rotorua. Rotorua's central North Island location provides efficient road, rail and air access to most parts of New Zealand. Major state highway networks pass through the District and make travelling by road straightforward. Bus and coach companies travel to and from Rotorua on a daily basis. The Council-owned Rotorua Airport provides connecting flights to and from other domestic airports around New Zealand, as well as direct flights to Christchurch International Airport. The airport is being developed and extended over the coming years to future-proof Rotorua's position as a premier visitor destination.

Wholesale and retail

The wholesale and retail sectors collectively account for around 5,000 jobs in Rotorua, or close to 19% of the total workforce. Increased rural incomes and visitor numbers have been major drivers of growth in recent years, and the opening of major chain stores has

increased the attractiveness of Rotorua for shoppers. Survey results from Statistics New Zealand show that there has been a prolonged expansion in the size of the retail sales market both nationally and in the Bay of Plenty Region which has recently started to ease. Annual average growth in retail sales was 5.5% for the year ended November 2003, at both the national and regional level. Rotorua-specific retail figures are not available.

Tourism and hospitality

The dominance of Rotorua's tourism industry is reflected in the fact that 8.7% of the local workforce is employed in the accommodation, cafés and restaurants sector compared with 4.9% for New Zealand as a whole. Rotorua is one of the leading tourism centres in New Zealand, attracting more than one-third of all international visitors to New Zealand. Accommodation providers include a broad range of motels, backpackers and lodges, as well as major hotels. Latest results from Statistics New Zealand show there was 3% annual average growth in international visitors to New Zealand in the year ended December 2003. This is relatively low compared with past growth rates, and can be attributed in part to various major events over several years such as the SARS outbreak. According to the Quarterly Commercial Accommodation Survey, approximately 1 million visitors stayed in Rotorua commercial accommodation in the year ended May 2003, for a total of 1.8 million guest nights. Tourism growth is expected to improve in the future on the basis of national and international trends.

Environmental Wellbeing Statement

Environmental reporting is required by both the Local Government Act 2002 and the Resource Management Act 2001. In addition, reporting of environmental trends helps to educate people about their local environment and inspire community action. An award-winning report published in December 2002 presented data on 37 baseline indicators of environmental progress in the Rotorua District. Council's environmental indicators set will be further developed over the coming year. The indicators are not just focused on the natural environment but also aim to provide a broader picture of how we as a community are interacting with and affecting the resources of our District.

The data in Council's environmental monitoring programme currently covers the following topics:

- Tangata whenua
- Water
- Land
- Urban
- Transport

Tangata whenua

Rotorua District Council has a legal and social responsibility to incorporate Māori values into its environmental reporting programme. The District Plan lists 235 archaeological sites, 34 marae and 27 other heritage sites or structures that have cultural or historical significance to Iwi. Iwi are the traditional kaitiaki (guardians) of the environment for future generations, and partnership with Iwi is a key principle in the management of the District's environment. Te Arawa hapu Ngati Whakaue contributed generously to the development of Rotorua's urban area through the gifting of more than 120 parcels of land for health and recreational purposes. These include the Government Gardens, Kuirau Park, Pukeroa Hill, the Lakefront Reserve and many other reserves. Today, policy issues in respect of Rotorua's gifted reserves are discussed by a joint committee of the Pukeroa Oruawhata Trust and the District Council. The process of consultation with Māori is evolving as greater efforts are made for improved communication. A list of all planning applications is reviewed by a panel of kaumatua (elders) and advice is taken on the consents for which additional consultation is required. On the basis of this advice, around 5% of consents receive further Iwi input.

Water

Water is an important resource for all people in Rotorua. The lakes and geysers of Rotorua are icons, recognised in this country and known throughout the world. The cultural, recreational, ecological and functional values of water directly influence the wellbeing of the entire community. Trend data shows that geothermal water levels are recovering. Many of Rotorua's spring fed drinking water supplies are of sufficient quality that they do not require treatment. Around 80% of Rotorua residents visit the District's lakes on at least a monthly basis. Lake water quality is an issue of significant community concern. In general, lake water quality has been declining over the long-term due to increased nutrient levels resulting in sporadic algal blooms on a number of lakes. A collaborative approach is being taken with Environment Bay of Plenty, Te Arawa Māori Trust Board and lake side communities to better manage lake water quality. Each catchment is different so potential solutions need to be worked through to identify effective, innovative programmes that are acceptable and affordable to local communities. Council continues to support the retirement and replanting of pastoral land through regional council environmental programmes. Council budgets \$50,000 annually for this type of work to improve landscapes, protect lake margins and wetlands and conserve and increase biodiversity in the District.

Land

Rotorua District Council has a responsibility under the Resource Management Act 1991 to control the effects of activities on land. Effective management of land use and subdivision is essential to ensuring the sustainable development of our District. The landscape and its cover have been substantially altered over time by geological events and human activity. Original ecosystems have been predominantly replaced by forestry and pastoral farming. Land cover in the Rotorua District is now dominated by pasture (48%) and planted forest (20%), as well as indigenous forest and lakes. There are 137 Protected Natural Areas in the District, covering more than 30,620 ha. More than half of this area comprises scenic reserves. Subdivision of rural land for residential purposes is occurring around the perimeter of Rotorua's urban area. There are new District Plan provisions to maintain and enhance the outstanding natural features of the area centred around Lake Tarawera (known for planning purposes as the Lakes A Zone). Up to 80% of Rotorua's current waste stream has the potential to be recycled. The recycling centre at the landfill and the 'in-town' recycling centre together divert more than 15,000 tonnes of material from the landfill each year. Increased use of these recycling facilities should help to reduce Rotorua's waste to landfill from the current rate of 4 kg per person per day.

Urban

More than 80% of Rotorua's population live in urban areas. An Urban Development Strategy is being advanced to accommodate future urban land uses. Council has identified the potential for up to an additional 6,200 greenfield and 1,500 residential lots to be created within the existing urban fence. There are a wide range of living options available, and most existing residents are satisfied with the accessibility of amenities such as health services, reserves and supermarkets. Some 85% of residents are satisfied with their level of privacy, and District Plan guidelines are largely being met with regard to noise levels. The annual number of noise complaints is stable at around 3,200 calls, and 77% of residents are satisfied with Council's noise control service. All residential dwellings within the Rotorua urban fence have access to reserve areas within 500 meters (straight line). Council has invested significantly in improving public infrastructure in Rotorua, including a \$30 million upgrade of the CBD. Council has also prepared a detailed design guide for development in the central business district. The CBD design guide includes suggestions on architectural and building treatments, colour and design principles. The guide complements Council's past achievements in winning New Zealand's Most Beautiful City Award.

Transport

Land transport infrastructure plays an important part in the way people and communities provide for their social, economic, environmental and cultural wellbeing. Management of the environmental effects of land transport such as pollution, noise, congestion and accidents can have significant community benefits. Rotorua District Council manages approximately 1,000 km of road network and 180 km of state highway. Council has a rural seal extension programme of 10 km per year that equates to an annual spend of \$1 million. Another \$500,000 per year is spent on urban and rural street improvements. A 2002 survey showed that 77% of residents feel there has been an improvement in the visual appearance of Rotorua's three main roadway entrances in recent years. However, more than half of surveyed residents (55%) believe that traffic in and around Rotorua has become worse in the last two years (although the same number also say that it is easy to drive in and around the city centre). NRB survey results show consistently low relative satisfaction with central city parking. Vehicle use and ownership has been steadily increasing over the past decade, placing increased pressures on the environment. Around 40% of residents say they have traffic issues in the area where they live. An improved bus service, managed by Environment Bay of Plenty, commences operation from 1 July 2004. There are more than 15 km of marked cycle ways within Rotorua's urban area, but currently less than 3% of working-age residents use a bicycle as their main mode of transport to work.

Cultural Wellbeing Statement

Cultural wellbeing includes pride in one's own culture as well as an appreciation and understanding of cultural diversity. A report released in 2003 presents information on various aspects of cultural wellbeing in Rotorua, including:

- Māori heritage
- Ethnic diversity
- Arts and culture
- Sports and recreation
- Older persons
- Youth culture

Māori heritage

The foundation of Rotorua's cultural profile was established more than six centuries ago when the Arawa tribe settled in the Rotorua and Taupo areas. Māori culture is a major influence within the overall culture of Rotorua, and is reflected in place names and locations throughout the District. The present-day Rotorua District is a heartland of Māori culture in New Zealand, and holds an unrivaled position as a cultural tourism destination. Around eleven percent of residents are bilingual in Māori and English.

Ethnic diversity

The major ethnic groups in the District are currently European (72%), Māori (36%), Pacific Islands (4%) and Asian (3%). (These add to more than 100% because people can classify themselves in more than one group). Immigrants to Rotorua come from many parts of the world. According to survey results, more than half of all residents feel that cultural diversity makes Rotorua a better place to live.

Arts and culture

Rotorua has a wide diversity of arts and cultural activities and events. Local achievers have gained national and international recognition in many artistic fields, including singing, acting and kapa haka. A recent addition to the local arts community is the development of the Rotorua Arts Village with funding from the Rotorua Energy Charitable Trust. The village is managed by a charitable trust, and provides a central venue for clubs to meet and to run classes.

Sports and recreation

Playing and watching sports is an integral part of Rotorua's culture. Residents take pride in Rotorua's sporting achievements and sporting icons. Popular pursuits include rugby, golf, fishing, swimming, mountain biking and running. There are more than 140 sports clubs and organisations in the District, with a combined membership of over 13,000 residents.

Older persons

In twenty years' time, around one in every six residents will be aged 65 and over. This age group will become increasingly diverse in terms of ethnicity and culture. Ongoing implementation of Council's Older Persons Policy aims to ensure that older people remain valued and supported in the community, and that older people have input into addressing local issues that affect them.

Youth culture

Rotorua's young people have adopted many features of global youth culture, including musical interests, fashion styles and figures of speech. Popular pastimes for Rotorua young people include hanging out with friends, listening to music and playing sports. Rotorua District Council supports young people's development through the implementation of its Youth Policy and annual Youth Action Plan. Council's approach is to find a balance between responding to the immediate needs identified by young people and developing longer term strategies which strengthen local services and youth involvement in decision making.