



Ten Year Plan

Long Term Council Community Plan 2006 - 2016

DESTINATION

ROTORUA

ROTORUA DISTRICT
COUNCIL

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MIHI

E te iwi whānui o te rohe o Rotorua
Nga mihi nui ki a koutou mo te Tau Hou.

To the people of Rotorua
Warm greetings to you.

E whai ake nei ko te 'Ko te Kaupapa Here' a tō Kaunihera e whakamahere ai i nga tirohanga i roto i nga tekau tau kei mua i a tātau.

This document is the Ten Year Plan that defines the community's vision and aspirations, as collated by your council.

Ki tā te Ture LGA 2002, ia ono tau me whai whakaaro te iwi whānui o te rohe ki te whakatakoto whakaaro mo te ōranga o te rohe. Ēnei ōranga he hua he painga ka puta mo te rohe me te iwi.

The Local Government Act 2002 says that every six years, the Council must give people the chance to put forward their vision for the future of the district. This vision has been translated into community outcomes.

E waru nga pūtanga kua ara ake:

Eight community outcomes have been identified.

- He iwi whānui e ngākau nui ana ki te manaaki motuhake
- He iwi whānui tēnei e ngākau nui ana ki te taiao
- He iwi whānui tēnei e ngākau nui ana ki tōna oranga
- He iwi whānui tēnei e kōkiri whakamua ana i roto i nga take houkura
- He iwi whānui tēnei e mau pū motuhake ana ki ōna taonga me ōna rātonga
- He iwi whānui e manawa nui ana ki te ao Māori
- He iwi whānui tēnei e ngākau nui ana ki te ako me te mātauranga
- He iwi whānui tēnei e tino tūmeke ana

- A safe and caring community
- A community that respects its environment
- A healthy community
- A prosperous community
- A community with excellent facilities and services
- A community that values its living maori culture
- A learning community
- A happening community

Kia mutu raano te kōrero ngātahi me te iwi whānui o te rohe ka whakatauiratia ake ma tenei o nga Herenga Kaupapa me pehea e taea ai e te Kaunihera te whakaputa i nga painga me nga hua i roto i nga tau tekau kei mua i a tatau.

This Ten Year Plan document follows a programme of extensive consultation with the community of Rotorua District, and shows how the council proposes to contribute towards those outcomes over the next ten years.

"By working together for the greater accomplishment of all we will succeed and fulfil the hopes and aspirations of our people"

"Ma te mahi tahi hei painga mo te iwi whānui ka tutuki nga tumanakotanga e wawatanuitia ana"

This Ten Year Plan has been prepared to meet the requirements of a Long Term Council Community Plan in accordance with the Local Government Act 2002 and may not be suitable for any other purpose than that intended by the Act. Actual results over time may vary from the forecasts in this plan.



P.J. Guerin
Chief Executive

FOREWORD FROM THE MAYOR



Kia ora koutou

Our Ten Year Plan 2006-16 defines the future direction of Rotorua. This is the most important and far reaching strategic document this council has ever prepared. It sets the district on a clearly defined path towards future growth and progress for the next ten years.

The council was very encouraged that so many residents and ratepayers took the time to engage with us during the consultation phase, while the Ten year Plan was still in draft form. Your input has been a vital part of the process because the Ten Year Plan belongs to all of us in this community.

I can assure you that the council listened carefully to you and took your submissions into account. In fact there were a number of significant changes made to the draft plan as a direct result of community feedback.

The Ten year Plan looks well into the future. It takes into account your 'community outcomes' - the aspirations of residents identified during the *Bright Future Rotorua* consultation programme. Therefore it represents the community's collective vision for the district and it sets out the role Rotorua District Council will play in helping to achieve that vision.

Under recent legislation we no longer focus primarily on planning just the coming year's activities – we now undertake a comprehensive ten year focus. It means professional planning, detailed forecasting, careful costing of future needs and identification of funding issues for well into the future. While planning for the next decade means some big dollar figures, it is important that we have the courage to address long term issues for our community. The decisions taken in this Ten Year Plan do exactly that.

Your Council has developed a progressive yet responsible Ten Year Plan - one that addresses the issues of today and issues of the future. For example, we have included a range of important measures aimed at improving the water quality of our lakes. But these measures will be expensive to implement and so we are working closely with regional and central government to share some of the costs.

We have had to carefully consider the need for our community to grow and to make real progress, and then balance this with the community's ability to pay for our future requirements. Councillors have been sensitive to the funding limitations of our community. I am confident we have set in place a well planned and affordable strategy to ensure Rotorua has a sound future.

I want to extend my thanks to residents and ratepayers for the important role you have played in preparing this vital blueprint for our future. Your involvement means we have a document that significantly reflects the aspirations of our community.

I also pay tribute to my fellow councillors who have put many hours, days, and indeed weeks of time into the complex and lengthy decision making necessary for producing a new Ten Year Plan. Democracy has been well served by your elected council.

And finally I extend my appreciation to our Chief Executive Peter Guerin, and his managers and staff for the highly professional analysis, exhaustive research and sound advice we have invariably been provided with.

The result is a dynamic and relevant Ten Year Plan that will stand the test of time.

Kevin Winters
Mayor

KEY POINTS FROM THE CHIEF EXECUTIVE



Introduction

It is a pleasure to outline some of the key points in this 2006/16 Ten Year Plan. I hope this gives some high level insight into the strategic direction of Council over the next 10 years.

Legislation

Much of the content of this document is determined by the Local Government Act 2002, which is quite prescriptive. The general intent of that Act is to require Council to show how it proposes to contribute towards the community outcomes as set out in 'Bright Future' described in Part A, Section 2, of this plan. In addition to Bright Future there are many other policies, plans and strategies of Council and other government agencies that have influenced this plan. To use roading as an example; the Rotorua Urban Transport Study was developed in 2002 and is now part of the Bay of Plenty Regional Land Transport Strategy. This strategy in turn aligns with the New Zealand Transport Strategy. Another example is waste management. Council's refuse collection, disposal, and recycling policies are contained in the District Solid Waste Management Strategy which is consistent with the New Zealand Waste Strategy. Both these examples have associated directing legislation as well. Much of what Council does is determined by legislation.

This Ten Year Plan is Council's attempt to get some integration between its various policies, plans and strategies, and meet the requirements of the Local Government Act and other legislation, within time and money resource limits. This has required judgment, decision-making and trade-offs by Council. Submissions to the Draft Ten Year Plan have further helped to refine the strategic direction of Council.

Inflation

Inflation will have a significant effect on the financial statements over the next ten years. We have tried to anticipate this by applying price adjusters over the ten years. These adjusters have been included in the Assumptions, Risks and Uncertainties in Part C Section 1.

It should be noted that it is now a legal requirement for councils to present their financial statements with inflation adjusters included.

Policy Changes

Following comprehensive consultation, the council has included in this plan a new Development Contributions Policy, which is set out in Part C Section 2.

In addition, the special consultative process used for the draft version of this Ten Year Plan was also used to consult on minor changes to the following policies:

- Treasury Policy which is set out in Part C Section 2. The policy that has changed is the liquidity and credit risk policy for borrowing refinancing limits in any one year. This is to accommodate the higher level of borrowings required, in the main for new wastewater schemes.
- Policy on Significance which is set out in Part C Section 4, and now includes the Rotorua Regional Airport assets as significant which were transferred to Council from Rotorua Regional Airport Ltd in 2004.

Development contributions

The introduction of development contributions come into effect for the first time from 1 July 2006. This provides a mechanism for Council to charge those who subdivide or develop property, for the additional costs on Council's network infrastructure and community infrastructure. Previously much of these costs were met by general ratepayers. For residential subdivision it is estimated that some \$13,000 per lot will be recovered from development contributions fees. A total of nearly \$29 million is expected from these fees over the next ten years.

The submissions to the introduction of the development contributions policy concerned the following:

- Consultation
- Cost allocation and audit
- Timing of implementation
- Reserve contributions
- Remissions
- Economic impact

Council was able to address most of these concerns, with the exception of the implementation date which was retained at 1 July 2006.

Submissions

Council received 301 submissions and many were able to be addressed with changes to the non-financial targets in this plan. A number of submissions were addressed with additional funding – either debt or rates. The table below summarises the financial effect of the changes.

	<i>\$'s in millions</i>
Total debt in 2016 per Draft Ten Year Plan	
Add additional capital expenditure	
Funding towards Museum centennial project	4.1
Civic theatre fly and back of house redevelopment	1.5
Lake front development in partnership with private sector	1.0
Transfer station	0.1
Eastern pipeline	-0.2
Total increase in capital expenditure	6.5
Other (savings)/increases over the ten years	
Museum revenue	-1.8
General and refuse rate revenue	-3.2
Interest expense reduction	-1.7
Reduction in development contributions	0.9
Grant to Neighbourhood Support	0.7
Aquatic centre	0.4
Refuse collection	0.4
Dog control	0.1
Cash available from savings projected for 2005/06	-4.3
Total other net savings over ten years	-8.5
Total reduction in debt from draft Ten Year Plan	-2.0
Total debt in 2016 per this Ten Year Plan	141.5

Kerbside recycling

There were a number of submissions to the Draft Plan that requested Council consider a kerbside collection service for recyclable materials. Council agreed that the recently adopted solid waste management strategy should be given more time to test its effectiveness. It was also agreed that waste REDUCTION and REUSE strategies are more sustainable over the longer term. Before such a service is introduced the community should be consulted about the cost.

Council will further consider the merits of a kerbside recyclable material collection service over the 2006/07 year. If considered necessary Council may introduce the service with a targeted rate. This service will be signalled in the Draft Annual Plan for 2007/08.

Rates

The plan proposes a 5.5% increase in general rates revenue for the 2006/07 year (excluding 0.8% growth in the rating base from additional subdivision). This was a 0.5% increase over that contained in the draft. The increase is to be used to fund increases in costs for decisions concerning submissions to the draft. The increase is a question of

balance between covering the increased costs from inflation, new operating and capital expenditure, and maintaining long-term debt at a prudent level. It compares favourably with the levels of increase of other local authorities, some of which are as high as 17%. Council believes it has struck a balance between ability to pay and prudent financial management. Other rates for water, waste water and refuse collection have also increased but by different percentages, depending on the activity. These are set out in Part C Section 2 – Funding Impact Statement.

In addition, an increase in general rates revenue by 0.33% each year from 2008, is included in the plan (note: this will be in addition to any inflationary increase that may be required). Council believes this small real annual increase will ensure there is equity between capital expenditure undertaken today and the benefits received by future generations from this expenditure, and the need to maintain debt below \$142 million in ten years time.

The table below is a summary of the targeted rates revenue required:

\$'s in thousands	Last yr	This yr	Change	
	Budget	Budget	\$	%
Water Rates				
Urban Water	2,466	2,722	256	10.4%
Rotoiti Water	5	5	0	0.0%
Rotoma Water	2	2	0	0.0%
Hamurana Water	2	2	0	0.0%
Okareka Water	2	2	0	0.0%
Sewerage Rates				
Waste Water Urban	7,335	8,335	1,000	13.6%
Sewerage Capital Rates				
Eastern Sewerage Scheme	74	99	25	33.8%
Urban Refuse Rates				
Refuse Collection	1,351	1,631	280	20.7%
Water by Meter				
Urban Water	1,791	2,012	221	12.3%
Mamaku Water	45	53	8	17.8%
Rotoiti Water	41	50	9	22.0%
Rotoma Water	39	39	0	0.0%
Kaharoa Water	141	148	7	5.0%
Reporoa Water	338	358	20	5.9%
Hamurana Water	40	47	7	17.5%
Okareka Water	26	28	2	7.7%
Lakes Water Quality Target Rate				
Waste Water Rural	197	205	8	4.1%
Eastern Sewerage Scheme	150	175	25	16.7%

Increases in targeted rates for wastewater over the next ten years reflect the importance of lakes water quality to the community and Council's ongoing commitment to address this priority issue.

Strategic issues

This plan was difficult to prepare as Council meets the commitments of previous generations and the expectations of the current generation. The main challenges are around sustainability of the social, economic, environmental and cultural well-being of our district. The major strategic issues addressed in this plan include:

- Enhancing community safety
- Improving lakes water quality
- Sustainable management of growth
- Quality of urban design
- Provision of recreational services
- Managing land transport needs
- Reviewing funding systems
- Maintenance and development of Te Arawa relationships

The current economic environment of the district is strong with business confidence remaining ahead of other regions. This has been achieved, in part, by the continuation of efficient services such as parks and gardens, tourism marketing, and resource consent processing. New initiatives that will contribute to enhancing the economy are the BrightEconomy strategy implementation, completion of the Energy Events Centre, development of Rotorua Regional Airport trans-Tasman capability and the review of the District Plan.

Lakes water quality

Work continues on planning and implementation of new waste water schemes. The table below sets out the estimated cost of these schemes and the proposed funding sources:

	Total Cost Incl Overheads	Ministry of Health	Environment BOP	General Rates	Targeted rates	Development Contributions	Advance Payment	Total Revenue
\$'s in millions								
Mourea	3.3	1.5	0.5	0.2	0.6	0.4		3.2
Marama Point	1.1	0.5	0.2	0.1	0.2		0.1	1.1
Duxton	0.6	0.3		0.1	0.1	0.1		0.6
Okawa Bay	0.8	0.4		0.1	0.3	0.0		0.8
Brunswick	8.6	4.2		0.3	2.0	2.2		8.7
Rotokawa	9.6	4.4	1.1	0.3	0.3	3.6		9.7
Whangamarino	1.4	0.7	0.2	0.1	0.2	0.2		1.4
Okere Falls	8.1	3.9	1.3	0.4	1.9	0.5		8.0
Otaramarae	3.3	1.6	0.6	0.2	0.8	0.2		3.2
Okareka	10.8	5.1		0.4	4.6	0.6		10.7
Tarawera	14.1	6.6		0.8	6.3	0.5		14.2
Hamurana	14.1	6.7		0.3	4.3	2.7		14.0
Gisborne Point	10.1	4.9		0.3	3.5	1.5		10.2

Rotoma	11.3	5.4		0.3	3.9	1.7		11.3
Total	97.2	46.2	3.9	3.9	29.0	14.2	0.1	97.2

These schemes will make a significant contribution to improving lakes water quality.

Rotorua Trust

It is important to note that much of Council's community achievements are because of the generous philanthropy of individuals and organisations. The most significant contribution over the last 11 years has been from Rotorua Trust. Their latest grant of \$12.5 million towards the Energy Events Centre is a generous gift to the district and very much appreciated.

Rotorua Partners

The Rotorua Partners Programme has also been an outstanding success. The generosity of the business sector and charitable trusts has been huge. These partners are identified in Part A Section 4 of the plan and without their support the vision for our city and district would not be achieved to the same extent that has been possible. Again our sincere thanks to these organisations.

Within this Plan there is a significant emphasis on partnerships with government agencies and other organisations. These partnerships allow Council and the respective organisations to enhance levels of service and lift goals higher than otherwise would be the case. This includes organisations such as Lakes District Health Board (Safe City); SCION; Local Authority Shared Services; NZ Police; Environment Bay of Plenty; and Te Arawa Maori Trust Board.

Operations

Development of the Rotorua Regional Airport will continue. A \$2.7 million investment in a northern starter extension to the runway commenced in 2006. Once this is complete the airport will then be trans-Tasman capable, albeit with some load restrictions. This extension will allow the demand for scheduled services from the east coast of Australia to be tested and validated. The additional investment in runway lengthening and strengthening proposed over the next three years, will be dependent on the success of the northern starter extension demand, and securing funding partners. The estimate of this expenditure with inflation is \$14.1 million. A further \$5.5 million is budgeted over the ten years for noise mitigation.

Airport Estimated Expenditure 2007-2009

	(\$'s in thousands)
Southern extension 200 metres	6,403
Strengthen original runway	4,623
Wetland mitigation	1,316
Secure lounge extension	1,070
Security services	398
Planning	308
	14,118
Noise mitigation next 10 years	5,499
	19,617

The Museum of Art and History will celebrate its centennial in 2008. A bold new project to complete the original building design has been identified as part of the centennial acknowledgement. Construction will be in two stages: the first being a northern wing with an estimated cost of \$2.5 million in today's dollars. The southern end of the building will be the second stage. The council has committed \$4.6m to the project, to be funded from museum operational revenue, with philanthropic and corporate fundraising used to fund the balance of the project's costs.

Roading investment has increased. Packages have been developed that optimise the connections between state highways and local roads. Victoria Street Expressway, as part of the urban package, will commence in 2015 and be completed in 2017 at a total cost of \$17 million. General rates will be used to fund 44% of this project. As part of this package the two-lane eastern arterial will commence in the second half of this Ten Year Plan period and will be part of the state highway network. There will also be an increase in other roading areas such as traffic demand management, walking and cycling, bus services etc. All this investment is to ensure the roading network continues to be effective and congestion is managed in a sustainable manner.

Work on reviewing the District Plan will continue in 2007, 2008 and 2009. This will ensure that the environmental sustainability objectives of the current plan are reinforced. In addition, enhanced flexibility in meeting the needs of the community in the 21st century will be key objectives of this review.

Rating System

Council believes that a Capital Value rating system has merit for the Rotorua district. Informal community consultation about this proposal is evenly split between the current Land Value system and Capital Value. Council will commence a formal consultation process during the 2006/07 year. Should this consultation process prove supportive, a new rating system could be introduced for the financial year commencing 1 July 2007.

Debt

Debt funded from general rates is relatively static over the ten years at \$64 million in 2016. Again, it should be remembered that debt associated with such activities as the airport, sewerage schemes and water supplies is serviced by that activity and is self funding. This self funding debt will increase by some \$34 million over the ten years and is mainly due to new lakeside sewerage schemes.

The table below shows the level of debt funded by general rates and self funding accounts over the next ten years.

for the year ending 30 June:	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
	\$'s in millions									
Self funding reserves	43	52	70	83	86	85	91	92	86	77
General	62	71	73	73	79	79	77	74	64	64
Total	105	123	143	156	165	164	168	166	150	141
2005/06 Annual Plan	99	110	120	126	129	125	129	124	118	

Community Consultation

The Ten Year Plan reflects feedback and suggestions received from residents on the draft plan that was released in April 2006 for community consultation. More than 300 individuals and organisations took the time to forward submissions and a further 70 came along and talked directly to the mayor and councillors about their submissions. This community input was vital and is appreciated.

As a result, we have a sound strategic document which will drive the direction of this council's activities until a full review is undertaken in 2009.



P J Guerin
Chief Executive

DEMOCRACY IN ROTORUA

Governance Statement

Governance of the district relates to the manner of achieving representation of the community's views and how these are translated into actions and work programmes of the Council. This section focuses on the following governance themes:

Representation	<ul style="list-style-type: none"> ▪ involvement in governance decisions at Council and committee level ▪ advocacy undertaken on behalf of the Rotorua community ▪ effectiveness of governance structures
Leadership	<ul style="list-style-type: none"> ▪ overview of governance structures and outputs achieved
Strategic directions	<ul style="list-style-type: none"> ▪ strategic community achievements ▪ setting of strategic platform

Also included is a description of partnerships forged with other organisations, an overview of key planning documents, achievements, and areas for action.

Background

Local government in the Rotorua district is based on three core premises: transparency, participation and accountability.

- **Transparency** is achieved through the community being able to "clearly see the policies, plans and objectives and how they are able to be financed".
- **Participation** is achieved through the consultative community input processes that enable Council to connect with its constituents and interested parties.
- **Accountability** is achieved through a number of reports, including the Annual Report, which are produced to gauge effectiveness and attainment of targets.

The Government's watchdog, the Auditor-General, audits both the financial and non-financial achievements in the Ten Year Plan, providing both the community and Central Government with an independent assessment of Council's achievements.

Role of Council

Council has the overall responsibility for:

- Proper direction and control of the district's activities in a prudent financial manner
- Representing the views of the community in the most effective, strategic, and holistic manner possible
- Laying the strategic foundations for the district to grow in a dynamic and enabling manner.

These roles required stewardship of:

- Operation policy and strategic direction
- Risk management
- Administration of regulations and bylaws
- Management integration
- Safeguarding public interest, including advocacy.

Representation

Electoral System

The system of elected member representation is reviewed every three years. Currently there are four wards with three members elected per ward:

- North Ward
- South Ward
- East Ward
- West Ward

Members are remunerated in accordance with the determinations made by the Remuneration Authority.

The next elections will be held in October 2007.

Meetings

Council's committee structure and meeting arrangements will be assessed at the time of elections and may be reviewed during the intervening years.

The Mayor and Councillors

The Mayor is an ex-officio member of all Council committees and attends most meetings. The Mayor also holds positions on many trusts, community organisations, and community committees. These positions include acting as trust or board member, committee member or chair, and patron. The Mayor also hosts many meetings to ensure facilitation and transfer of knowledge within the community.

As well as holding the position of Justice of the Peace and Celebrant, the Mayor hosts Citizenship Ceremonies, Community Awards, Trustpower Spirit of Rotorua Awards, and Young Achievers Awards. The award ceremonies are well attended and recognise the important contribution that others make to the Rotorua community.

The information in the Governance Statement relates to Council as at 1 July 2006.

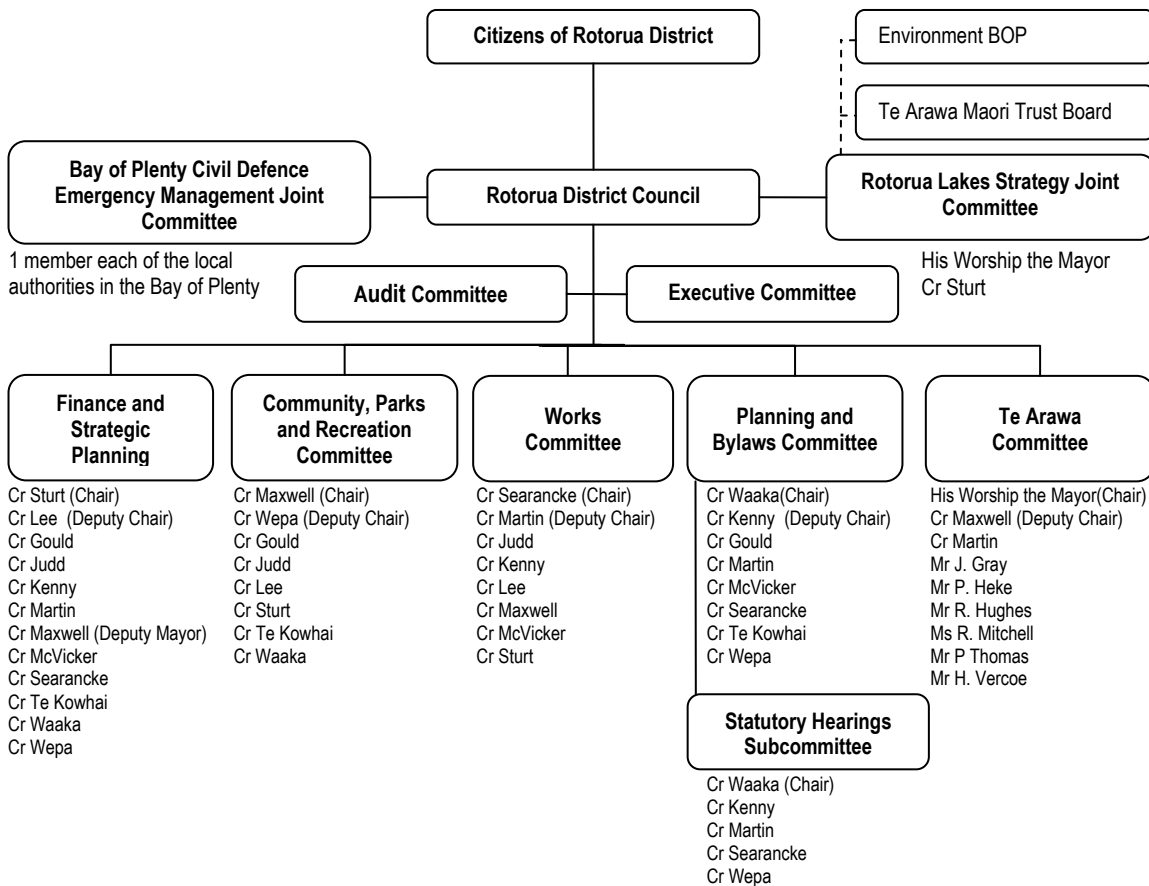
For up-to-date information on Governance check the 'About Your Council' document available from Council or on our website www.rdc.govt.nz.

Elected Representatives



Standing (left to right): Peter Guerin (Chief Executive), Cr Mike McVicker, Cr Mark Gould, Cr Cliff Lee, Mayor Kevin Winters, Cr Charles Te Kowhai, Cr Charles Sturt, Cr Glenys Searancke, Cr Geoff Kenny, Cr Janet Wepa. Seated (left to right): Cr Maureen Waaka, Deputy Mayor Trevor Maxwell, Cr Russell Judd, Cr Bob Martin

Committee Structure



Committee Terms of Reference

- **Finance and Strategic Planning**
Ten Year Plan and Annual Planning, financial, general, marketing and development, Castlecourt business unit, and civil defence
- **Community, Parks and Recreation**
Rotorua's Museum of Art and History, library, community, social policy, monitoring, information and research, community assistance policies, community safety, sister city relationships, parks and reserves, aquatic facilities, cemeteries/crematorium, event facilities.
- **Works**
General, roading, road safety, traffic, land drainage, public health, water and lake waters.
- **Planning and Bylaws**
Planning, regulatory, building, health, general and control of dogs
- **Te Arawa**
As part of the Rotorua District Council's decision making process Te Arawa Standing Committee has the responsibility to provide a Te Arawa perspective on all matters that affect Maori.
- **Executive Committee**
Comprises His Worship the Mayor, the Deputy Mayor, Chairperson of Finance and Strategic Planning Committee, Chief Executive, and where appropriate the Chairperson of the affected Committee. Its work includes decisions on applications for remission and/or postponement of rates in cases of extreme hardship, negotiation of leases and emergency matters.
- **Statutory Hearings Subcommittee**
This committee is chaired by Cr Waaka assisted by four other councillors who are members of the Planning and Bylaws Committee. It has approximately 12 meetings per year.
- **Rotorua Lakes Strategy Joint Committee**
Rotorua District Council, Environment BOP, and the Te Arawa Maori Trust Board form this joint committee. Lakes water quality is an important issue for the district and the Committee has been charged with ensuring a proactive strategic approach is taken toward co-ordinating lakes quality improvement. Mayor Winters and Councillor Sturt are Council's representatives, Mayor Winters is Chairperson of the Joint Committee.
- **Other Committees**
These are formed as subcommittees to deal with particular issues as required. They usually meet irregularly and are in existence for as long as required, sometimes being in a period of abeyance between active periods. The Mayor is ex-officio member of all Committees.
- **Audit Committee**
This committee comprises His Worship the Mayor, the Chairperson and Deputy Chairperson of the Finance and Strategic Planning Committee and an "outside" appointee. Its work includes internal/external audit matters. This committee meets as required.

Developing Maori Capacity to Contribute to Decision-making

Council has a long standing history of working closely with Te Arawa as the principal iwi of Rotorua District. A number of mechanisms have been developed for both consultation purposes and to involve Maori of the district in council decision-making processes. These mechanisms will continue to be developed and reviewed to ensure their effectiveness.

Te Arawa Standing Committee

The committee meets regularly to provide a Te Arawa perspective for Council on all matters that affect Maori. The Committee has representatives from Council, along with representatives appointed by key Maori stakeholder organisations and elected by iwi.

Te Arawa Standing Committee Marae Hui

As part of the Te Arawa Standing Committee's community engagement role, regular marae hui are scheduled throughout each year. These hui enable local Maori communities to raise and address local issues and where necessary bring them forward onto a council agenda.

Te Pukenga Koeke O Te Arawa O Te Whare Taonga

Te Arawa Kaumatua Committee contributes to the decision-making processes pertaining to the care and protection of Te Arawa Taonga within the Rotorua Museum.

Ngati Whakaue Gifted Lands Protocol

This is an agreement between the Rotorua District Council and Pukeroa Oruawhata Trust on behalf of the original owners of the Pukeroa Oruawhata Block (known as the City of Rotorua) and their descendants. Council gives effect to the protocol through consultation when there is a significant or important decision with regard to a change of status of any affected reserve.

Iwi Consultation Group

The Iwi Consultation Committee has scheduled fortnightly meetings to assess resource consent applications and advise Council accordingly with respect to sections 6(e) of the Resource Management Act 1991 and to provide relevant Tangata Whenua contacts in relation to consent matters.

Kauae Cemetery Committee

The Kauae Cemetery Committee trustees meet once a year to work through operations, policies and procedures, including provisions for the burial of descendants of Ngati Whakaue.

Pukaki Trust

The Pukaki Trust meets to ensure the safe-keeping, conservation and maintenance of Pukaki, located in the council Civic Centre Galleria.

The Waka Taua Trust

The main function of this trust is to ensure that the Te Arawa Waka Taua and the shelter that houses the waka are both well maintained.

The Ngati Rangiteaorere Kahikatea Trust Consultative Group

This group has responsibility for setting priorities for work to be carried out in order to fulfil the terms of the Kahikatea Management Plans and the approval of estimates.

Council's Kaupapa Maori Unit

This unit initiates, builds and maintains Council relationships with Tangata Whenua and Maori as well as strengthening the organisation's ability to effectively engage with Maori through exposure to, and training in tikanga and te reo.

Mana Whenua Funding Policy

In 2006 Council reviewed its existing support of iwi management plans and developed a new Mana Whenua funding policy with objectives that are aimed at both supporting the intent of section 81 of the Local Government Act 2002 as well as promoting resource management objectives.

Memorandum of Understanding

In November 2004, Council adopted a memorandum of understanding with Tuhourangi. The founding statements of the memorandum include: *"Council also wishes to establish and maintain processes to provide the opportunity for Tuhourangi to contribute to the decision-making of the Council"*.

Further memoranda of understanding will be investigated and developed where appropriate.

Tangata Whenua and Maori Communications and Consultation Guide

In 2006 Council developed a Tangata Whenua and Maori communications and consultation guide. This resource enables staff to more effectively engage with Tangata Whenua and Maori and hence improves Maori participation in Council decision-making processes. The principles of this guide have ensured appropriate Maori input into long term land use planning initiatives such as the Eastern Structure Plan and Rotorua Regional Airport consultation.

Rotorua Lakes Strategy Joint Committee

This joint committee with representatives from Environment Bay of Plenty, Te Arawa Maori Trust Board and Rotorua District Council, meet regularly to ensure a proactive strategic approach was taken to coordinating lakes quality improvement in the district. This structure will be enshrined in legislation as part of the Te Arawa Rotorua Lakes Settlement.

Lakes Restoration and Rehabilitation Programme

This programme was established for both the strategic and operational delivery of objectives to enhance fresh water sustainability of the Rotorua lakes and has iwi representatives at the highest level.

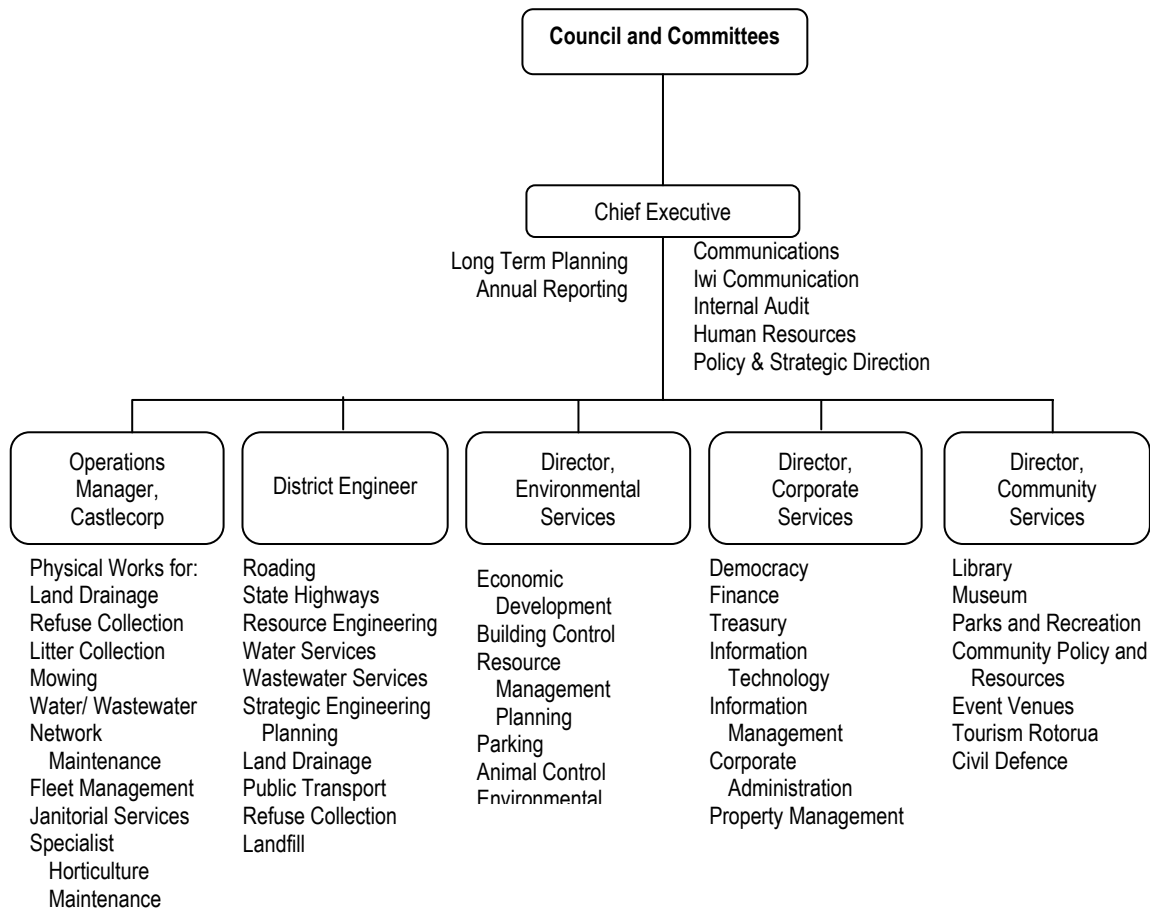
Energy Events Centre

The Energy Events Centre working party includes a representative from Pukeroa Oruawhata to ensure Tangata Whenua values are taken into consideration throughout the design and construction phases of the project.

Further information:

If there is anything you would like to know more about please contact Council's Kaupapa Maori Unit. Director Kaupapa Maori Mauriora Kingi 3484199 ext 8348 mauriora.kingi@rdc.govt.nz or Bella Tait Policy Analyst/Maori Research Officer 3484199 ext 8170 bella.tait@rdc.govt.nz

Management Team



Left to right: Nigel Wharton, Director Environmental Services; Jack Shallard, Director Corporate Services; Peter Guerin, Chief Executive; Nico Claassen, District Engineer; Charles Roberts, Director Community Services

REPORT OF THE AUDITOR GENERAL

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

REPORT TO THE READERS OF ROTORUA DISTRICT COUNCIL'S LONG-TERM COUNCIL COMMUNITY PLAN FOR THE TEN YEARS COMMENCING 1 JULY 2006

The Auditor-General is the auditor of Rotorua District Council (the District Council). The Auditor-General has appointed me, M G Taris, using the staff and resources of Audit New Zealand, to report on the Long Term Council Community Plan (LTCCP), on his behalf.

The purpose of an LTCCP, as set out in section 93(6) of the Local Government Act 2002 (the Act), is to:

- describe the activities of the local authority;
- describe the community outcomes of the local authority's district or region;
- provide integrated decision making and co-ordination of the resources of the local authority;
- provide a long term focus for the decisions and activities of the local authority;
- provide a basis for accountability of the local authority to the community; and
- provide an opportunity for participation by the public in decision-making processes on activities to be undertaken by the local authority.

Opinion

Overall Opinion

In our opinion the LTCCP of the District Council dated 26 June 2006 provides a reasonable basis for long term integrated decision-making by the District Council and for participation in decision-making by the public and subsequent accountability to the community about the activities of the District Council.

It is not our responsibility to express an opinion on the merits of any policy content within the LTCCP.

In forming our overall opinion, we considered our opinion on specific matters required by the Act, which is set out below.

Opinion on Specific Matters Required by the Act

The Auditor-General is required by section 94(1) of the Act to report on:

- the extent to which the LTCCP complies with the requirements of the Act;
- the quality of information and assumptions underlying the forecast information provided in the LTCCP; and
- the extent to which the forecast information and performance measures will provide an appropriate framework for the meaningful assessment of the actual levels of service provision.

In terms of our obligation to report on the matters outlined in section 94(1) of the Act, in our opinion:

- the District Council has complied with the requirements of the Act in all material respects demonstrating good practice for a Council of its size and scale within the context of its environment;
- the underlying information used to prepare the LTCCP provides a reasonable basis for the preparation of the forecast information;
- the assumptions set out within the LTCCP are based on best information currently available to the District Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast information has been properly prepared on the basis of the underlying information and the assumptions adopted and the financial information is presented in accordance with generally accepted accounting practice in New Zealand;
- the extent to which the forecast information and performance measures provide an appropriate framework for the meaningful assessment of the actual levels of service provision reflects good practice for a Council of its size and scale within the context of its environment.

Actual results are likely to be different from the forecast information since anticipated events frequently do not occur as expected and the variation may be material. Accordingly, we express no opinion as to whether the forecasts will be achieved.

Our report was completed on 26 June 2006, and is the date at which our opinion is expressed.

The basis of the opinion is explained below. In addition, we outline the responsibilities of the District Council and the Auditor, and explain our independence.

Basis of Opinion

We carried out the audit in accordance with the International Standard on Assurance Engagements 3000 (revised): *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards. We have examined the forecast financial information in accordance with the International Standard on Assurance Engagements 3400: *The Examination of Prospective Financial Information*.

We planned and performed our audit to obtain all the information and explanations we considered necessary to obtain reasonable assurance that the LTCCP does not contain material misstatements, and provides a reasonable basis for long term integrated decision-making by the public and the District Council about the activities of the District Council, and for subsequent accountability to the community about the activities of the District Council.

Our procedures included examining on a test basis, evidence supporting assumptions, amounts and other disclosures in the LTCCP, determining compliance with the requirements of the Act, and evaluating the overall adequacy of the presentation of information.

We obtained all the information and explanations we required to support the opinion above.

Responsibilities of the Council and the Auditor

The District Council is responsible for preparing a LTCCP under the Act, by applying the District Council's assumptions and presenting the financial information in accordance with generally accepted accounting practice in New Zealand. The District Council's responsibilities arise from Section 93 of the Act.

We are responsible for expressing an independent opinion on the LTCCP and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 94(1) of the Act.

Independence

When reporting on the LTCCP we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

Other than this report and in conducting the annual audit, we have no relationship with or interests in the District Council.



M G Taris
Audit New Zealand
On behalf of the Auditor-General
Tauranga, New Zealand

Matters relating to the electronic presentation of the report to the readers of the Long-Term Council Community Plan

This report relates to the Long Term Council Community Plan (the LTCCP) of Rotorua District Council for the ten years commencing 1 July 2006 included on Rotorua District Council's web-site. The Rotorua District Council's Information Management Web Team is responsible for the maintenance and integrity of the Rotorua District Council's web site. We have not been engaged to report on the integrity of the Rotorua District Council's web site. We accept no responsibility for any changes that may have occurred to the LTCCP since it was initially presented on the web site.

The report refers only to the LTCCP named above. It does not provide an opinion on any other information which may have been hyperlinked to/from the LTCCP. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the LTCCP in one volume approved on 26 June 2006 and the related audit report dated 26 June 2006 to confirm the information included in the LTCCP presented on this web site.

The preparation and dissemination of the LTCCP is governed by New Zealand legislation.

BRIGHT FUTURE ROTORUA

The Local Government Act requires Council to carry out a process to identify community outcomes for the intermediate and long term future of the district and, not less than once every 3 years, to report on the progress made by the community in achieving these community outcomes.

The purpose of the community outcomes process is to:

- Provide the Rotorua community with an opportunity to discuss its present situation and prioritise issues in terms of their importance for Rotorua's future
- Influence and guide priorities in relation to the council and other organisations' activities
- Help the community, council and other organisations to work together in a more efficient and co-ordinated manner, to better promote well-being in the district
- Check how we are progressing towards Rotorua's agreed outcomes

Community Outcomes are overarching strategic goals that councils and other organisations can use to guide their service delivery and resource allocation. They are also a focal point for promoting closer working relationships, to ensure resources are used more effectively and in a coordinated manner.

Rotorua District Council's contribution to promoting the community outcomes is described in this LTCCP. It is a requirement of all LTCCPs to describe which community outcomes different council activities will contribute towards.

In accordance with the letter and spirit of the Local Government Act, Rotorua District Council is taking a collaborative and inclusive approach to identifying and monitoring community outcomes. In mid-2003 the council discussed the community outcomes requirements with other key organisations that promote community well-being in the Rotorua District. These organisations endorsed a process of public consultation which took shape in the latter part of 2003 as the Bright Future Rotorua project.

First, information from previous community feedback was compiled into a set of eight draft community outcomes. This information was used as the basis for a community survey which asked residents to prioritise the draft outcomes according to what they felt was most important for the District over the coming decade. More than 800 responses were received from a broad cross-section of people. The results show that a safe and caring community is the most important outcome for Rotorua residents. Other high priorities include a healthy community, a prosperous community and a community that respects its environment.

Many survey respondents also suggested additional issues they felt were important for Rotorua, including supporting young people, promoting multi-culturalism and ensuring strong leadership. It is believed that the way in which contributing organisations promote the outcomes can give effect to these issues.



Monitoring and Reporting Community Outcomes

In addition to identifying community outcomes and showing how it will promote them through its LTCCP, Council must also facilitate the development of a framework to monitor the community's progress towards outcomes, and to report on this at least every three years.

A cross sectorial working group has identified 32 indicators that can be used to gauge the Rotorua Community's progress towards their outcomes. A monitoring framework is being established so that regular information gathering and reporting back to the wider community can take place not less than every 3 years. At this stage information gathering has begun and full reporting will be undertaken in the 2006/2007 year. Where possible information already collected for other purposes is being used to monitor progress towards outcomes, however, to assess progress across the board will involve collecting some new information. Rotorua District Council will work with partners to do this as efficiently as possible.

The format for reporting the community's progress towards achieving its outcomes is yet to be finalised. However, the information will be available for Rotorua District Council and others to use as either 'stand alone' information or for inclusion along with other reporting information for the community.

The monitoring programme will provide valuable information for Council and other organisations to help them ensure their activities and services are meeting the requirements of the community.

COMMUNITY OUTCOMES

A safe and caring community – families and whanau are safe and strong; people are considerate and respect cultural diversity.

He Iwi Whanui e ngakau nui ana ki te manaaki motuhake.

- Safe homes and streets
- Less crime
- Fewer road accidents
- Organisations working together on agreed priorities
- Providing safe public spaces
- Families and whanau work, play and talk together

A community that respects its environment - people value, respect and understand the needs of our lakes, streams, forests and geothermal resources; commitment to preserving, monitoring and improving the natural environment is owned by everyone.

He Iwi Whanui tenei e ngakau nui ana ki te Taiao

- Looking after our air, land and water resources
- Improved lake water quality
- Waste reduction
- Kaitiakitanga (guardianship)
- People using and enjoying our natural environment
- Historical sites and buildings are protected and promoted
- Managing and protecting geothermal resources and our springs, trout, lakes, forests, geysers

A healthy community - health is holistic; people are supported to enjoy and experience physical, mental, emotional, and spiritual well-being

He Iwi Whanui tenei e ngakau nui ana ki tona oranga

- Increasing recreational opportunities
- Good access to health services
- Safe drinking water
- Improving health status for all
- Improved youth health
- Effective responses to developing health issues
- Improved self esteem/confidence ability
- Partnerships to promote healthy living
- Healthy whanau, healthy communities

A prosperous community - people and businesses are motivated to be successful; jobs are created and rewards are shared

He Iwi Whanui tenei e kokiri whakamua ana i roto inga take Houkura

- Rising average incomes
- Encouraging development of Maori Land
- Reducing unemployment rate
- More investment in our district
- More employment opportunities
- More new business
- Celebrating and promoting our district's unique qualities
- Encouraging growth

A community with excellent facilities and services - a community that plans well to ensure facilities and services are accessible and Rotorua is easy to get around, now and in the future

He Iwi Whanui tenei e mau pu motuhake ana ki ona taonga me ona ratonga

- Easy to get from place to place
- Good, safe, maintained services and roads
- Good quality infrastructure for future
- Excellent reliable communication technology
- Affordable facilities and reserves and services
- A great Airport

A Community that Values its Living Maori Culture – The history of Te Arawa in the district and the value of Maori culture are recognised and fostered.

He Iwi Whanui e manawa nui ana ki te Ao Maori

- Preservation and sustainable development of Maori resources
- Improved opportunities
- A community that recognises the value of partnerships including the Treaty of Waitangi
- Fostering Maori cultural activities and expression
- Respecting Te Arawa as part of the unique heritage of Rotorua District
- Strengthening relationships between cultures

A learning community - people of all ages and backgrounds are inspired to achieve and supported to learn and be well informed.

He Iwi Whanui tenei e ngakau nui ana ki te Ako me te Matauranga

- Learning activities accessible for everyone
- Excellent pre-school/infants facilities
- Addressing skill shortages through the right training
- Improve rate of formal qualification for school leavers
- Quality educational institutions
- Increasing participation in tertiary education
- Whanau supported learning

A “happening” community - Rotorua is an exciting place with lots of activities and events, people welcome diversity and are inspired by creativity

He Iwi Whanui tenei e tumeke ana

- Lots of events including sporting, cultural, festivals, arts
- Leading edge activity events
- Provision of good quality event, conference and tourism facilities
- Celebrating and nurturing traditional Maori culture
- Foster artistic expression, art, music, dancing, public performances and exhibitions
- Great facilities to visit e.g.: museum, arts village, aquatic centre



Bright Future Community Outcomes Indicators and Measures

Community Outcome	Indicator	Measure
A safe and caring community	1. Community spirit 2. Crime 3. Perceptions of safety 4. Road traffic crashes	1a Community spirit 1b Sense of community 1c Community support 2a Reported offences 2b Victimisation rates 3a Perceptions of Rotorua as a safe place to live 3b Perceptions of personal safety 4a Crashes resulting in death or injury 4b Road traffic casualties
A community that respects its environment	5. Environmental behaviours 6. Environmental attitudes 7. Solid waste management 8. Lake water quality	5a Personal environmental actions 5b Public environmental actions 6a Attitudes towards caring for the environment 7a Waste to landfill 7b Recycling volumes 8a Retirement of lake margins 8b Reticulation of lakeside settlements 8c Algal blooms
A healthy community	9. Personal Health 10. Accessing Healthcare 11. Physical activity 12. Emotional well-being	9a Estimated life expectancy at birth 9b Low birth weight babies 9c Stroke 10a Avoidable hospitalisation 10b Immunisation rates 10c Oral health 11a Participation in vigorous or moderate activity 11b Participation in physical activity 12a Happiness 12b Calm and peaceful
A prosperous community	13. Incomes 14. Economic growth 15. Employment and unemployment 16. Deprivation	13a Personal income 13b Household income 14a Economic growth index 14b Business confidence index 14c Ability to develop Maori land 15a Employment rate 15b People registered on Unemployment Benefit 16a Deprivation
A community with excellent facilities and services	17. Pride in the look and feel of the District 18. Ease of getting from place to place 19. Satisfaction with facilities and services 20. Disabled access	17a Pride in the look and feel of the District 18a Ease of getting from place to place 19a Satisfaction with Council facilities & services 19b Visitor satisfaction with facilities & services 20a Disabled access
A community that values its living Maori culture	21. Perceived value of living Maori culture 22. Bicultural relationship 23. Te Reo Maori 24. Te Ao Maori	21a Importance of living Maori culture 21b Extent the community values its living Maori culture 21c Equal opportunities 22a Relationship between Maori & non-Maori 23a Knowledge of Te Reo 23b Speaking proficiency 23c Perceived importance of Te Reo 24a Maori activities and media 24b Knowledge of Te Arawa
A learning community	25. Early childhood education 26. Student engagement 27. Student achievement 28. Further education	25a Early childhood education 26a School qualifications 27a Stand-downs, suspensions & exclusions 27b Early school leavers 27c Non-enrolled young people 28a Participation in further education or training
A 'happening' community	29. Activities 30. Major events 31. Sports, arts, recreation and cultural groups 32. Visitors	29a Always something to do 30a Attendance at major events 31a Participation in sports, arts, recreational or cultural groups or activities 32a Average length of stay 32b Visitor numbers and nights

Learn more about Rotorua's Bright Future at www.rdc.govt.nz.

Regional Community Outcomes

To give full effect to Community Outcomes requires a collaborative approach from many organisations, groups and sectors up the Community. In addition to close consultation with Tangata Whenua in the identification of Community Outcomes and indicators, Council will be working closely with Maori on initiatives to give effect to outcomes. Rotorua District Council has also been party to other regional processes that bring together a wide range of stakeholders to collectively identify and/or promote Community Outcomes. These initiatives are described below:

Choosing Futures Waikato

Choosing Futures Waikato is a process put together by the 13 councils in the greater Waikato region. Under the Local Government Act 2002, all councils must work with their communities to identify what people want for the future. The aim of the Choosing Futures Waikato process has been to identify a set of regional community goals, called community outcomes. The next step is for councils, government agencies, and business and community organisations to start looking at ways to work towards achieving these outcomes. We'll also be regularly reporting back to you – the Waikato community – on progress.

Community outcomes help describe what sort of region people want in the future. They have been identified by talking to and gaining the views of people right across our region. Nine regional visioning workshops were held in communities throughout the Waikato region. Iwi in the region have contributed, local councils have consulted with their communities; and we have worked closely with key organisations including central and local government, businesses, industry groups and community organisations.

All of these people and organisations were asked what they wanted the region to be like in the future. This information has been drawn together by a representative group of people for the Waikato region – the Community Outcomes Working Group.

The Choosing Future process identified 38 Community Outcomes under the following five themes:

1. Sustainable Environment

- The Waikato region values and protects its diverse, interconnected natural environments.

2. Quality of Life

- The Waikato region is a great place to live, providing the services and opportunities we need to live well.

3. Sustainable Economy

- The Waikato region balances a thriving economy with looking after its people, places and environment.

4. Culture and Identity

- The Waikato region identifies with - and values - its land, air, rivers and waterways, mountains, flora, fauna and its people.

5. Participation and Equity

- The Waikato region builds strong informed communities and has a culture that encourages people and communities to play their part.

In association with the Choosing Futures Waikato process, a Monitoring and Reporting Community Outcomes (MARCO) working group has identified a set of 72 indicators relating to the five themes. These indicators and their associated measures are being finalised at the time of publication. More information will be available on Choosing Futures Waikato website (see below).

Government agencies and community organisations will use the community outcomes for guidance on the sort of services that they deliver to the Waikato region and how they do this. Councils will use community outcomes to develop their long term council community plans. Progress made towards achieving these community outcomes will be measured regularly and reported back to the community. This is an important way of checking the progress we are making together and identifying areas where we could do better.

We will be working together to make the Waikato region the best it can be, now and in the future.

For more information contact:

Choosing Futures Waikato
 Freepost Authority 11
 Hamilton
 Phone: 07 838 6672
 Email: info@choosingfutures.co.nz
www.choosingfutures.co.nz

Bay of Plenty Regional Outcomes

Environment Bay of Plenty has stated that its role is to:

- *Run the process for the community to identify outcomes.*
- *Work with many other people and groups in the community to make the outcomes happen.*
- *Monitor how the community is progressing towards making the outcomes happen.*

Outcomes belong to the community, not to the council.

Council does not adopt the outcomes in the same way that it adopts its other plans and policies.

Identifying Community Outcomes

The Local Government Act 2002 requires all councils to run a process to identify community outcomes for their communities. Environment Bay of Plenty has worked in partnership with the local councils and other organisations in our region to run outcomes processes. The Regional Community Outcomes are a result of these processes. They will be included in the 2006 Long Term Council Community Plan.

The regional outcomes cover different parts of our lives:

- Social
- Environmental
- Economic
- Cultural

The outcomes will help us all create the future we want to enjoy.

Bay of Plenty Regional Community Outcomes

1. A Clean and Protected Environment

- Our natural environment is valued and preserved – enjoyed by us now and protected for future generations.

2. Healthy and Safe Communities

- Individuals and organisations work in partnership to promote healthy living and ensure safe and caring communities.

3. Value on Learning and Excellence

- Residents are inspired to achieve and are supported in their efforts to learn and be well informed.

4. Quality, Affordable Infrastructure

- Our infrastructure – particularly the transport network – serves business and the community well, contributes to quality of life in the region, and is sensitive to the natural environment.

5. A Vibrant and Fulfilling Lifestyle

- The Bay of Plenty is a region that people love and are proud to live in and call their own.

6. Prosperous and Sustainable Economy

- Our productive, diverse regional economy provides long term sustainable growth and prosperity.

7. Open and Inclusive Leadership

- Our responsible and motivated leaders and officials support community participation in decision-making.

8. Respected Culture and Heritage

- The history of the region and the value of Maori culture within it are recognised and fostered.

For more information see www.envbop.govt.nz.

The terms of reference for the joint group are:

- be better informed about activity contributing to community outcomes in the region;
- identify how to most effectively promote and achieve community outcomes;
- work together where projects or goals overlap, efficiently sharing resources;
- monitor progress on community outcomes, and
- identify and promote issues from the region that aren't already being progressed and require a national multi-agency policy or legislative response.

Collaborative Approaches

The councils in the Bay of Plenty region, including Environment Bay of Plenty, have joined together with 17 central government agencies to form a Bay of Plenty Community Outcomes Working Group. This group has put together a list of common themes in the sets of community outcomes that have been identified across the Bay of Plenty, and is working to identify where more work might be needed by central government, local government or the community to make progress towards achieving community outcomes. This collective process is consistent with the principles of local government in section 14 of the Local Government Act, and reflects the shared roles of many organisations and the community in working towards community outcomes.

ROTORUA DISTRICT TODAY AND HOW WE GOT THERE

Rotorua lies on the boundary of the Bay of Plenty and Waikato Regional Council areas. With an estimated population count of 66,900, Rotorua ranks 5th in size out of the 59 districts in New Zealand, and 16th in size out of New Zealand's 74 cities and districts. The district is centred around a thriving urban area on the southern shore of Lake Rotorua, and extends to include a substantial rural area as well as lakeside communities. Rotorua is a bicultural district with an increasingly multicultural population. The local environment encompasses 14 lakes, active geothermal areas, and a considerable amount of public open space. Rotorua has an increasingly broad industry base that includes tourism, agriculture, forestry, retail, manufacturing, business services, social services and education.

Some vital statistics:

- The total area of the Rotorua District is 2,708 km².
- The district's population is estimated at 70,400 (2006 Census).
- Almost 20% of the population lives in rural and lakeside areas.
- The Rotorua District is a visitor icon in New Zealand and overseas, due in part to its geothermal and cultural attractions. On average, there are more than 5,243 visitors per day staying in Rotorua commercial accommodation.
- There are 800 ha of reserves managed by Rotorua District Council.
- There are more than 988 km of local roads in the district, of which almost 80% are sealed.
- The gross capital valuation is around \$ 9.7 billion and gross land valuation is around \$4.8 billion.
- Rotorua's GDP is estimated at \$2 billion per annum.

Rotorua's Early History

According to oral history, many of Rotorua's Maori residents trace their ancestry to Tamatekapua, the captain of the Arawa canoe that arrived in New Zealand from the fabled homeland of *Hawaiki* more than six centuries ago. The Arawa canoe was beached at Maketu on the Bay of Plenty coast where the new arrivals settled down to live. They had been at Maketu for some time when an ancestor called Kahumatamomoe journeyed inland to explore. He discovered what is now known as Lake Rotorua, and settled at what is now Kawaha Point. Prompted by reports from other explorers, including Tamatekapua's grandson Ihenga, other members of the Arawa tribe eventually moved from the coast and settled in the Rotorua and Taupo areas. The earliest Maori villages in Rotorua were located close to geothermal activity, including Ohinemutu and Whakarewarewa. Descendants of the original settlers have

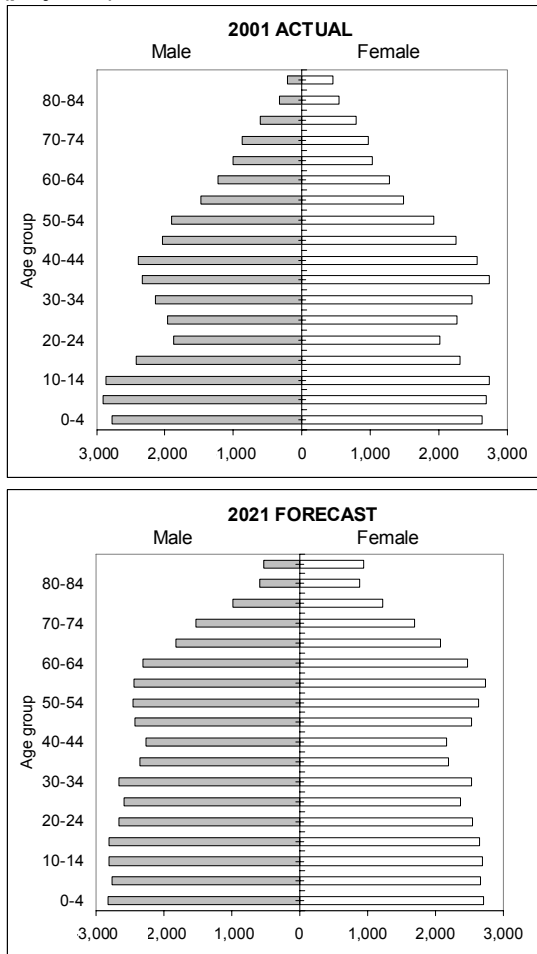
left their mark on modern-day Rotorua through song, dance, legends and place names.

European settlers arrived in New Zealand throughout the 18th century. The subsequent development of the Rotorua area was driven by interest in the unique geothermal and cultural attractions of the area, coupled with the establishment of transport links, forestry and farming. The foundations of today's local government structure were laid by the Thermal Springs District Act of 1881, which made provisions for the establishment of certain amenities in Rotorua. An agreement was also concluded between the Government and the Maori people on the setting up of a Town Board to administer the affairs of the new township. The Arawa sub-tribe Ngati Whakaue contributed generously to the development of the town through the gifting of more than 120 parcels of land for health and recreational purposes. These include 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.

Rotorua's People

Including people of mixed ethnicity, the major ethnic groups in the Rotorua District are European (69.6%), Maori (37.5%), Pacific Islands (4.6%) and Asian (3.7%). More than half of Rotorua's young people are of Maori descent. According to Census results, around 8,000 Rotorua residents are affiliated with the Arawa tribe that were the original settlers of the central Bay of Plenty area. In addition, many of Rotorua's Maori residents are affiliated with tribes from other parts of New Zealand. Rotorua's population profile is becoming much more multicultural than it has been in the past, including increases in residents from the Pacific Islands, Asian countries, and many other parts of the world. Rotorua's population profile is also relatively youthful but, like other parts of New Zealand, is gradually growing older. Official projections show that the district is expected to have only moderate residential population growth over the coming decade, with more rapid growth in the eastern suburbs, northern rural areas and eastern lakeside areas.

Age-gender profile, Rotorua District, 2001-2021 (projected)



Source: Statistics New Zealand

Te Arawa and Geothermal Activity of the District

Included in the mythology of the Te Arawa people is an explanation for the origins of the geothermal activity within the district. The story of the tohunga (person of great knowledge) Ngatoroirangi is known and has been recited by both Te Arawa and Tuwharetoa, people of the Rotorua and Taupo regions for hundreds of years.

The following is a brief excerpt of the legend of Ngatoroirangi and the Pacific Ring of Fire:

The explorer Ngatoroirangi of the Arawa canoe was ascending Mount Tongariro when he called to his sisters from Hawaiki to bring him warmth or he would surely die. Ngatoroirangi's prayers were heard and his sisters called upon the fire demons, Te Pupu and Te Hoata, who plunged into the sea and swam to Ngatoroirangi. Te Pupu and Te Hoata surfaced for the 1st time at Whakaari (White Island), where the earth burst into flames, they found that they still had many miles to go so continued on their journey, stopping briefly at Mou-tohoro, Okakaru, Rotoehu, Rotoiti, Rotorua, Tarawera, Orakei-Korako and Taupo.

This is but one legend that talks about the geothermal wonders of NZ. These stories act to inform future and current generations about where the geothermal and volcanic activity is, to provide warnings and create an aura of importance about these treasures, whereby they are respected and protected.

Rotorua's Economy

Rotorua's central North Island location provides easy road, rail and air access. The district is enjoying a sustained period of investment, providing a solid infrastructure for growth. Council has invested significantly in improving public amenities in the District, including a \$30 million upgrade of the CBD. Rotorua is home to an increasing number of industry clusters including forestry, tourism and education. These are made up of professional bodies that are committed to working together to improve their operations.

Rotorua's economic base has been changing at a rapid pace, with considerable innovation in the traditional sectors of tourism, forestry and agriculture. These industries jointly contribute an estimated 25% of Rotorua's total economic output. There is an increasing number of smaller lifestyle farming blocks in the district, as well as rationalisation and more intensive use of larger farming blocks. In sectors such as education, manufacturing and retailing, Rotorua's competitive local environment has enabled many businesses and organisations to excel. There is also an internationally recognised depth of local expertise in the transport and engineering sectors.

Labour force participation in Rotorua has increased substantially over the past decade, and unemployment is at a 15-year low. Rotorua's occupational profile is gradually changing, with fewer agricultural workers and increased numbers of manufacturers, professionals, teachers and other service occupations. Career opportunities exist across a wide range of industries. Fast-growing sectors over the coming years are expected to include trade and tourism, manufacturing, health, education and transport. Despite continued uncertainties in the forestry sector, the outlook for forestry and wood processing also remains optimistic. Emerging industries in Rotorua include spa and wellness, biotechnology and film and television. There is also considerable scope for increased commercial development on land and resources owned and managed by local Maori.

Rotorua's Environment

Rotorua's unique environment has shaped the development and identity of the district and provides a wide range of social, cultural, recreational and economic resources. The landscape and its cover have been substantially altered over time by geological events and human activity. Land cover in the 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.

The district's 14 lakes form a backdrop to an abundant variety of natural resources, recreation opportunities, visitor attractions and economic opportunities. The lakes and geysers of Rotorua are icons, recognised in this country and known throughout the world. 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 Maori Trust Board and lakeside communities to better manage lake water quality.

Rotorua is located in close proximity to vast plantation forestry resources, including the extensive Kaingaroa Forest. Forest Research – New Zealand's largest forestry research organisation – is located in Rotorua, as is the Radi Centre of Excellence in Wood Manufacturing, a partnership between Forest Industries Training, the University of Auckland and Waiariki Institute of Technology.

Te Arawa are the traditional kaitiaki (guardians) of Rotorua's environment for future generations, and partnership with Iwi is a key principle in the management of the district's environment. The District Plan lists 235 archaeological sites, 34 marae and 27 other heritage sites or structures that have cultural or historical significance to Iwi. The process of consultation with Maori is evolving as greater efforts are made for improved communication.

Rotorua's Population in the Future

Introduction

Each year there are currently around 5,400 births in the Rotorua District and approximately 2,500 deaths, so natural increase is around 0.8% per year. However, over the period 1996 to 2001 the Rotorua District population remained unchanged due to excess out-migration to other parts of New Zealand and to overseas.

The 2006 census estimates the Rotorua District population at 70,400. As well as overall population changes, the demographic profile of Rotorua is projected to change. In particular, the population profile is ageing, there is an increasing number of Maori residents, and also an increasing diversity of people belonging to Asian, Pacific Islands, and other ethnic groups.

Migrational churning is a distinctive feature of the Rotorua District and wider Bay of Plenty. The latest population projections assume that Rotorua will continue to have slightly more out-migration than in-migration each year, resulting in an expected population growth rate of around 0.4% per annum over the coming 20 year period, compared with a national growth rate of 0.8%. The Bay of Plenty as a whole is forecast to grow at 1.25% per annum over this period, due to

an expected continuation in the rapid growth in the Tauranga (2.3%) and Western Bay of Plenty districts (1.8%).

The Rotorua District population is forecast to reach 72,700 in 2026 and 75,300 by 2051. These upper and lower limits are fairly arbitrary, but give some indication of the likely population increase.

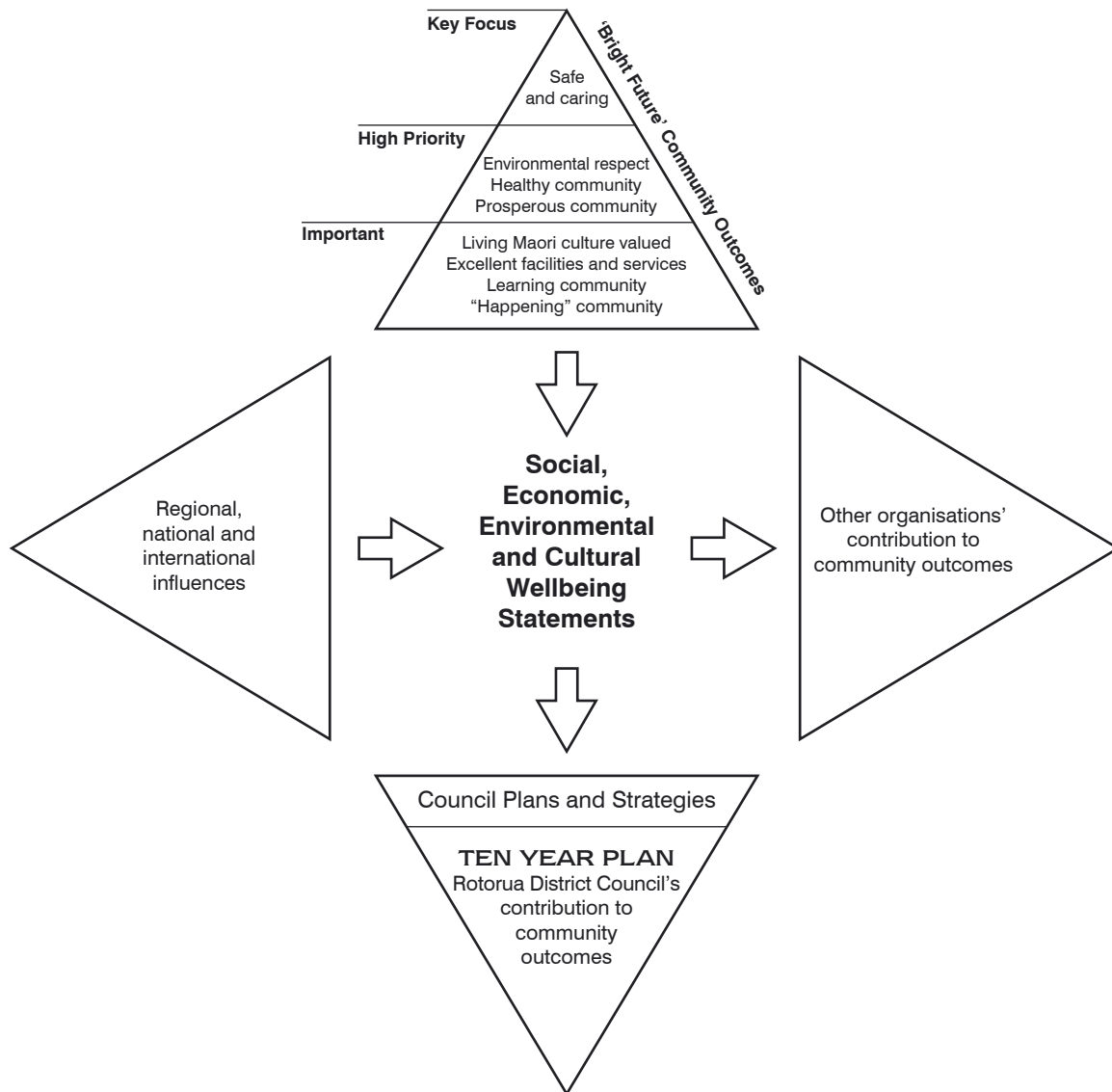
Improving our knowledge

To ensure there is accurate and consistent information for the basis of planning. The council has developed a growth model which looks at all the factors impacting on growth in the district.

This model includes assumptions around the type of growth, e.g. residents versus visitors and demographic make up. This information underpins our projected services included in the 2006-16 LTCCP. It is crucial that our planning for services, infrastructure and funding are realistic and coordinated across the district. Key findings of the growth model are:

- Population Growth is forecast to grow by 0.38% per annum between 2001 and 2021, and a further 0.15% per annum to 2051.
- Household occupancy will trend down from 3 people per occupied dwelling in 2001 to 2.67 in 2021 and 2.6 in 2051.
- The number of households will increase from 22,257 in 2001 to 26,917 in 2021, and continue to grow to 28,996 in 2051.
- An additional 1,221,494 visitor nights will be generated by 2021.
- Total visitor nights will be 4,214,299 by 2012 and 4,580,291 by 2021.
- An additional 44.26 hectares of Industrial/Employment Land will be needed by 2021 and a further 28.64 by 2051.
- An additional 8.27ha of Retail/Commercial Land will be needed by 2021 and a further 5.35ha by 2051.
- The high growth areas have been identified as the: City, Eastern Suburbs, Rotokawa and Northern planning units, while the Rural, Established Lakeside Settlements, Eastern Lake and Hamurana planning units will experience moderate growth, and the Highly Regarded Natural Environment, Southern Lakes and Ngongotaha planning units will experience stable growth.
- Growth and a strong economy will help ensure the current trend of negative net migration slows or stops as the natural increase slows in line with the ageing New Zealand population. Consequently Rotorua will maintain a increasing population growth rather than a declining population as forecast by Statistics New Zealand.

PLANNING FRAMEWORK



OUTCOMES RELATIONSHIPS TO KEY STRATEGIC DOCUMENTS

Council's planning framework and district statements describe how the Bright Future Community Outcomes influence Council's plans, strategies and policy at a high level. In addition all of Council's services have been defined and assessed both in terms of the drivers (plans, strategies, legislation) that govern them as well as their direct linkages

to the Community Outcomes. The overall contribution these drivers have to promoting Outcomes via the activities and services of Council is illustrated at the beginning of each activity group overview in this plan.

WELL-BEING STATEMENTS



The Local Government Act 2002 (LGA02) provides a new planning framework for councils, however, this does not mean that existing processes and plans automatically become obsolete or redundant. In addition to ensuring new processes are consistent with the LGA02 framework, existing processes also need to be aligned where possible and reviewed if they are inconsistent.


In order to ensure that Community Outcomes can give direction to Council policy, plans and strategies and be translated into actions, Council is developing Social, Economic, Environmental and Cultural (SEEC) Statements. It is anticipated that these statements will give coherence to the different planning processes undertaken and also ensure that Council's public policy is robustly consulted on every three years when the Ten Year Plan is reviewed.

The adoption of SEEC Statements is likely to have benefits in such areas as reinforcing the District Plan by ensuring that key policies are developed through the relevant SEEC statement and then included in the Ten Year Plan which must be adopted using a public consultation process.

This approach will make the Ten Year Plan a cornerstone document that reflects Council's high level policy approach in all spheres of well-being. Guiding policy contained in the plan can be reviewed and validated every three years and thus drive amendments or new policy development in plans and strategies. An additional benefit will be closer linkages to policy direction and resource allocation as both will be contained in the plan.

Much of the information needed for the draft statements has been developed through, or in conjunction with, other strategic work being undertaken by Council such as the District Plan review and the Bright Economy strategy. The statements are not implementation documents that will govern day to day operations, but will provide managers and elected members a clear understanding of key issues in each well-being area along with a guide on Council's approach to promoting social, economic, environmental and cultural well-being.

It is anticipated that over time the statements will be reviewed and refined to ensure that council plans and strategies continue to have a sustainable development approach that is appropriate for the Rotorua district. This will also ensure priorities are set that help to promote the community's identified outcomes.



SOCIAL WELL-BEING STATEMENT

“A safe and caring community”

“A healthy community”

“A community with excellent facilities and services”

“A learning community”

The community outcomes that relate to social well-being¹ reflect the importance of Rotorua’s social assets to the people who live in the district and to those who visit. These assets include:

- Strong networks of not-for-profit/community/voluntary sector agencies.
- Health agencies (public, private, not-for-profit, Maori) working together to promote the health of Rotorua’s people.
- Presence of Health Rotorua – low cost access Primary Health Organisation.
- Ongoing and active intersectoral relationships/collaboration on projects with a community/social and safety focus.
- Partnerships in place and being developed to address skill requirements and facilitate youth transition into the workforce.
- Support for elderly (e.g. RDC’s pensioner housing, retirement villages and rest homes, HNZA houses....)
- Being a regional base for a range of Central Government agencies, e.g. Ministry of Social Development, Child Youth and Family, Police, Tertiary Education Commission, Te Puni Kokiri.
- Presence of Rotorua Public Hospital and other hospitals in Rotorua.
- A range of educational opportunities for young people; early childhood education options, primary, secondary schools plus Waiariki Institute of Technology and Rotorua School for Young Parents.
- Strength of Te Arawa as Tangata Whenua.
- Presence of Rotorua Trust as a funder of social initiatives.
- Support of community development in a sustainable way.
- An extensive network of parks, reserves and recreation facilities.

The Local Government Act (2002) provides for Rotorua District Council to play a broad role in promoting the social, economic, environmental and cultural well-being of local communities, both now and in the future. This follows the sustainable development approach which is defined as “.. development which meets the needs of the present without compromising the ability of future generations to meet their own needs.”

¹ Social Well-being – This encompasses factors that enable individuals, their families, hapu and communities to set goals and achieve them – these include factors such as education, health, the strength of the community networks and associations, financial and personal security, rights and freedoms and levels of equity. Local Government NZ [Local Government Act 2002: An Overview 2003](#) pg 5

Achieving sustainable development involves a different way of thinking and working. It requires:

- looking after people.
- taking the long term view.
- taking account of the social, economic, environmental and cultural effects of our decisions.
- encouraging participation and partnerships.

(Source: Department of Prime Minister and Cabinet (January 2003) Sustainable Development for NZ: Programme of Action)

Council’s vision is:

To provide excellence in leadership and sustainable community services that improves quality of life for residents and ensure a world-class experience for visitors (LTCCP 2004-2014).

This social well-being statement sets out the ways in which Council will contribute to achievement of Rotorua’s Community Outcomes.

Social Outcomes

1. Knowledge and skills
2. Social connectedness
3. Health – personal and public
4. Civic and political rights
5. Community safety
6. Education
7. Employment opportunities
8. Support for families
9. High standard of living

1. Knowledge and Skills

Knowledge and skills enhance people’s ability to meet their basic needs, widen the range of options to them in every sphere of life and enable them to influence the direction their lives take. The skills people possess can also enhance people’s sense of self-worth, security and belonging.

Knowledge and skills include not only education and training but also abilities gained through work and daily life.

MSD 2005 The Social Report p34

The challenge is to make knowledge and skills available for each individual in our community.

Rotorua District Council is working in this area through:

- Actively addressing youth in transition and pathways to employment through collaborative relationships with stakeholders.

- Collaboration with organisations to ensure equality of access to educational opportunities for people living in Rotorua.
- Providing access to information and knowledge through a variety of print and other media.
- The presence of Rotorua Museum which tells stories about times and this place.
- Provision of facilities and programmes for people to develop skills e.g. swimming, sports, arts, physical activity.
- Implementation of RDC Employment Skills Strategy.

- Monitoring Rotorua social and cultural trends and keeping Council and the community informed.
- Facilitating community consultation, research and activities around social and cultural issues as directed by Council.
- Acknowledgement of those involved in voluntary/unpaid work.
- Collaboration to improve and increase access to information and communication technology.
- Provision of safe, well designed public spaces for people to use and interact in.

2. Social Connectedness

Social connectedness refers to the relationships people have with others and people's sense of belonging in the community. Social connectedness is integral to well-being. People are defined by their social roles, whether as partners, parents, children friends, caregivers, team-mates, staff or employers, or a myriad of other roles. Relationships give people support, happiness, contentment and a sense they belong and have a role to play in society. They also mean people have support networks in place that they can call on for help during hard times.

MSD 2005 The Social Report p 114

Rotorua has increasing numbers of older people and a greater proportion of young people than the national demographic profile. Opportunities for social connectedness allow people of the Rotorua District to develop a sense of belonging and of working together to achieve shared goals.

Rotorua District Council is developing and maintaining social connectedness through:

- Consideration of the needs of groups of people e.g. children & young people, elderly, people with disabilities as the district develops.
- Provision of information and support to the people of the district through a range of media.
- Support of community and sustainable development.
- Effective management of resources and services which enhance community well-being e.g. rural community halls, pensioner housing and community assistance policies.
- Sharing of public celebrations.
- Families/whanau supporting and nurturing their members.
- Facilitating and planning events, activities & services relevant to Council priorities e.g. Anzac Day/Santa Parade/Mardi Gras, databases, Civil Defence.
- Advising Council on social policy issues and matters in support of Council's advocacy and leadership roles.
- Collaboration with Central Government e.g. Ministry of Social Development.
- Contracts with not-for-profit social service organisations e.g. Citizens Advice Bureau, Rotorua Social Services Council.
- Implementation of a youth policy and youth action plan.
- Supporting the NZ Positive Ageing Strategy.

3. Health – Personal and Public

Good health is critical to well-being. Without good health, people are less able to enjoy their lives to the fullest extent, their options are limited and their general levels of contentment and happiness are likely to be reduced. Good health has two core dimensions: how long people live and the quality of their lives.

MSD The Social Report p 22

Health encompasses many dimensions – these include social, mental, spiritual and emotional aspects.

Increasing attention is being given to the interaction between socio-economic factors and health outcomes.

Good health means ensuring that people living in the Rotorua District Council area have access to health and support services.

Rotorua District Council achieves this by:

- Providing facilities and programmes for active living.
- Good quality urban design that fosters active living.
- Providing Pensioner Housing units for older persons who meets RDC criteria.
- Working with partners at a regional level to achieve Sport and Recreation NZ objectives.
- Working with local partners towards "Healthy Communities- Mauriora"/ NZ Positive Ageing Strategy.
- Providing regulatory control and monitoring of food outlets, noise and animal control, building services.
- Developing and monitoring the impact of gambling and alcohol in our community.
- Providing high quality drinking water and treatment of sewerage in urban and all rural lakes communities.
- Regulating development to prevent negative effects on health.
- Providing appropriate burial and cremation services.

4. Civic and Political Rights

The engagement of civil and political rights is crucial to people's ability to participate in society, make choices about their lives and live with dignity.

MSD 2005 The Social Report p 72

Rotorua District Council is working in this area through:

- Encouraging young people to have a voice.
- Provision of opportunities for people within the Rotorua district to participate in decision making on RDC activities and plans.
- Facilitation of three yearly local authority elections.
- Encouraging participation in local and national elections.

5. Community Safety

Safety is fundamental to well-being: at their most extreme, violence and avoidable injuries threaten life itself. In other cases, they reduce the quality of life for the victim and other people in a multitude of ways. Both safety and security are important. Safety is freedom from physical or emotional harm, while security is freedom from the threat of fear of harm or danger.

MSD 2005 The Social Report p 104

The desired outcome is that all people enjoy physical safety and feel secure. People are free from victimisation, abuse, violence and avoidable injury.

Rotorua District Council is addressing this by:

- Collaborating with other stakeholders to work towards WHO Safer Community Accreditation.
- Implementing a crime prevention plan.
- Working closely with key stakeholders on community safety projects.
- Undertaking an annual Perceptions of Safety Survey.
- Encourage and apply Crime Prevention through Environmental Design (CPTED) principles.
- Consideration of public safety at community events.
- Provision of animal control services.
- Application of safety principle transport network design.
- Support for Drivewise – Road Safety Programmes.

6. Education

Those with relatively few educational qualifications are more likely to be unemployed and, on average, have lower incomes when in work. This affects not only the economic standard of living people are able to enjoy but also their security and ability to make choices about their lives.

MSD 2005 The Social Report p 34

Evidence from New Zealand and international research shows that the early years of childhood are vital to a child's development and future ability to learn. Quality early childhood programmes prepare young children socially, physically and academically for entry into primary education and can help narrow the achievement gap between children from low-income families and those from more advantaged families.

MSD 2005 The Social Report p 36

Participation in early childhood education in the Rotorua District is slightly below average at 92.0% compared to the national average of 95.2%. European students are more

likely to have attended early childhood education services than Maori or Pacific children.

*MSD BOP Social Report Indicators p 1
Territorial Authority Results*

Education means ensuring that people living and working in the Rotorua District have access to opportunities for educational activities. Rotorua District Council is:

- Collaborating with local partners on educational initiatives/resources.
- Maintaining relationships with secondary and tertiary educational institutions.
- Encouraging the pursuit of excellence by administering the Young Achievers Award programme.
- Taking an active leadership role in educational issues e.g. establishment of Rotorua School for Young Parents and Rotorua District Truancy Action Plan.
- Monitoring of participation and achievement in formal education.
- Provision of land to assist with provision of early childhood facilities.

7. Employment Opportunities

Paid work has an important role in social well-being by providing people with incomes to meet their basic needs and to contribute to their material comfort as well as by giving them options for how they live their lives. Paid work is also important for the social contact and sense of self-worth or satisfaction it can give people.

MSD 2005 The Social Report p46

Rotorua District Council will maintain and protect employment opportunities by:-

- Working with local and national partners.
- Implementation of RDC Employment Skills Strategy.
- Enabling migrants to move to and be sustained in our communities.
- Monitoring of employment related statistics.
- Working with local and national partners towards employment for young people 15-17yrs.
- Implementing the Rotorua Tourism Strategy and Bright Futures Strategy.

8. Support for Families

Social connectedness is fostered when family relationships are positive, and when people have the skills and opportunities to make friends and to interact constructively with others.

MSD 2005 The Social Report p114

Groups of people provide the support for children and young people in our communities. These groups provide opportunities for interacting and learning life and relationship skills. Healthy relationships contribute to the overall health of individuals. The ability to relate to well to others requires the adult who does these things, to be treated well as a child.

Rotorua District Council supports families by:

- Working with local and national partners to support children and families.
- Researching and sharing information about children and families.
- Providing facilities/events/services that cater for the needs of children and families e.g. playgrounds, swimming pools, parks and reserves, walkways and BBQs.
- Provision of rates relief for religious organisations.

9. High Standard of Living

Long lasting low family income in childhood is associated with negative outcomes such as lower educational attainment and poor health.

MSD 2005 The Social Report p 64

The standard of living of individuals and families refers to their ability to choose where they live, what they buy and whether they have money to spend. Food, clothing and housing are basic to social well-being. The presence of extremes of incomes can cause social disconnections across communities. Insufficient economic resources restrict people's quality of life.

Access to affordable and safe and un-crowded housing for residents enhances community well-being.

Rotorua District Council (RDC) endeavours to maintain a high quality of life for people in its district. A high quality of life allows people to participate fully in society and to have choices in their lives.

RDC achieves this by:

- Working with local and national partners towards improving quality of life for people in the Rotorua District.
- Contracting with Social Service organisations who support people in our communities.
- Working with partners on housing initiatives.
- Provide opportunities for economic growth via Economic Development Unit.
- Monitoring and researching social well-being e.g. Deprivation Index to facilitate Council decision making.

ECONOMIC WELL-BEING STATEMENT

Context

“A prosperous Rotorua community”

Where people and businesses are motivated to be successful; jobs are created and rewards are shared.
He Iwi Whanui tenei e kokiri whakamua ana I roto inga take
Houkura

“The Rotorua community is keenly engaged in building a prosperous future for its people. Key elements to enhancing and creating wealth include:

- Innovative & dynamic leadership
- Thriving, engaged and fulfilled community – “owning their future”
- Recognition that Tangata Whenua has been and will continue to be key and influential contributors
- Growth in population and business
- Innovative business and support for existing business activities
- Knowledge production and commercialisation
- Value added and high value opportunities are pursued across all key sectors

The Rotorua experience is fundamental to achieving a prosperous future and is based on the unique combination of geothermal activity, landscapes, lakes and culture, underpinned by the concept of Manaakitanga. This will result in Rotorua being a stimulating and highly desirable place to live, work, invest, do business and play.

Rotorua is a leader in key sectors and is an integral part of the dynamic & fast growing Bay of Plenty economy, with a sharing of and an ability to capitalise on opportunities as they arise.”

Rotorua BrightEconomy Strategy “Leading Prosperity Naturally”

The BrightEconomy Strategy a Rotorua economic development framework aimed at creating future wealth and prosperity for our people has been developed over a period of the past eighteen months through a number of public and more targeted business community focussed consultation processes. The strategy has been developed to provide a framework from an economic perspective, to create future wealth and prosperity for the people of Rotorua.

The ideas and opinions that local people have put forward, throughout this process have been incorporated into the strategy which has formed the basis for this Economic Statement.

They provide a good indication of the economical outcomes that matter to the people of Rotorua, and highlight the areas

where Rotorua needs to focus its attention now and in the future.

Rotorua’s Economic Focus

The following five themes provide the basis to grow the economy, create future wealth and enhance the Rotorua quality of life.

1. Adding Value to the Economy
2. Dynamic Place
3. Business Environment
4. Education and Skills
5. Building Networks and Growing Capacity

1. Adding Value to the Economy

Tourism, forestry and agriculture are all very important to the Rotorua economy. This theme is about **deepening** the economy to extend opportunities in these sectors, by creating high value-added niches. Examples include the health spa and environmental tourism niches within the visitor industry. There is also huge potential in wood processing and niche wood product manufacturing. Rotorua must look to overseas markets if it is to capitalise on these opportunities. The proximity to the Port of Tauranga, the nation’s largest export port, provides the region with a significant competitive advantage for exporting. A culture of innovation within business will be needed to make these leaps. This theme is also about **broadening** the economy by encouraging the ongoing development of other sectors. This will help make the economy more robust and reduce the impact of the seasonal effects associated with tourism, forestry and agriculture. Retailing, health and education are all examples of sectors that have grown in the last ten years and it will be important to continue to broaden the base. Incubation of new business will assist the growth of new and emerging sectors.

The development of high value added business is a significant focus for this strategy and will be achieved by:

- Encouraging and promoting tourism/retailing to increase share of visitor expenditure.
- Developing value added forestry and wood processing opportunities.
- Supporting emerging economic activities.
- Encouraging sustainable land uses and reflecting this in other strategies, so economic and environmentally appropriate uses occur.
- Promoting and supporting innovation and entrepreneurship.
- Promoting the concept of ‘wealth creation’ and creating an environment that encourages this.
- Establishing and maintaining successful relationships between the business community and the media, with

the collaborative focus on building the Rotorua community.

- Optimising the sustainable use and value of geothermal resources.
- Maximising economic contribution of cultural and recreational attractions and events.

2. Dynamic Place

Rotorua has long been a major visitor destination for both international and domestic visitors. The combination of unique natural attractions, diverse recreational opportunities, cultural tourism products, and a stunning setting give Rotorua its **competitive edge**. New Zealand is currently experiencing strong international tourism growth however regions are increasingly competing vigorously for the visitor dollar. To maintain its edge Rotorua must continually evaluate, protect, and innovate to extend and improve what it has to offer. For example, the district may be able to attract more major events. Protecting the quality of the natural environment is critical.

A dynamic place is important not only to attract visitors but to help attract and retain people to live in Rotorua. **Lifestyle** factors are increasingly being recognised as critically important to attracting talented entrepreneurs and skilled workers. The community has identified, through the community outcome process, that it wants to be a **“happening community”** – an exciting place with lots of activities and events, where people welcome diversity and are inspired by creativity, innovation and entrepreneurship.

This theme is about making these things happen for Rotorua people. In addition as water quality issues are addressed, a need will exist to encourage the transformation of land uses to sustainable activities. Changing land-use patterns will open up opportunities for rural lifestyle living, which could act as another people attractor.

To ensure Rotorua is a dynamic place, Council will work with others to:

- Enhance Rotorua’s competitive edge as a visitor, living and business destination.
- Continue to offer high quality community facilities and recreational opportunities.
- Continue to revitalize central business district.
- Attract and retain skilled labor by offering unique mix of lifestyle opportunities.

3. Business Environment

This theme is about establishing an environment in which sustainable economic development can occur. It is about removing external barriers to **business competitiveness** by ensuring that infrastructure is capable of meeting business needs and that sufficient serviced land is available in the right location. New Zealand as a whole has enjoyed a sustained period of economic growth which is now being threatened by bottlenecks such as power supply constraints and

inadequate roading infrastructure. An example for Rotorua is the need for better infrastructure for power distribution.

Rotorua’s basic infrastructure is relatively sound however there is also an opportunity to use investment in infrastructure strategically to create economic opportunities for the district. New development at Pyes Pa opens up the possibility of a growth corridor between the western Bay and Rotorua. This would allow Rotorua people to share some of the economic benefits from rapid growth in the Bay. Investment in improving transport links between Rotorua and Tauranga, and in servicing new residential, lifestyle and industrial land along this corridor could be the catalysts for a “twin city” relationship to be developed.

This theme is also about decision makers and the wider community understanding and addressing the needs of the economy. For example it is about having a regulatory framework (especially a district plan) which aligns with business aspirations, whilst protecting environmental bottom lines. Conversely it is about encouraging businesses to make their contribution and to undertake private investment to maintain a high quality business environment.

To ensure a competitive business environment it will be important to:

- Take advantage of the significant level of growth occurring in the western Bay of Plenty by capitalizing on the opportunities it provides.
- Upgrade transport links between Rotorua, adjacent areas and other regions.
- Ensure the Economic Development Statement is supported in the both the district plan and the RDC’s rating policy.
- Promote private investment in commercial areas.
- Support and work with the Tangata Whenua landowners so they can appropriately, use land in multiple ownership and realise its potential.
- Provide coordinated and co-located business support services and training, access to venture capital and other incubation services.
- Encourage research and development.

4. Education and Skills

Another bottleneck acting as a brake on national and local economic growth is a lack of skilled workers to fill vacancies across many sectors. This is the result of an extremely low national unemployment rate of 4% - the second lowest after Korea in the OECD. Rotorua is facing a major challenge in that it experiencing both skill shortages and an unemployment rate of 8% which is double the national rate. In addition Maori unemployment is running at about 17% which is nearly double the national unemployment rate for Maori.

The approach being taken across New Zealand to address skill shortages is a local one – undertaking analysis to determine the needs of the local economy, and bringing together all the relevant government and private agencies to

put in place a plan to **up-skill** the labour force (current and future).

This theme is about reinforcing this approach in Rotorua, at the same time as encouraging skilled workers to remain in the region. It is also about finding ways to assist unemployed people to acquire the education and skills they need to find jobs – and therefore to become **productive** members of the community. Encouraging the development of entrepreneurial skills through business incubation is another key area. Sound policy relating to these areas has already been developed through the Rotorua Employment Skills Strategy. Key aspects of this strategy have been integrated into the overall Economic Development Strategy.

Within the district, education and skills action areas will include the following:

- Develop partnerships to address skill requirements.
- Improve qualification levels and literacy/numeracy of school leavers.
- Facilitate youth transition to workforce.
- Encourage industry to support work place training.
- Use destination marketing to attract and retain skilled staff people and assimilation of people into the Rotorua community.
- Expand tertiary opportunities.
- Assist people involved in business start-ups to acquire necessary skills to enable successful commercialization of innovative ideas.
- Mentoring secondary school student in business practices, work ethics and attitudes.

growth and investment that is being experienced in nearby locations.

Another important aspect of this strategy is ensuring that there is an alignment between central government policy and local priorities – for example in areas such as tourism marketing. This will require more dialogue between central government, local government and local business.

As part of networking and building capacity it will be important that:

- Agencies are in place, with agreed resources and responsibilities to implement strategy.
- Rotorua District Council and business community provide leadership in economic development.
- There is effective advocacy to central government so that it responds to the needs and priorities of the district.
- The district works with Taupo, Whakatane, Waikato, Eastern and Western Bay to expand and optimize economic opportunities.
- The use of economic analysis tools for evaluating “dynamic community initiatives” is investigated.

5. Building Networks and Growing Capacity

To ensure that this strategy is implemented, Rotorua needs strong, well-connected groups and organisations representing different sectors and stakeholders, and **working together** to achieve an agreed set of outcomes. This theme involves developing the structures, partnerships and networks that will produce results across the entire strategy. While Rotorua has some sector and cluster groups – for example representing tourism and retailing, a local Chamber of Commerce, and some Maori economic development groups, they are relatively fragmented. In addition some groups are insufficiently resourced, and there is limited shared history of **ongoing collaboration** to achieve a common vision and grow competitive advantage. In particular many of these initiatives will require public and private sector partnerships.

This theme is about putting in place the structures and mechanisms that will address these issues, including a dedicated funding source. **Compelling leadership** from the business community and the Council will make this happen for the benefit of Rotorua people. It is also about developing better linkages outside the district – especially with Tauranga, western and eastern bay, Taupo, Waikato and Auckland. These linkages are critical because they will provide the opportunity for Rotorua to leverage off significant

ENVIRONMENTAL WELL-BEING STATEMENT

*“A community that respects its environment”
“A healthy community”
“A safe and caring community”*

1. Freshwater Sustainability

Water resources play a vital role in our lives. Freshwater sustainability means ensuring that people living and working Rotorua District have access to clean water for drinking, household and other purposes, such as commercial and recreational use. In Rotorua District there are many challenges to our ability to protect our freshwater resources, including the ongoing need to restore the water quality of the Rotorua Lakes. It is likely that the allocation of freshwater resources, and ensuring access to these, will emerge as a key issue in the future as Council seeks to secure adequate water supplies for the community.

The sustainable use of freshwater resources will be achieved by:

- Continuing to work with Environment Bay of Plenty Regional Council and Te Arawa Maori Trust Board to implement the *Rotorua Lakes Protection & Restoration Action Programme*.
- Putting in place strategies, networks and Lake Action Plans that will enable us to meet the goals of the *Strategy for the Lakes of the Rotorua District*.
- Working closely with our Regional Council partners to ensure that our approach to the management of freshwater resources is coherent and sustainable through shared strategic planning and management plans including:
 - *EBOP Regional Water & Land Plan*
 - *EBOP On-Site Effluent Treatment Plan*
 - *EBOP Regional Plan for the Tarawera River Catchment*
- Ensuring that environmental management of freshwater resources at Council level is informed by the growing body of research relating to lakes water quality.
- Supporting programmes that encourage the retention / enhancement / restoration of riparian vegetation and wetland areas to reduce both nutrient and sediment run-off into our lakes and waterways.
- Developing infrastructure in accordance with Council's *Water & Waste Water Strategy*, including the cost-effective provision of wastewater treatment facilities and storm-water drainage systems.

- Continuing to work towards securing access to sufficient freshwater resources to meet the needs of the local community, through partnership and negotiation with local landowners.
- Recognising the particular cultural and traditional associations of local iwi with specific areas of water within the District, and to continue to provide opportunities for tangata whenua to be involved in the management of freshwater resources.

2. Sustainable Waste Management

Every community produces waste, and in Rotorua District over 100,000 tonnes of waste is produced in a typical year. This includes waste from Council's operations (such as litter collections), domestic and commercial refuse, and sewage sludge from Council's wastewater treatment plant. The key component of Council's waste disposal system at present is the landfill site, which incorporates a landfill gas generator. Rotorua District Council has a commitment to recycling, demonstrated by the busy Recycling Centre, which was recently upgraded and expanded, and is visited by over 300 cars every day, with over 1300 tonnes of materials being recycled each year.

Sustainable waste management means giving careful consideration to both the production and disposal of waste, and applying the principal of 'Reduce, Re-Use, Recycle' whenever possible. Council is doing this by:

- Reviewing the *RDC Solid Waste Management Plan* to provide a coherent strategic approach to waste management in Rotorua District that is broadly in line with national strategies such as the *New Zealand Waste Strategy* and the relevant Regional Council policies.
- Providing efficient, cost-effective waste collection services which are accessible across the District, including rural areas through the availability of Rural Transfer Stations.
- Continuing to manage the landfill site in a way that ensures that its operation does not have a negative impact on the surrounding environment and that it provides a cost-effective waste disposal option over the duration of its operation.
- Continuing to provide facilities for recycling of a wide range of materials at the Recycling Centre, and to educate the public about the benefits of reducing, re-using and recycling waste.
- Ensuring that robust systems are in place to deal with the disposal of potentially hazardous and offensive

waste products, including domestic, commercial and farm wastes, such as used oil and batteries.

- Staying aware of new technologies which may, in the future, enable the development of innovative 'Waste-to-Energy' solutions for waste disposal in Rotorua District, and working with potential partners such as SCION (Forest Research) or other TLAs to pursue any viable options.

3. Geothermal Resources

Rotorua's geothermal resources contribute strongly to the unique sense of place in the District. The first Maori settlers were attracted to the outstanding geothermal features at Ohinemutu, Ngapuna and Whakarewarewa while later European arrivals saw the potential for the creation of a world-class spa resort on the shores of Lake Rotorua. As a result, the balance of protection and use of geothermal resources has always been a key issue for the District. Over-exploitation of geothermal resources in the past has resulted in a depletion of some features associated with the resource, most obviously the Pohutu Geyser, although stringent controls introduced during the 1980's has allowed these features to be replenished.

The sustainable management of geothermal resources means finding a balance between use and protection which allows the community to enjoy the economic, social, cultural and environmental benefits now and in the future. Council will achieve this by:

- Recognising and promoting the uniqueness of Rotorua city as one of the only cities in the world to be built on an active geothermal field.
- Recognising that this renewable energy source is a valuable resource for the economic and social development of the District and enabling the economic potential of the geothermal resource to be developed in a sustainable manner.
- Recognising the particular importance of Rotorua's geothermal resources to the tourism and spa industries, and supporting the managed exploitation of the resource by these important economic activities.
- Planning for the future expansion of the spa industry in Rotorua, with a view to creating a world-class spa resort.
- Working with our partners at the Regional level to develop a coherent strategic approach to the sustainable management of geothermal resources throughout the District through the development of *Regional Geothermal Plans*.
- Ensuring that the unique biodiversity of important geothermal habitats and species is recognised and protected for the future.

4. Biodiversity

The term Biodiversity is shorthand for 'biological diversity' and refers to the number and variety of organisms that exist within a specific region. Biodiversity is valued for a number of reasons, particularly the native species of New Zealand, which contribute to our sense of identity and to our economy, as well as having an intrinsic value of their own. Rotorua District is fortunate to include large areas of native bush within its boundaries, and is home to a number of important indigenous species. Yet, as is the case throughout New Zealand, the pressures on biodiversity and native species are increasing due to ongoing habitat destruction and the impact of introduced and pest species.

Council recognises the importance of Rotorua District's remaining biodiversity and will seek to protect it by:

- Working in partnership with all the key stakeholders, including Maori, to ensure that the District's biodiversity is protected and maintained for future generations.
- Working with the Department of Conservation to work towards the goals of the *New Zealand Biodiversity Strategy*.
- Working with landowners and developers to recognise and protect biodiversity that exists on privately owned land and to encourage forms of development that are sympathetic to the need to protecting biodiversity, such as re-vegetation with native species.
- Identifying areas that are significant in terms of their biodiversity, recognising their importance and avoiding development that will have a negative impact on their biodiversity values.
- Working with our partners at the Regional level to develop a comprehensive and effective programme for dealing with introduced and pest species through the development of *Regional Pest Management Strategies*.

5. Urban Design

Rotorua City is the main urban centre in the District, and acts as a service centre for rural communities throughout the Bay of Plenty. Approximately 80% of residents in Rotorua District live in the city (urban area including Ngongotaha), so the urban environment is undoubtedly one that affects the quality of life of a great number of people. The appearance and vitality of the Central Business District, the services and facilities that are available to people, and other issues such as heritage, transport, residential development are all key aspects of city life in Rotorua.

The central objective of urban design is to ensure that the communities needs continue to be met in our main urban centre, in a way that can adapt to the ever-changing dynamics of modern life. Council is working towards this by:

- Recognising the importance of a creative and cohesive approach to urban design and providing documents such as the *Rotorua City Design Principles* to promote a coherent and aesthetically pleasing 'look' for buildings in the CBD.
- Conserving places and structures, natural and built, that contribute to the characteristic heritage and cultural values of the city.
- Promoting Rotorua as a 'vibrant and happening place', and providing facilities to cater for a diverse range of cultural and social events.
- Encouraging the use of *Crime Prevention through Environmental Design* principles in urban development and implementing a *Community Safety Strategy*.
- Acknowledging the dynamic nature of communities and lifestyles, and developing effective tools to manage these changes and any environmental impacts (such as noise) that might result.
- Exploring the options for the re-development of Rotorua Lakefront with the aim of realising its potential to provide a world-class lake frontage with associated economic, social and environmental benefits for the city.
- Recognising that rural land is an important resource for agriculture and forestry, and working with the community to achieve a balance between residential development and protecting the ability of rural land to provide for our primary needs.
- Continuing to support traditional rural activities, such as farming, forestry and wood processing industries, while encouraging greater economic diversification in rural areas.
- Working with our partners at the Regional level to reduce nutrient run-off to the lakes of the Rotorua District, through the implementation of *Lake Actions Plans*, *EBOP Regional Land & Water Plan* and other policies which may have implications for rural land use and management.
- Recognising that opportunities for the development of Maori land are likely to emerge in the future, and working with local iwi to ensure that this development is sustainable, and takes account of the social, cultural, economic and environmental well-being of the community as a whole.

6. Rural Land

Rural land, lying outside the main urban centres, predominates in Rotorua District and undoubtedly the way that rural land is used and managed has a major impact on the community as a whole. Rural land encompasses a wide variety of social and economic functions including the traditional rural industries of agriculture, forestry and wood-processing, as well as supporting many small rural communities. Increasingly, with the growing popularity of rural 'lifestyle' properties, people who choose to live in rural areas do not necessarily work there – rather they are attracted to live in rural places for the perceived environmental benefits of that location, and they can bring quite different expectations about the ways in which rural land should be used. Rural places are also where some of our best loved and most heavily used public spaces are located, and where much recreational activity takes place. All these pressures are compounded by the sheer visual and aesthetic importance of rural land, which provides the 'backdrop' to the city, and to the lakes.

Council seeks to manage the competing pressures on rural land in the District by:

- Working with private landowners and developer to recognise the important visual and aesthetic qualities of rural land and to ensure that residential (and other) development does not unduly compromise places where these values are considered to be of high importance.
- Implementing the *Open Space Strategy* with a view to developing a sustainable network of open space ensuring to meet the changing needs of the community.
- Recognising and promoting the availability of open spaces and reserves to enable Rotorua residents to participate in a healthy lifestyle, through providing opportunities for sport and recreational activities.
- Recognising that Rotorua's open spaces and reserves are a major attraction to people visiting the district, and providing adequate resources to allow these places to be managed appropriately.

7. Open Spaces

Open spaces and reserves are found in both urban and rural locations throughout the district. They vary from small, local parks and reserves to some of the most popular recreation reserves in the district. Open spaces make an important contribution to the quality of life of people, particularly those living in urban areas. Reserves are classified to serve a number of purposes, including the protection of natural habitats and species, scenic areas and historic places. For the people of Rotorua access to land and water for recreation purposes is probably the most commonly used and widely appreciated purpose of reserves. Local purpose reserves include such things as accessways, roads and esplanades.

Council seeks to ensure that our open spaces and reserves continue to provide a wide range of social, cultural, economic and environmental benefits by:

- Identifying the locations of key view shafts in the district, and ensuring that these important visual corridors are protected from inappropriate development.
- Recognising the ecological, landscape and heritage value of specific reserves and open spaces, and protecting these areas for the benefit of present and future generations.
- Supporting the *Art in Public Places* project through the development, installation and maintenance of public art works, installed temporarily or permanently on a reserve.
- Continuing to acknowledge the generosity and foresight of Maori who gifted a number of reserve areas to the people of Rotorua, and managing these places in the spirit in which they were given.

8. Sustainable Infrastructure

Many aspects of well-being in Rotorua depend on the provision of an effective and sustainable infrastructure. Although it is not always acknowledged, the provision of services (water, power and energy) to our homes and the removal of waste (wastewater, sewage) are absolutely fundamental to the quality of our lives. We may take for granted the fact that when we turn on the tap, fresh clean water will be available, yet the importance of such services cannot be understated. It is also important to acknowledge that infrastructural projects can have an impact on the environment, and careful planning is required to ensure that any impact is minimal. As society continues to change, and our requirements for services change with it, a long term approach to infrastructural planning will benefit the community.

Council aims to achieve a sustainable approach to the provision of services by:

- Adopting a long term approach to infrastructure planning, to ensure that the dynamic nature of society and our changing community is taken into account.
- Engaging meaningfully with all key stakeholders to develop infrastructural solutions that meet the community's social, cultural, environmental and economic needs and aspirations.
- Providing cost-effective facilities and services for the community that are affordable to the end user.
- Recognising that infrastructure projects can have environmental, social and cultural impacts and ensuring that these impacts are managed through careful planning and management.
- Developing a Lifelines project to enable us to protect key services and facilities in the event of a major natural event, such as an earthquake or volcanic eruption.

9. Transport

Access to an effective transport system is a key factor in achieving economic and social well-being, and a well planned public transport system can contribute to environmental sustainability. Given its central location in the North Island, Rotorua benefits from good road connections, allowing it to act as a transport hub and a major centre for tourism. The upgrading and expansion of the airport is a key component in Rotorua's future economic development, particularly in attracting conference business and tying in with other developments, such as the Energy Events Centre. Local public transport is provided around the city, and is proving popular. These initiatives, and more, will allow further benefits to accrue to the community.

Council aims to achieve a sustainable transport infrastructure by:

- Seeking to provide a diversity of transport options to the community, including opportunities for public, private and commercial transport.
- Taking a long term approach to providing a safe, well-maintained transport network, now and for the future, through infrastructure development and the timely acquisition and sale of land.
- Supporting the development and further expansion of Rotorua Airport to provide for the air transport needs of the region in the future.
- Working with our roading partners at the national level to work towards the goals of the *New Zealand Land Transport Strategy*, the *Land Transport Management Act* and the *Road Safety Strategy*.
- Working with our roading partners at the local and regional level to develop strategic policies for transport, through involvement in the *Environment BOP Regional Passenger Transport Plan & Regional Land Transport Strategy*, and the *Environment Waikato Regional Passenger Transport plan, Regional Land Transport Strategy and Regional Road Safety Plan*.
- Participating in environmentally sustainable transport initiatives and continuing to promote alternatives to car transport such as cycling and public transport.
- Reviewing and implementing a Cycle Strategy to ensure that provision is made in transport planning for safe and effective cycleways.

10. Energy Resources

Like every other community in New Zealand, Rotorua depends on access to energy to maintain its economic and social well-being. Energy is needed to heat our houses, to cook our foods, to power our cars, lorries and airplanes, to keep our factories and offices running. We depend on energy

to such a degree that it is almost taken for granted, and it is only when access to energy sources is threatened that we give it much consideration. Yet, with predictions of oil shortages in the not-too-distant future, it is inevitable that we will all have to give consideration to how we will meet our energy needs in the future. Rotorua has some advantages in this respect, given the existence of renewable geothermal resources, and careful consideration must be given to making the best possible use of these, and other, resources at our disposal.

Council is taking a sustainable approach to energy resources by:

- Adopting a policy of energy conservation in all Council activities by carrying out an 'energy audit' through the *Communities for Climate Change Project* and identifying ways in which Council's energy requirements can be reduced.
- Recognising that Rotorua's geothermal resources are a renewable energy source that can contribute to the future energy needs of the district and exploring the potential for economic development of this resource in a sustainable manner.
- Continuing to explore innovative 'Waste to Energy' solutions and assess their potential in conjunction with sustainable waste management solutions.
- Encouraging the application of energy efficient building techniques in all urban design and building projects.
- Staying aware of the potential of alternative energy sources, particularly renewables such as hydro, wind and solar power.

- Working with our partners at the regional and national level to stay informed about ongoing initiatives to address global environmental issues at the local level including the *National Strategy for Environmental Education* and the *National Sustainable Development Programme of Action*.
- Supporting the establishment and operation of the *Rotorua Sustainable Tourism Charter* and the *Sustainable Business Network*.
- Continuing to explore viable options for 'waste to energy' technology, particularly in relation to Council's waste management strategy and the operation of the landfill site.
- Funding the annual *Enviro-Challenge* event, which educates young people in Rotorua about environmental issues such as waste management, energy conservation and sustainable design of buildings.

11. The Global Environment

Climate change, access to energy resources, biosecurity and trans-boundary pollution of air, land and water are all environmental issues that affect people across the world. While many of them may seem quite remote from Rotorua at the moment, it is likely that the impacts of such issues will increasingly be felt at local level as we work to develop local solutions to global problems.

Council has an important role in planning how the community of Rotorua district 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. Council is fulfilling this role by:

- Being active members of the *Communities for Climate Change Project* which will include undertaking an environmental audit of Council's activities in terms of greenhouse gas emissions with a view to identifying potential reductions, as well as education programmes.

CULTURAL WELL-BEING STATEMENT

“A community that values its living Maori heritage”
“A community with excellent facilities and services”
“A happening community”

The community outcomes that relate to cultural well-being² reflect the importance of Rotorua’s cultural assets to the people who live in the district and to those who visit. Cultural well-being is the vitality that communities and individuals enjoy through:

1. Participation in recreation, creative and cultural activities;
2. The freedom to retain, interpret and express their arts, history, heritage and traditions.

(Source: Ministry of Culture & Heritage website)

“Values, beliefs and identity provide the ‘glue’ for cultural well-being – they glue the ‘cultural’ and ‘well-being’ components together.”

(Source: Ministry of Culture & Heritage, June 2005, Cultural Well-being and Local Government, Report 1: Definitions and Contexts of Cultural Well-being, p2)

The new Local Government Act (2002) provides for Rotorua District Council to play a broad role in promoting the social, economic, environmental and cultural well-being of local communities, both now and in the future. This follows the sustainable development approach which is defined as “.. development which meets the needs of the present without compromising the ability of future generations to meet their own needs.”

Achieving sustainable development involves a different way of thinking and working. It requires:

- looking after people
- taking the long term view
- taking account of the social, economic, environmental and cultural effects of our decisions
- encouraging participation and partnerships.

(Source: Department of Prime Minister and Cabinet (January 2003) Sustainable Development for NZ: Programme of Action)

Council’s vision is:

To provide excellence in leadership and sustainable community services that improves quality of life for residents and ensures a world-class experience for visitors (LTCCP 2004-2014).

This cultural well-being statement sets out the ways in which Council will contribute to achievement of Rotorua’s Community Outcomes.

² Cultural Well-being encompasses the shared beliefs, values, customs, behaviours and identities reflected through language, stories, experiences, visual and performing arts, ceremonies and heritage.

[Local Government Act 2002: An Overview 2003 pg 15](#)

Rotorua’s cultural assets include:

- Strong networks of cultural groups – including Maori, Pacific Island and other ethnic groups.
- Prominence of public art and sculpture.
- Strong networks of arts, crafts and sporting organisations.
- Access to Kaupapa Maori education opportunities e.g. Kohanga Reo, Kura kaupapa schools, kapa haka
- Rotorua Museum of Art and History – Te Whare Toanga o Te Arawa which collects preserves and interprets the material heritage of the district for the benefit of current and future generations.
- Rotorua Public Library which collects and presents material from a variety of media.
- Strength of whanau/hapu of Te Arawa.
- Strength of Maori culture in Rotorua.
- Rotorua Arts Village (RAVE).
- Energy Events Centre.
- Recreation and sporting facilities on public reserves, schools, Maraes and private land throughout the district.
- Rotorua International Stadium.

List of Cultural Outcomes

1. Leisure and recreation
2. Support for arts and cultural expression
3. Maori heritage
4. Cultural tourism
5. Cultural associations and open space planning
6. Community that understands its place in the world
7. Access to information through print and electronic resources
8. Valuing diversity within our community

1. Leisure and Recreation

Recreation and leisure play an important role in social [cultural] well-being by providing people with a sense of identity and personal autonomy. Involvement in leisure time activities gives greater meaning to individual and community life and contributes to people’s overall quality of life.

Recreation can encourage personal growth, self expression and increased learning opportunities, satisfying needs not met in people’s non-leisure time.

Leisure time is a time when people can do what they want separate from work and other commitments. Recreation often involves physical activity or sport.

MSD 2005 The Social Report p90

Both leisure and recreation activities support health and overall well-being by allowing time out from stress and anxiety through opportunities to do different things and enjoy nature and new challenges.

Rotorua District Council supports people's leisure and recreation interests by:

- Providing and maintaining parks and reserves.
- Management and maintenance of sports fields both in central Rotorua and surrounding areas e.g. Ngongotaha, Eastern Suburbs.
- Provision of Rotorua Aquatic Centre facilities and services.
- Collaborating with stakeholders to promote healthy activities and events in our communities.
- Providing and maintaining playgrounds in all residential areas.
- Providing facilities and programmes for active living e.g. learn to swim, X-Zite programme.
- Working with partners at a regional level to achieve Sport and Recreation NZ objectives.
- Working with local partners towards "Healthy Communities- Mauriora"/ NZ Positive Ageing Strategy.
- Event Venues management of six facilities within Rotorua.
- Provision of lease areas on reserves.
- Funding for recreational clubrooms and facilities.

2. Support for Arts and Cultural Expression

Cultural activities are an integral part of leisure and recreation. People participate in cultural activities for a wide variety of reasons; for enjoyment and entertainment, for personal growth and development, as a means of expression, to learn new skills, to meet new people and to pass on cultural traditions.

MSD 2005 The Social Report p 96

Rotorua District Council (RDC) maintains strong networks which foster creative opportunities. Other RDC support for arts and cultural expression includes:

- Implementation of an arts and culture policy.
- Provision of support to arts and cultural groups and organisations (e.g. through grants, funding, buildings, rates relief).
- Valuing and nurturing cultural and artistic capacity.
- Facilitation of creative networks.
- Working with regional and national partners around creative opportunities.
- Access to opportunities through presence of Rotorua Arts Village (RAVE).
- Provision of the Rotorua Arts Trail and Creative Rotorua Website.

People in the Rotorua District have enhanced access to and participation in cultural and arts opportunities through:

- Support for collaboration and sharing of ideas, skills and resources.
- Supporting of a range of facilities which focus on arts, e.g. Rotorua Arts Village (RAVE)/theatre groups, school facilities used for these purposes.
- Maintaining effective avenues of communication with the community about planned/upcoming events and opportunities.

- Collaboration with stakeholders to develop, promote and run events and activities.
- Implementation of policies to grow a loyal audience for a wide variety of performances.
- Display of public art works.

3. Maori Heritage

A strong cultural identity can contribute to people's overall well-being.

Identifying with a particular culture gives people feelings of belonging and security. It also provides people with access to social networks which provide support and shared values/aspirations.... An established cultural identity has been linked with positive outcomes in areas such as health and education.

MSD 2005 The Social Report p82

Maori culture has a unique place in New Zealand society. Rotorua is steeped with a rich cultural background and tradition, dating back to the Te Arawa waka and all the descendants that have left their mark in song, dance, myths and legends. This tradition is acknowledged by Rotorua District Council through:

- Protection and valuing of Maori culture.
- Promoting of close working relationships with tangata whenua Te Arawa and developing protocols with hapu/iwi Tuhorangi.
- Making history and heritage accessible, including protection of wahi tapu.
- Maintaining database of Marae contacts.

4. Cultural Tourism

The importance of ensuring that:

New Zealanders' environment and culture is conserved and sustained in the spirit of kaitiakitanga (guardianship)... [and that there is]... recognition, understanding and appreciation of New Zealand's built, historical, cultural and Maori heritage.

Source: NZ Tourism Strategy 2010, 2001

Rotorua was founded in the early 1880's surrounding the shores of Lake Rotorua. The Maori people are an integral part of the history of Rotorua. They are also the original settlers in this area. The Te Arawa tribe has contributed greatly to the development of Rotorua as both a tourist destination and a great place to live. It is renowned as the heartland of Maori culture in New Zealand.

Rotorua is world famous for the exciting geothermal features and friendly people. Rotorua attracts thousands of visitors every year.

Rotorua District Council supports the infrastructure needed for cultural tourism by:

- Promotion of Rotorua as a cultural destination.
- Collaboration with stakeholder groups around employment issues in cultural and creative industry(ies).

- Provision of facilities and services that enhance cultural tourism e.g. regional airport, parking, security, CBD, public conveniences.
- Provision of the Rotorua Arts Trail and Creative Rotorua Website.
- Links between Destination Rotorua Tourism Marketing and Maori in Tourism Rotorua
- Making accessible Rotorua's stories through Rotorua's Gallery and Museum – Te Whare Toanga o Te Arawa.

5. Cultural Associations and Open Space Planning

As a well known tourist and conference destination, there is a need for facilities that serve both members of the local community and visitors/tourists. The use of existing facilities which encompass both buildings and spaces includes leisure, recreation, arts and tourism events/activities.

The cultural associations of Rotorua people with our natural and built environments are maintained and enhanced by Rotorua District Council through:

- Environmental enhancements to CBD, parks and reserves (and maintenance).
- Ensuring new developments are designed to be sensitive to people, places and the environment.
- Promotion of City Focus as a venue for community activities.
- Provision and maintenance of community halls in rural communities.
- Preservation of historic buildings/heritage sites.
- Referral of resource consent applications to the Kaumatua committee.
- Preserving NZ European Heritage.
- RDC contributes to Conservation Week, World Wetlands Day and Arbor Day.
- Development and implementation of the District Plan.

6. Community that understands its place in the world

The Rotorua Museum of Art and History has won a number of NZ Tourism Awards. There has been ongoing redevelopment of areas within the building to allow a greater range of national/international exhibitions to visit Rotorua.

The Museum's education programmes offer lessons to classes/schools within Rotorua and across NZ using video-conferencing facilities. The Museum has a Kaumatua Advisory Council which provides a reference group for policy and protocol issues related to tangata whenua.

Rotorua District Council supports the understanding of its community's place in the world through:

- Acting as a guardian of the community's treasures including Taonga Maori, arts, photos and social history collections.

- Provision of free entry for Rotorua residents into the museum.
- Telling the great stories of the Rotorua region.
- Interpreting our past.
- Maintaining relationships with Sister Cities.
- Preserving NZ European Heritage.

7. Access to information through print and electronic resources

Rotorua Public Library has one central city library and one mobile library bus providing library services to the Rotorua District. An excellent library service is maintained to enhance the lives of the community it serves.

Rotorua District Council offers access to information through:

- Provision of library facilities and services to facilitate access to information and entertainment from a variety of media.
- Archived Council records for research.
- Burial and Cremation records available for genealogical research.
- Valuing and presentation of early European heritage.

8. Valuing Diversity

In keeping with most areas of New Zealand, the Rotorua District is home to a number of people from other cultures. Some have been in the region/country for generations. Others have arrived recently. New immigrants to Rotorua come from a diverse range of countries, introducing new languages, religions and culture. All contribute to the social, cultural and economic well-being of our communities.

It is important that everyone in a community has opportunities to take part in the many aspects of life, to the best of their ability.

Rotorua District Council values diversity through:

- Providing facilities to cater for a diverse range of social and cultural events/festivals.
- Working on monitoring and improving perceptions of safety in the community.
- Developing and maintaining relationships with Sister Cities.
- Presence of Rotorua Ethnic Council.
- Implementation of a youth policy and youth action plan.
- Supporting the NZ Positive Ageing Strategy.
- Monitoring Rotorua social & cultural trends and keeping Council and the community informed.
- Facilitating community consultation, research and activities around social and cultural issues as directed by Council.
- Ensuring infrastructure is "disability friendly" through working with the Rotorua Access Group.

ROTORUA PARTNERS' PROGRAMME

The Rotorua Partners' Programme was formally established in 2005 to recognise significant contributions from corporate and other organisations, aimed primarily at developing projects for the good of the wider Rotorua community, in partnership with Rotorua District Council.

It comprises three categories of partners:

Foundation Partner



Corporate Partner



Project Partner



The Rotorua Partners' Programme is based on corporate and community philanthropy. Its intent is twofold:

- to provide an opportunity for corporates and other organisations to contribute towards community projects, and for Rotorua District Council to appropriately acknowledge that support.
- to foster the best possible communication and working relationship between the council and each partner organisation.

Note: The Rotorua partners' Programme has no bearing on the council's regulatory, purchasing and decision making processes. These processes are totally independent of the Partners' Programme.

What is the Rotorua Partners' Programme?

The Rotorua Partners' Programme, simply put, is about the Council partnering with other important Rotorua stakeholders to get things done. Our Partners want to be part of the Rotorua vision for the future.

Council is never going to be able to fund all the things that a growing district needs and in the timeframe needed, without huge impacts on ratepayers.

However there are many important district stakeholders who have the means, community spirit and desire to get involved in some way in Rotorua's development.

The Rotorua Partners' Programme matches partnering organisations (our Partners) to projects and other opportunities they want to be associated with.

What the Rotorua Partners' Programme is not

Rotorua Partners do not enter into a partnership with the council and then receive special favours on contracts that the council tenders, on council purchasing or on any other council decisions.

Partners are not contributing money and other support that would otherwise have gone to voluntary organisations and other causes.

They are contributing because they want to be a part of the future of Rotorua and because it makes good business sense for them to do so. They are making an investment in the future, for all of Rotorua's citizens.

Already there are a number of organisations who have made the commitment and others who intend doing so. Some of these discussions are still at sensitive stages and we will announce them when agreements are finalised in due course.

So far more than \$17m in philanthropic support has been confirmed from our Rotorua Partners, for the next few years.

Foundation Partners



Corporate Partners



Project Partners



With the support of



Part B

Activity Groups

Activity Groups

Activity Groups



Activity Groups

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GUIDE TO ACTIVITY GROUPS

Introduction

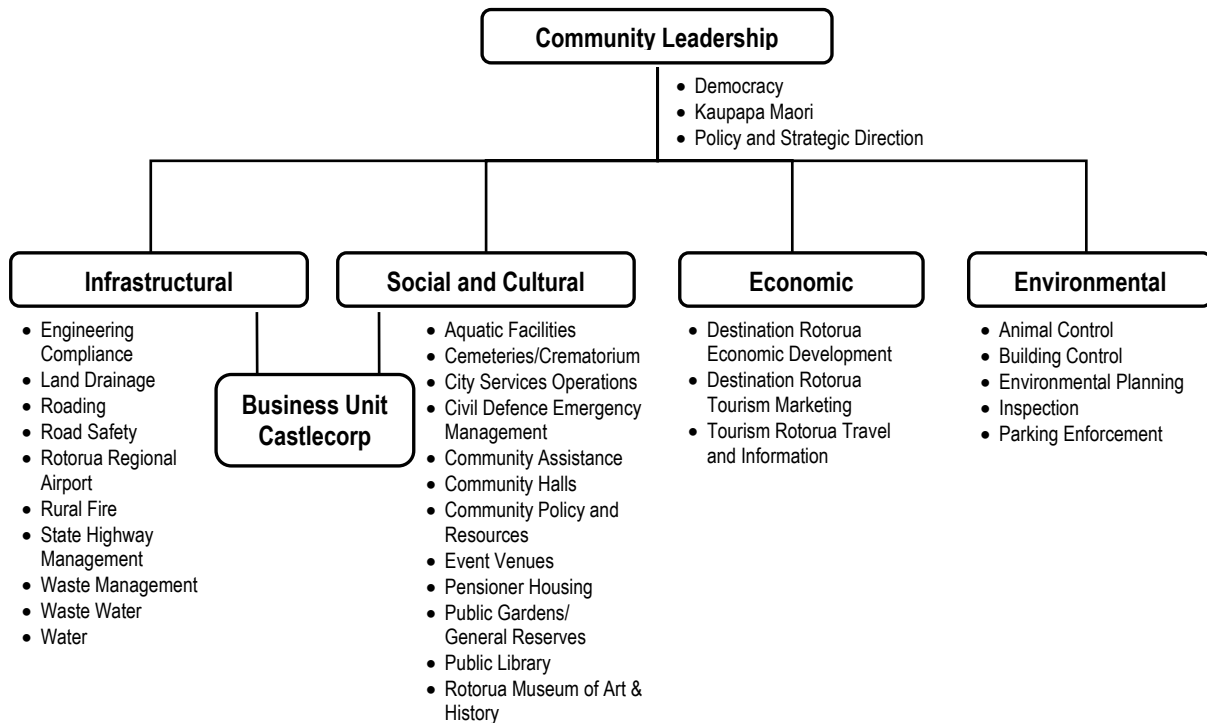
The activity groups sections of the plan divides all of the activities and services undertaken by Council into groups that reflect functional nature as well as well-being themes. In establishing the groups consideration was given to the description and nature of costs associated with each of Council's activities. The Local Government Act 2002 (LGA 02) places an emphasis on:

- Local democracy and community participation
- Providing opportunities for Maori to contribute to Council's decision-making processes

- Sustainable development including:
 - social,
 - economic,
 - environmental, and
 - cultural well-being

There is also a special emphasis on policies, their priorities, and how they are developed.

The diagram below shows the Activity Groups and their relationships.



- **Community Leadership** is at the heart of local government and is central to the LGA 02 which defines the purpose of local government as:

To enable democratic local decision-making and action by, and on behalf of, communities

It also acknowledges the considerable importance of using a robust and transparent process for decision-making. The activity group also recognises the need for Council to provide opportunities for Maori to contribute to its decision-making process. This has been achieved by including the activities associated with the Kaupapa Maori cost centre activity within the group.

- **Infrastructural** has been established as an activity group in the main because many of the cost centres provide a contribution towards all of the well-being activities e.g. stormwater ensures homes are protected, businesses are not at risk of flooding and the environment is not degraded from uncontrolled stormwater runoff.
- **Social and Cultural** is an area where there is considerable room to develop in order to respond to identified community outcomes and priorities. The word 'cultural' can be used in a number of different contexts. Culture can be defined as the set of beliefs, attitudes, behaviours and institutions that characterise a community. Rotorua's complex cultural profile, includes its Maori heritage, modern-day ethnic diversity, arts scene, sporting culture, intergenerational differences, and measure of social connection.

- **Castlec corp Group** is a separate business unit within the Rotorua District Council whose purpose is to provide infrastructural services to the residents of the District of Rotorua 365 days per year for:
 - water
 - wastewater
 - refuse
 - land drainage
 - parks and reserves
 - sports fields
 - public gardens
 - fleet maintenance
- **Economic** can be improved through Council working with key sectors and individuals to foster economic growth. Last year saw Council initiate a number of new strategies to contribute towards and facilitate economic growth. The LTCCP provides for the resourcing and implementation of Council's contribution to those strategies over the next 10 years.
- **Environmental** is strongly supported through Council's planning and regulatory roles and relates mainly to our functions and responsibilities under the Resource Management Act.

For each service Council provides to the community, managers have identified both the community outcomes that will be promoted and also the imperatives and constraints around provision of service. Typically the imperatives that were identified include: statute and legislation; plans and strategies; council adopted policy; and statements of intent.

In turn, council's plans, strategies and policies are reviewed periodically to respond to community expectations and a changing operating environment. The manner in which we monitor the effectiveness and community satisfaction with Council's levels of service was also identified as part of the process in developing activity plans.

In developing targets for stated levels of service, emphasis was put on providing good overall indicators of Council's performance and the outcomes trying to be achieved. We also provide information on what method we will use to measure if we are achieving our targets, for example a survey or data log.

As well as the targets included in the Ten Year Plan, managers have additional operational targets and measures they use on a day to day or management basis to support the achievement of the targets included in this plan.

Levels of Service and Targets

Within the activity groups each activity includes a statement to provide accountability not covered by the financial statements. Non-financial measurements determine the quantitative and qualitative elements of the outputs produced by Council. In order to be measured and therefore report actual performance against the planned performance, performance targets must have:

- Quantity - how much of the service/output is being provided
- Quality - how well the service/output is to be provided
- Timeliness - when the service/output will be provided
- Cost - how much delivery of the services/output will cost
- Location - where the service/output will be provided

Although all of the above components are relevant, some have greater importance than others. At times it may be appropriate to omit a particular component if it is clear that it is not required in a particular circumstance.

In this LTCCP, Council presents its intended levels of service provision for the next 10 years. Appropriate levels are determined, monitored and reviewed using 3 key mechanisms:

- Asset management plans
- Public perception surveys, and
- Submission process.

In preparation for this Ten Year Plan, cost centre managers analysed the drivers for all of Council's services and activities. This assisted in ensuring that there are good reasons for undertaking the activities we are involved with, and that the level at which we provide a service is reflective of legislative requirements and/or the community's priorities.

Activity Group Section

Each Activity group section begins by showing how the respective percentage of services within the group contributes to the Community Outcomes. It should be noted this contribution reflects the number of services provided that directly contribute to the Outcomes, but not necessarily the amount of revenue spent on each outcome within the group. There is a separate statement of costs and revenue for each activity within groups.

It may be noted that for the Community Leadership Group, the contribution to the Outcomes is the same as the organisations as a whole (see below). This is because the group does not directly provide services but provides governance, leadership, direction, and support to enable all the other groups to make their respective contributions.

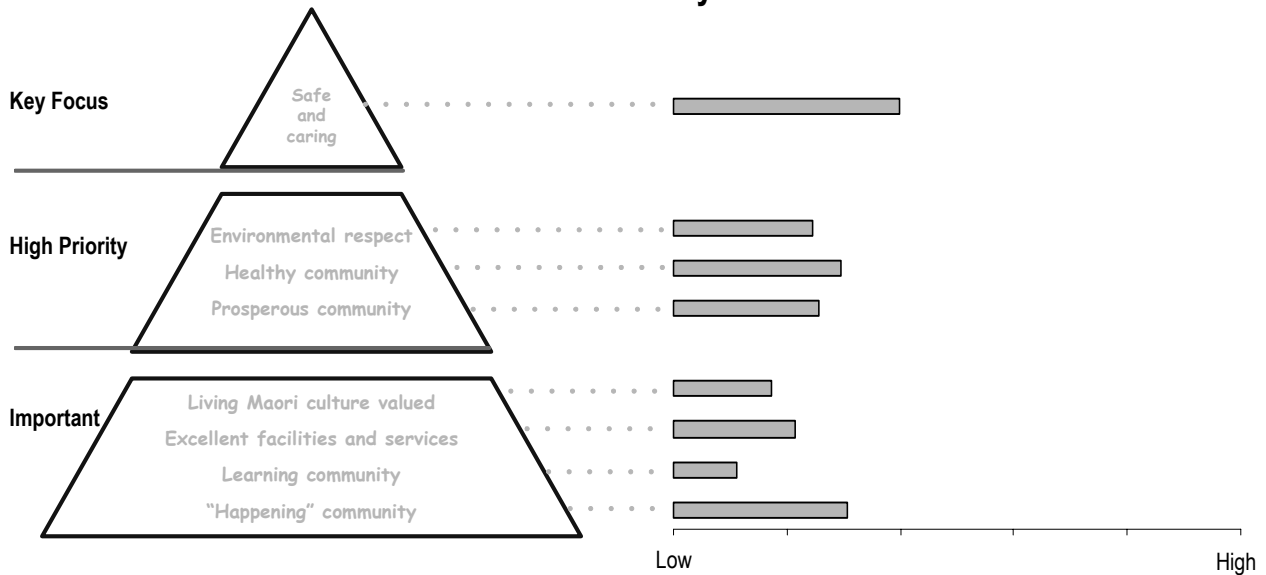
The Castlec corp Business unit makes it's contribution by delivering contracted services for other activity groups and therefore no separate contribution is shown.

Under the heading 'Potential Significant Negative Effects', the potential negative effects of activities are described. In many instances the 'significance' of any negative effects is mitigated or is only of a short duration and affecting individuals within the community.

Council has not identified any negative effects of such significance to warrant stopping an activity or changing it in a major way.

Managers continuously monitor the impacts of activities carried out to ensure any negative effects do not escalate in significance or duration and that suitable mitigation is in place.

Contribution of all Council services to Community Outcomes for whole Council



Surveys

In parts of the LTCCP reference is made to an NRB survey. This is an annual community satisfaction survey relating to Council, policies, operations and level of service and how well it is meeting the needs of the community. The survey was first conducted in 1991 by the National Research Bureau using a telephone poll of 400 people selected at random with 100 from each electoral ward.

The survey has been conducted again in subsequent years. The margin of error for the 2005 survey was ± 4.9%.

Quality

Council employs a number of professional, qualified staff in such areas as water, sewerage, planning, inspection, roading and a range of other activities. They continually monitor and review the quality of processes and outputs in their respective areas to ensure the maintenance of professional and Council standards. A considerable amount of operational work is carried out under contract either externally or by Castlecorp Business Unit. These areas include roading, waste management, land drainage, janitorial and reserve maintenance. Professional staff are fully responsible for the planning, programming and total management of these contracts to ensure appropriate professional and Council standards are maintained.

10 Year Budget

This statement provides financial information in summary about the outputs for each activity and in total for each group of activities.

Assumptions, Risks and Uncertainties

In preparing the final statements, including the financial summaries, for each activity, a number of assumptions were made. A summary of these assumptions are contained in Part C Financial Statements and Supporting Information; Section 1 Assumptions, Risks and Uncertainties. These should be read in conjunction with the group net cost of service and financial summaries for each activity.

Development Contributions Policy

Council is proposing to introduce development contribution fees for the year commencing 1 July 2006 to fund infrastructure required for the district's anticipated growth. Previously infrastructure for growth has been funded from general rates.

Capital expenditure for each activity has been analysed into: backlog, renewal and growth, and in most cases is a combination of both. To see the detail readers are referred to Appendix E Capital Expenditure Related to Growth of the Draft Contributions Policy in Part C Section 2.

Other Information

The overview for each group of activities includes any significant negative effects that have been identified as arising from activities within the group.

Information around Council's approach to managing its assets is provided.

Also included is a section that outlines areas where significant Council decisions will be made in relation to activities undertaken or intended to be undertaken within the group of activities.

Types of Service Delivery

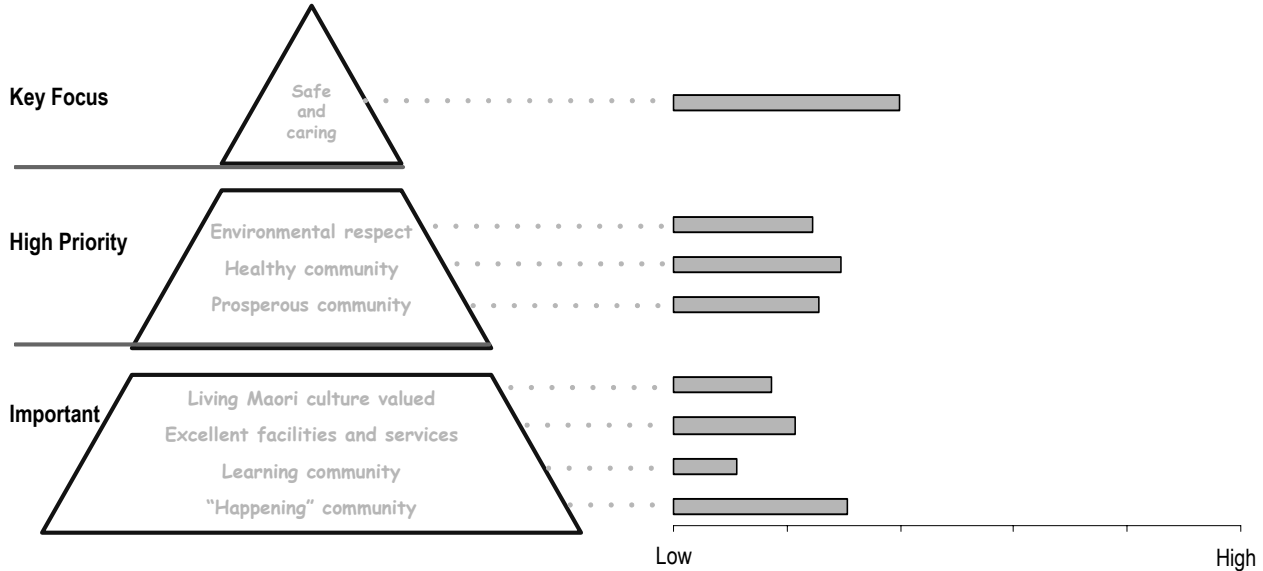
In each Activity Group, Council contributes to promoting outcomes through a number of roles. These include:

- Funder
 - Asset owner and/or manager
 - Facilitator
 - Service Provider
 - Policy Advisor
 - Regulator
-



COMMUNITY LEADERSHIP GROUP

Contribution to Community Outcomes by services in Group



Overview of Group

This group is made up of the following activities of Council:

- Democracy
- Kaupapa Maori
- Policy and Strategic Direction

The Community Leadership Group activities underpins Council's democratic processes and provides the policy and priorities for strategic direction, advocacy, and delivery of services to best meet the community's need.

The activities in this group are central to ensuring that Rotorua District Council's services are contribution towards the promotion of community outcomes and improving social, cultural, economic and environmental well-being for the people of the District.

Potential Significant Negative Effects

No significant negative effects have been identified in relation to this activity group.

Strategic Direction and Highlights

Democracy

- It is anticipated that there will be no significant changes in the level of service in this period. However Service Levels for this activity may change in response to the outputs of any representation review undertaken or in

response to increased demand for governance structures (i.e. community boards).

- Some key issues that Council will address prior to the 2007 local body elections and over the ensuing years are:
 - Review of representation, including canvassing opinion for Maori representation and community boards.
 - Shared services with other organisations and local authorities, or authorities of similar size.
 - Role of Joint Committees with territorial and regional authorities.
 - Facilitating participation in decision making processes by Maori.
 - Strong relationships with community partners, including the Te Arawa Maori Trust Board and other entities.
 - Responding effectively to community input into annual and strategic planning documents.
 - Co-ordination, prioritisation and completion of the numerous policy requirements resulting from changes in the local government environment.
 - Greater demand on process and facilitation along with consultation and communication.
 - Implementation of new systems to improve efficiency in the Democracy activity.

Kaupapa Maori

- 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 internally the organisation on Tikanga and Maori protocol and culture.

Policy and Strategic Direction

- Responding to the continued devolution of responsibilities from central to local government.
- Responding to greater demands for services from the community.
- Responding to greater compliance requirements.
- Responding to demand on process and facilitation along with consultation and communication.
- Developing a Community Outcomes Action Plan to be completed over the 2006/2007 year.
- LTCCP reviewed and adopted 30 June 2009 and 30 June 2012
- Community Outcomes identified in 2010/2011.

- Community Outcomes Monitoring Reports completed in 2006/2007, 2009/2010, 2012/2013 and 2015/2016.
- Annual Reports completed one month before statutory deadline each year.

Asset Management Plans Information

The key assets used in this Activity Group are:

- Buildings
- Land
- Rooding

Further details are provided in each Activity section.

Summary of Group Net Cost of Service

Description	Last Year	Annual Plan											
	(thousands)	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Democracy	2,314	2,446	1,828	1,933	1,894	1,948	2,002	1,961	2,014	2,118	2,071	2,101	
Kaupapa Maori	174	226	293	255	260	264	269	277	282	284	287	290	
Policy and Strategic Direction	85	858	864	760	957	905	837	912	898	851	984	1,040	
Total Community Leadership	2,572	3,530	2,985	2,948	3,111	3,117	3,108	3,149	3,194	3,253	3,342	3,431	

Statement of Infrastructure Assets

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Aerial Maps Collection		286	151	135
Buildings		21,602	1,096	20,506
Computer Hardware		3,947	2,992	955
Computer Software		4,563	2,796	1,767
Database		301	50	251
Furniture & Fittings		1,432	1,110	322
Land		16,346	-	16,346
Office Equipment		483	337	146
Plant & Machinery		909	519	390
Rooding		3,007	-	3,007
		52,876	9,051	43,825

Activity Group Revenue Sources

Description (thousands)	Last Year	Annual Plan										
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
OPERATIONAL FUNDING												
Funding/Rates	1,696	3,530	2,985	2,948	3,111	3,117	3,108	3,149	3,194	3,253	3,342	3,431
Less depreciation equivalent for capital	-1,206	-2,156	-2,803	-2,961	-3,028	-2,675	-2,075	-2,158	-2,230	-2,221	-2,220	-2,049
Total rates for operations	490	1,374	181	-13	84	443	1,033	991	964	1,031	1,122	1,382
Investment income	916	-390	-115	-67	-82	-127	-186	-247	-309	-385	-470	-562
Fees and charges	1,871	766	1,031	1,043	979	999	1,107	1,039	1,060	1,175	1,102	1,125
Internal rate and water by meter	-172	-211	-198	-202	-206	-211	-215	-219	-224	-228	-233	-238
Total operational funding	3,106	1,538	899	761	774	1,103	1,739	1,563	1,490	1,593	1,521	1,707
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	1,206	2,156	2,803	2,961	3,028	2,675	2,075	2,158	2,230	2,221	2,220	2,049
Loans	-4,914	252	1,199	-1,653	-3,257	-2,601	-81	-1,433	749	1,441	-7,241	-633
Reserves net	3,526	1,101	0	0	0	0	0	0	0	0	0	0
Advances net	14	10	10	7	0	0	0	0	0	0	0	0
Shares	350	0	0	0	0	0	0	0	0	0	0	0
Asset sales	2,524	20	170	947	3,614	2,730	22	871	23	24	9,545	25
Total capital	2,706	3,539	4,183	2,261	3,385	2,803	2,016	1,597	3,002	3,686	4,524	1,440

Minor roundings may occur in above totals.

Democracy

Overall aim of the activity

To provide strong representation and advocacy through open and transparent decision-making processes that seeks to balance stewardship, growth and affordability, and ensure community involvement.

Activity purpose – why we provide the service

This activity provides leadership for Council as an organisation and political leadership for the district.

The political structure which provides a representative local government for the people of the Rotorua District is a Council consisting of a mayor and 12 councillors, representing four wards. The Te Arawa Standing Committee has three representatives from Council and six representatives from Te Arawa, and is a full standing committee of Council.

The Council provides a forum for debating how resources should best be allocated to meet community needs and aspirations, and makes decisions in this regard.

This activity comprises election costs, remuneration of members, policy formulation, costs of servicing Council meetings, district and civic functions, and specific archive requirements.

Allowance is made in this activity for the many costs associated with the statutory requirements of a Council conducting normal business.

There are five fulltime equivalent staff employed in meeting the administrative and secretarial needs of the Mayor, elected members and Council

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

- A safe and caring community**
- A prosperous community**
- A community that respects its environment**
- A community that values its living Maori culture**
- A community with excellent facilities and services**
- A healthy community**
- A learning community**
- A “happening” community**

This activity provides the following:

- Governance structures to ensure that Council's decisions are made in relation to activities that are relevant to each of the community outcomes;
- High quality consultative leadership and advocacy for Rotorua residents to assist in achievement of desired outcomes will be provided;
- Good democratic and corporate governance;
- Forward thinking, outspoken, and focused on achieving Rotorua's communities' preferred future; and
- Conduct Council's business affairs openly and responsibly.

What we say we will do

OUTCOMES PROMOTED –All outcomes

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
All sub outcomes	Open and participative democracy	NRB Survey	50% of community finds Councillors approachable.	55% of community finds Councillors approachable.	60% of community finds Councillors approachable.	60% of community finds Councillors approachable.
	Triennial elections	Elections NZ results	50% of voter turnout at 2007 election			50% of voter turnout at 2010 and 2013 elections
	Governance, leadership and determination of policy	NRB Survey	87% of public approval for Council's policies and performance.	89% of public approval for Council's policies and performance.	90% of public approval for Council's policies and performance.	90% of public approval for Council's policies and performance.

Assets used in Democracy Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Computer Hardware		32	21	11
Computer Software		30	5	25
Furniture & Fittings		261	260	1
Office Equipment		5	5	-
Plant & Machinery		3	3	-
		331	294	37

How the local authority will assess and manage changes in demand, consumption or change in level of service

No change in level of service is anticipated for this activity.

Anticipated capacity changes and whether they are the result of demand or service level changes

No significant capacity changes are anticipated for this activity.

How the provision of additional capacity will be undertaken

No additional capacity is anticipated for this activity.

How maintenance, renewal and replacement will be undertaken.

No significant assets are associated with this activity.

Funding

Who benefits from the activity?

- The community as a whole benefits from this activity.

What is the period of benefit?

- Benefits are 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.

Democracy financial summaries (forecast 2007-2016)

Description (thousands)	Last Year	Annual Plan										
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	2,392	2,455	1,832	2,019	1,901	1,962	2,106	1,975	2,029	2,227	2,085	2,116
Depreciation	4	12	16	18	13	7	7	7	8	8	8	8
Finance	0	0	0	0	0	0	0	0	0	0	0	0
Total costs	2,396	2,466	1,848	2,037	1,915	1,969	2,113	1,983	2,037	2,235	2,094	2,125
REVENUE												
Fees and charges	82	20	20	104	21	21	110	22	23	117	23	24
Total revenue	82	20	20	104	21	21	110	22	23	117	23	24
Net cost of service	2,314	2,446	1,828	1,933	1,894	1,948	2,002	1,961	2,014	2,118	2,071	2,101
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Other renewals	6	39	4	10	11	4	10	2	14	10	2	4
Total Capital	6	39	4	10	11	4	10	2	14	10	2	4
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	2,314	2,446	1,828	1,933	1,894	1,948	2,002	1,961	2,014	2,118	2,071	2,101
Funding	2,314	2,446	1,828	1,933	1,894	1,948	2,002	1,961	2,014	2,118	2,071	2,101
Less depreciation for Capital	-4	-12	-16	-18	-13	-7	-7	-7	-8	-8	-8	-8
Total Rates for/(from) Operations	2,310	2,435	1,812	1,915	1,881	1,941	1,996	1,954	2,006	2,110	2,062	2,093
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	4	12	16	18	13	7	7	7	8	8	8	8
Loans from/(to) Corporate Funds	2	27	-12	-8	-2	-3	3	-5	6	2	-6	-4
Total capital	6	39	4	10	11	4	10	2	14	10	2	4

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Kaupapa Maori

Overall aim of the activity

To create bridges of understanding between Council and the Maori community.

To manage Council's relationships with Te Arawa and Tangata Whenua.

To advise the organisation on Tikanga Maori.

Forging/creating a better relationship between the Mayor, Chief Executive, staff and Tangata Whenua.

- Ensuring that the specific needs and values of Tangata Whenua and Maori are taken into account in the formulation of Council policy.
- Fostering positive partnership between Tangata Whenua and Maori and the Council; and
- Encouraging and improving the awareness and understanding of appropriate Maori perspectives within Council.
- Assisting the facilitation of Council and Te Arawa relationships through appropriate protocols.
- Creation of Memorandum of Understanding and protocol agreements.

Activity purpose – why we provide the service

This activity is managed by the Director Kaupapa Maori, and its operates around the following operational directions:

- Policy development which explicitly addresses issues of greatest importance for Tangata Whenua and Maori of the district.
- Enhancement of the social, cultural and economic well-being of Tangata Whenua and Maori in the district.
- Provision of expert advice and assistance in the development of appropriate policies to promote and enhance the efficient employment and management of Tangata Whenua resources, and consistent with the environmentally prudent development of all district resources.
- Ensuring that the specific interests of Tangata Whenua and Maori are included in relevant areas of the Council's core business.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A safe and caring community

A prosperous community

A community that respects its environment

A community that values its living Maori culture

A community with excellent facilities and services

A healthy community

A learning community

A “happening” community

What we say we will do

OUTCOME PROMOTED – A community that values its living Maori culture

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Preservation and sustainable development of Maori resources • Improved opportunities 	To encourage the development of Iwi Management Plans.	Reported to Te Arawa Standing Committee.	Two new Iwi Management Plans per year.	Two new Iwi Management Plans per year.	Two new Iwi Management Plans per year.	Two new Iwi Management Plans per year.
A community that recognises the value of partnerships including the Treaty of Waitangi.	To hold workshops to foster partnership.	Number of workshops reported to Te Arawa Standing Committee.	One workshop per year.	One workshop per year.	One workshop per year.	One workshop per year.
Fostering Maori cultural activities and expression	To hold Te Reo and Tikanga classes.	<ul style="list-style-type: none"> • Record of attendance. • Beginners, advance programmes continue. 	<ul style="list-style-type: none"> • One Te Reo 2 month course. • One Tikanga 2 month course. 	<ul style="list-style-type: none"> • One Te Reo 2 month course. • One Tikanga 2 month course. 	<ul style="list-style-type: none"> • One Te Reo 2 month course. • One Tikanga 2 month course. 	<ul style="list-style-type: none"> • One Te Reo 2 month course. • One Tikanga 2 month course.

OUTCOME PROMOTED –A community that values its living Maori culture

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Respecting Te Arawa as part of the unique heritage of Rotorua District.	To conduct historical tours.	<ul style="list-style-type: none"> • Keep record of participants. • Evaluation forms. 	12 historical tours per year.	12 historical tours per year.	12 historical tours per year.	12 historical tours per year.
Strengthen relationships between cultures.	Development and maintenance of relationships between Council and Maori.	<ul style="list-style-type: none"> • Database. • Reporting/ reports. 	<ul style="list-style-type: none"> • Memorandum of Understanding • Protocol Agreements • Advisory Committee • Consultation Committee • Marae meetings 	<ul style="list-style-type: none"> • Memorandum of Understanding • Protocol Agreements • Advisory Committee • Consultation Committee • Marae meetings 	<ul style="list-style-type: none"> • Memorandum of Understanding • Protocol Agreements • Advisory Committee • Consultation Committee • Marae meetings 	<ul style="list-style-type: none"> • Memorandum of Understanding • Protocol Agreements • Advisory Committee • Consultation Committee • Marae meetings

Assets used in Kaupapa Maori Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Computer Hardware		10	10	-
Computer Software		1	1	-
		11	11	-

How the local authority will assess and manage changes in demand, consumption or change in level of service

No change in level of service is anticipated for this activity.

Anticipated capacity changes and whether they are the result of demand or service level changes

No significant capacity changes are anticipated for this activity.

How the provision of any additional capacity will be undertaken

No additional capacity is anticipated for this activity.

How maintenance, renewal and replacement will be undertaken.

No significant assets are associated with this activity.

Funding**Who benefits from the activity?**

- The community as a whole along with the Maori community benefits from this activity.

What is the period of benefit?

- Benefits are 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.

Kaupapa Maori financial summaries (forecast 2007-2016)

Description (thousands)	Last Year Actual	Annual Plan										
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	170	223	293	255	259	262	267	275	279	281	285	287
Depreciation	3	3	0		1	2	2	2	2	2	2	2
Finance	0	0	0	0	0	0	0	0	0	0	0	0
Total costs	174	226	293	255	260	264	269	277	282	284	287	290
REVENUE												
Net cost of service	174	226	293	255	260	264	269	277	282	284	287	290
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Other renewals	0	0	0	0	6	0	0	6	0	0	6	0
Total Capital	0	0	0	0	6	0	0	6	0	0	6	0
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	174	226	293	255	260	264	269	277	282	284	287	290
Funding	174	226	293	255	260	264	269	277	282	284	287	290
Less depreciation for Capital	-3	-3	0	0	-1	-2	-2	-2	-2	-2	-2	-2
Total Rates for/(from) Operations	170	223	293	255	259	262	267	275	279	281	285	287
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	3	3	0	0	1	2	2	2	2	2	2	2
Loans from/(to) Corporate Funds	-3	-3	0	0	5	-2	-2	4	-2	-2	3	-2
Total capital	0	0	0	0	6	0	0	6	0	0	6	0

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Policy and Strategic Direction

Overall aim of the activity

To guide the organisation with inspiring competent leadership and direction.

Activity purpose – why we provide the service

This activity ensures the implementation of corporate policies and activities determined by the democratic processes.

The Local Government Act (LGA 2002) requires rigorous decision-making processes for policy development. Coupled with this is policy that both Council and management have proposed.

In order to get corporate priorities, there is a need to have a full understanding of:

- what policies have been identified for development,
- timing - when the policy is needed,
- resource requirements.

To do this in an integrated way is important. This will ensure a greater likelihood of compliance with the LGA 2002, more efficiency and effectiveness, and a transparent prioritisation system. It is believed that by centralising the overview of policy development and giving greater attention to allocating

the necessary resources, more informed decisions can be made.

It will be important to make distinction between:

- Policy
- Delegations
- Procedures
- Guidelines

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

The activity supports Council in promoting all community outcomes by providing strategic directions.

A safe and caring community

A prosperous community

A community that respects its environment

A community that values its living Maori culture

A community with excellent facilities and services

A healthy community

A learning community

A “happening” community

What we say we will do

OUTCOMES PROMOTED –All outcomes

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
All sub outcomes	Community participation in setting strategic direction.	Link activities in LTCCP to prioritised Community Outcomes.	Identify and review Community Outcomes on behalf of community.	Identify and review Community Outcomes on behalf of community.	Identify and review Community Outcomes on behalf of community.	Identify and review Community Outcomes on behalf of community.
		Less than 35% of NRB respondees disapprove of recent decisions/ actions.	Question residents on approval/ disapproval of Council decisions/ actions.	Question residents on approval/ disapproval of Council decisions/ actions.	Question residents on approval/ disapproval of Council decisions/ actions.	Question residents on approval/ disapproval of Council decisions/ actions.
		SOPs summary for consultation minimum 1 month.	Consult with public on draft LTCCP or Annual Plan and any LTCCP amendments.	Consult with public on draft LTCCP or Annual Plan and any LTCCP amendments.	Consult with public on draft LTCCP or Annual Plan and any LTCCP amendments.	Consult with public on draft LTCCP or Annual Plan and any LTCCP amendments.
		Plan completed and publicly available.	Facilitate Integrated Outcomes Plan.	Facilitate Integrated Outcomes Plan.	Facilitate Integrated Outcomes Plan.	Facilitate Integrated Outcomes Plan.

OUTCOMES PROMOTED –All outcomes						
Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
	Community informed and consulted on major policies, decisions, projects and activities.	At least 4 issues per year.	Publication of Council/ community news.	Publication of Council/ community news.	Publication of Council/ community news.	Publication of Council/ community news.
		Report to community.	Report to community on progress towards Community Outcomes.	Report to community on progress towards Community Outcomes.	Report to community on progress towards Community Outcomes.	Report to community on progress towards Community Outcomes.
	Inform and engage community on council plans and services.	NRB public perceptions survey.	65% of residents rate level of council information to be sufficient.	67% of residents rate level of council information to be sufficient.	69% of residents rate level of council information to be sufficient.	70% of residents rate level of council information to be sufficient.

Assets used in Policy and Strategic Direction Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Aerial Maps Collection		286	151	135
Buildings		21,602	1,096	20,506
Computer Hardware		3,905	2,962	943
Computer Software		4,531	2,789	1,742
Database		301	50	251
Furniture & Fittings		1,171	850	321
Land		11,832	-	11,832
Office Equipment		478	332	146
Plant & Machinery		906	516	390
Roading		3,007	-	3,007
		48,019	8,746	39,273

How the local authority will assess and manage changes in demand, consumption or change in level of service

No change in level of service is anticipated for this activity.

Anticipated capacity changes and whether they are the result of demand or service level changes

No significant capacity changes are anticipated for this activity.

How the provision of any additional capacity will be undertaken

No additional capacity is anticipated for this activity.

How maintenance, renewal and replacement will be undertaken.

No significant assets are associated with this activity.

Funding

Who benefits from the activity?

- The community as a whole benefits from this activity.

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.

Policy and Strategic Direction financial summaries (forecast 2007-2016)

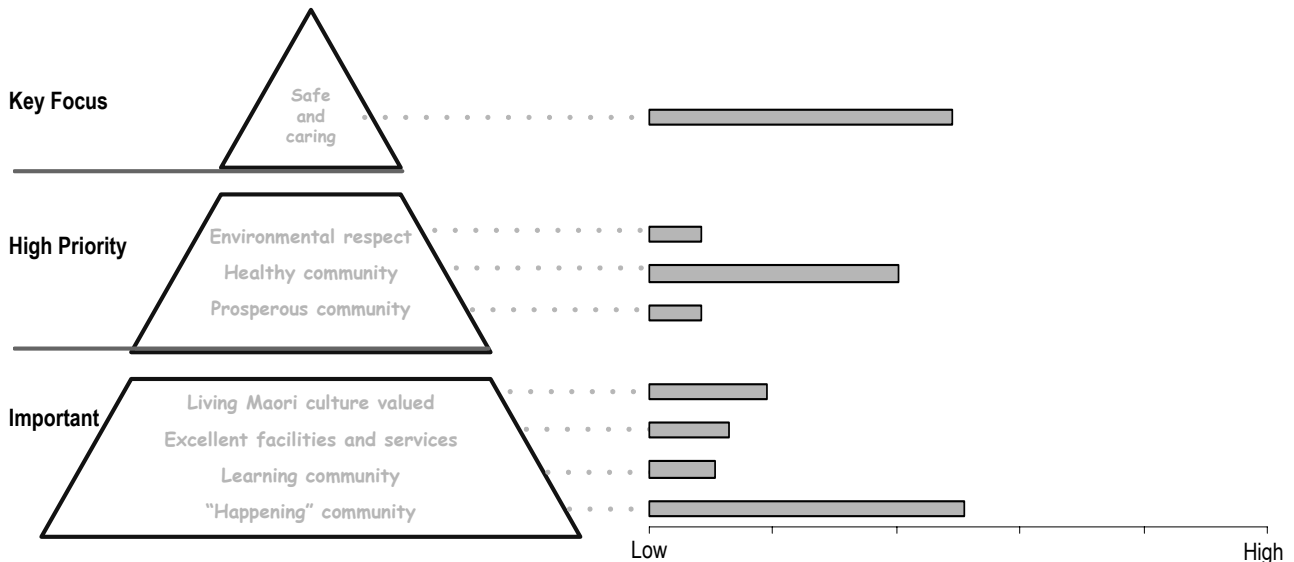
Description	Last Year (thousands)	Annual Plan										
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	-359	-775	-1,106	-1,436	-1,292	-977	-426	-414	-478	-496	-340	-91
Depreciation	2,075	2,141	2,787	2,942	3,013	2,666	2,066	2,150	2,221	2,211	2,210	2,039
Finance	1,073	-154	77	125	110	66	7	-54	-117	-192	-278	-369
Total costs	2,790	1,214	1,760	1,632	1,832	1,755	1,648	1,682	1,626	1,524	1,593	1,578
REVENUE												
Investment income	917	-390	-114	-68	-82	-127	-186	-247	-309	-385	-470	-562
Fees and charges	1,789	746	1,011	940	958	977	997	1,017	1,037	1,058	1,079	1,101
Total revenue	2,705	355	896	872	876	850	811	770	728	673	608	539
Net cost of service	85	859	864	760	956	905	837	912	898	851	985	1,039
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Other renewals	1,792	2,499	3,679	1,531	1,466	1,175	1,453	1,023	1,837	1,331	946	1,436
Strategic properties	909	1,000	500	720	1,902	1,625	554	566	1,153	2,345	3,570	0
Total Capital	2,701	3,499	4,179	2,252	3,369	2,800	2,007	1,588	2,990	3,676	4,516	1,436
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	85	859	864	760	956	905	837	912	898	851	985	1,039
Funding	85	859	864	760	956	905	837	912	898	851	985	1,039
Less depreciation for Capital	-2,075	-2,141	-2,787	-2,942	-3,013	-2,666	-2,066	-2,150	-2,221	-2,211	-2,210	-2,038
Total Rates for/(from) Operations	-1,991	-1,283	-1,923	-2,183	-2,057	-1,761	-1,230	-1,237	-1,323	-1,360	-1,226	-998
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	1,199	2,141	2,787	2,942	3,013	2,666	2,066	2,150	2,221	2,211	2,210	2,039
Loans from/(to) Corporate Funds	-4,913	227	1,211	-1,645	-3,260	-2,597	-82	-1,432	746	1,441	-7,238	-626
Reserves net	3,526	1,101	0	0	0	0	0	0	0	0	0	0
Advances net	14	10	11	7	0	0	0	0	0	0	0	0
Asset sales	2,524	20	170	947	3,614	2,730	22	872	23	24	9,545	25
Shares	350	0	0	0	0	0	0	0	0	0	0	0
Total capital	2,701	3,499	4,179	2,252	3,369	2,800	2,007	1,588	2,990	3,676	4,516	1,436

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

SOCIAL AND CULTURAL GROUP

Contribution to Community Outcomes by services in Group



Overview of Group

This group is made up of the following activities of Council:

- Aquatic Facilities
- Cemeteries/Crematorium
- City Services Operations
- Civil Defence Emergency Management
- Community Assistance
- Community Halls
- Community Policy and Resources
- Event Venues
- Pensioner Housing
- Public Gardens/General Reserves
- Public Library
- Rotorua Museum of Art & History

The Social and Cultural Group activities in this group enhance the district as a place to live. Many of the services provided through these activities are recognised as very important to the community and would not be able to be provided to the level expected without Council's contribution and involvement.

Potential Significant Negative Effects

Event Venues

This activity has impacts on parking availability and roading infrastructure during significant events. Ongoing traffic management plans and infrastructure design will be required to allow Rotorua to deal with these heavy use events safely.

These effects will be managed through infrastructure design and traffic management plans.

City Services Operations

The only negative effects identified with this activity are:

- Cost of parking to residents and visitors.
- Impact on the environment (visual) of the meters.

Civil Defence Emergency Management

Potential for a reduction in levels of self reliance if it is viewed as purely a local or central government responsibility.

Community Assistance

Social

Inequities exist within the current community assistance policies.

Economic

By providing community assistance opportunities it is possible for organisations to become reliant/dependant on Council /ratepayers funding to the exclusion of other possible funding options.

Pensioner Housing

Economic

Targeting Central Government guideline that rents are less than 25% of an individual's income by access to accommodation allowance ex, WINZ, does restrict RDC's Pensioner Housing units ability to be self-funding.

Strategic Direction and Highlights

Aquatic Centre

Recent user surveys conducted at the end of 2005 show pool space and sufficiency of pools becoming an issue for the Rotorua Aquatic Centre. User and Pool capacity issues although favourable for the facility are key issues for users. Initiatives to cope with the changes in Rotorua's age profiles from a young to an ageing population plus the increasing trends towards capacity use are being addressed. Initiatives to source and secure joint partnership ventures for additional facilities and services include a hydrolslide, a dedicated 18m x 5m Learners' Swimming Pool and the expansion of the current Blue Water Cardio Studio into a Health Club / Gymnasium. Further initiatives to strengthen partnerships between the Rotorua Aquatic Centre and the Community are being undertaken in order to further improve and build better and healthier lifelong lifestyles.

The cost of a single adult admission will increase by \$1.00 effective from 1 July 2006.

Cemeteries/Crematorium

Key strategic issues for the next ten years include:

- More stringent atmospheric emission controls may require significant costs to bring cremating process up to whatever the new standards may be.
- Securing land for required public cemetery expansion.
- Pressure on contribution towards private Urupa maintenance costs.
- Degree of ongoing contribution to the Kauae Cemetery Trust.

City Services Operations

A review of the City Services operations levels of service is underway. The review will identify significant changes, future demands and strategic issues.

Issues being addressed are:

- Operation of community information centre
- Action plan to maintain City Centre vibrancy
- Additional lighting and decorative features
- Crime prevention camera operation
- More controlled parking facilities

Civil Defence Emergency Management

To contribute towards a safe, caring and healthy community the Activity Plan shows our desire to improve public awareness and personal responsibility for emergency preparedness. The current school programme will be improved and we also will be providing easier accessibility to advice and information.

The voluntary component of CDEM will be strengthened, therefore enhancing our search and rescue capability.

We aim to see an annual 5% increase in the number of households reporting to have an emergency plan and pack in place by 30 June each year, as measured by NRB Survey. An approved Recovery Plan for Rotorua will be prepared in 2006 and reviewed each year thereafter.

The hazard map for Rotorua will be updated annually to take account of new information and changes to the hazardscape. Rotorua CDEM will arrange training programmes for both staff and volunteers and all personnel will participate fully in exercises held locally and by the Group, involving the full mobilisation of the Rotorua Local Emergency Operations Centre (LEOC).

Complete exercise and training logs will be maintained for future reference.

Important areas to be addressed by this activity in the next ten years include:

- Improving public awareness of personal responsibility for emergency preparedness.
- Providing easier accessibility to advice/information.
- Promoting school programme.
- Enhancing search and rescue capability.
- Strengthening the voluntary component of CDEM.
- MOU to be agreed with South Waikato District Council and Taupo District Council.
- Discussion with Ministry of Education promoting inclusion of CDEM in curriculum.

Community Assistance

RDC has provided Community Assistance as a way of supporting Community Development. Funding requirements/demands may change over the next ten years. This links to potential demographic changes which will be highlighted by the next census in March 2006.

RDC Community Assistance policies are currently under review. Any changes could alter the level of enquiry about this area. Council may need to accommodate this in due course.

There is growing evidence for an ongoing need to address services/training to support Rotorua not-for-profit organisations. Activities planned in the next ten years include:

- Charities Commission workshop
- Funding expos – biannually
- Celebration of volunteers – biannually
- Community accounting pilot

Community Halls

While not a short term issue, in the long term Council and the community will need to consider what investment is appropriate for ratepayers to share if halls are little used. For some years the revenue generated by a number of halls has been declining, along with usage, and over the next decade this needs to be explored and addressed to ensure sustainability.

Community Policy and Resources

The Local Government Act 2002 requires that Territorial Authorities focus on four areas of well-being: social, economic, environmental, cultural; and the preparation, monitoring and reporting on Community Outcomes.

The team in Community Policy and Resources will be actively involved in both of these work streams over the next ten years.

There is strategic potential for collaboration and cost sharing with other sectors on research, consultation and service development. This division could face an increased demand for facilitation, coordination and advocacy work related to these areas.

Event Venues

Key strategic issues for the next ten years include:

- Completing and commissioning of the Rotorua Energy Events Centre.
- Utilising Rotorua's strengths of being a centre for Maori Culture (for ethnic events), having outstanding environmental assets (for outdoor events) and a central location to attract and build events.
- Concentrating on events promoted by others to maximise results from our staffing i.e. facilitate rather than run.
- Building participation levels for existing events as well as creating new events.
- Building activity levels for community and commercial use and increase size of events and exhibitions, and take advantage of opening of Australian market following introduction of trans-Tasman air services.
- Redeveloping theatre stage facility to meet client demand and health and safety legislative obligations – to be funded jointly by Council and sponsorship/fundraising.
- Widening scope of activities hosted at International Stadium.
- Positioning Rotorua as the desired venue for Central North Island events ahead of Hamilton, Tauranga and Taupo in particular.
- Empowering local groups to introduce and better manage small to medium size events and increase local participation levels in all events.
- Recreation programmes need to be made self supporting.
- Working more closely with tourist marketing and promoters to ensure economic impact maximised by bigger numbers, extended stays and attraction of supporters/family members for events/conferences.
- Civic Theatre renovations (Rotorua Convention Centre).
- X-Zite Recreation Programmes to be expanded and be financially self funding.
- Redevelopment of the Westbrook fields.

Pensioner Housing

Rotorua's population is ageing and research to date indicates that New Zealanders generally are not making provision for retirement. This is likely to result in increasing demand for social housing over time.

Rotorua, along with the rest of New Zealand, has an ageing population. Currently RDC has a pensioner housing stock of 150 units built between 1950s and 1970s. The current major project is the upgrade of Rawhiti Flats during the 2005/06 financial year. The remainder of the units in this complex will all need to be retrofitted within the next 10 year period. All redevelopment work is expected to be in partnership with Housing NZ.

At present RDC expects these assets to be self funding. A review of RDCs policy could be required in the next ten years.

From July 2006 more units available, number of units to increase from 146 to 152.

Public Gardens/General Reserves

Key strategic issues for the next ten years include:

- Continued negotiations with the intent to purchase additional sports fields at Westbrook.
- Evaluation and review of the Rotorua District Recreation Strategy.
- Work alongside stakeholders on the completion and implementation of the Tokorangi Forest Management Plan.
- Developing partnerships with the private sector in planning and funding major developments on reserve land e.g. Kuirau Park, Lakefront development.
- Consult with and engage stakeholders and the community in developing proposals for future development at the Lakefront.
- Redevelopment of Kuirau Park.
- Upgrade and beautification of Ngongotaha Central Business District.
- Concept major development of City Lakefront Reserve.

Public Library

Over the next ten years the library will need to take into account the changes in education provision and allow for the support of adult education, tertiary courses, distance learning and a homework centre. As more information becomes available online the library will play an increasing role in providing access to that information for residents, including involvement in community literacy programmes. The needs of an ageing community will have to be provided for and the levels and types of stock will need to reflect the changes in the community.

As the community grows and develops so does the demand on the services of the library. It is envisaged that future requirements of the library may include:

1. Increased Education Facilities to provide for:

- More adult training groups providing adult education and retraining.
- The greater emphasis placed on the need for advanced education leading individuals to higher learning.
- Waiariki Polytechnic and Te Wananga o Aotearoa providing more courses, including degree courses, which will attract greater numbers of students to the District.
- The increase in the numbers of students generally and the advancement in the level of education that students reach. This adds to the expectations of library service.
- Greater numbers of people who are looking at lifelong learning programmes.
- Distance education - increase in numbers of people studying subjects at universities but living at home.
- A homework centre (following trends experienced by other cities).

- Longer hours of opening including Saturdays and Sundays.
2. *Information Delivery*
- Provision of training of staff to enable them to educate and assist the library members in their use.
3. *Community Information Literacy*
- With the move to make more government information available online the need to provide free access to this information.
 - Assist in and/or facilitate community literacy programmes.
4. *Ageing of the Community*
- Changing demands on the library will become evident as the 'baby boomer' generation ages.
5. *Service Delivery*
- Improvements to security and stock management systems will enable an RFID computer chip to be installed in all library items thus enabling self-issue, automated returns and stock-taking.
 - Investigating options for shared purchasing and service provision with other libraries.
 - The demand for and cost of developing a community archive housed in the Library and open to individuals and organisations will be investigated.
 - LTCCP has identified the need to extend the library facility in 2006/07.

Rotorua Museum of Art and History

The major strategic issue for the Museum over the next ten years is the Centennial Development which will see the Bathhouse building completed to its original 1905 specifications, providing significant new exhibition space as well as back of house work space.

A charitable trust has been formed to provide community leadership in the fundraising task for this project which is expected to cost approximately \$18 million.

Stage I of the project will see the completion of the Northern Wing of the building, providing substantial additional art exhibition space. This is anticipated to be completed during the 2008/09 financial year to coincide with the 2008 Centenary of the Bathhouse.

Stage II of the project will see the completion of the South Wing of the building, providing significant new exhibition spaces for the exhibition of Te Arawa taonga, as well as historical exhibitions relating to the District. A major programme of repatriation of Te Arawa taonga from museums around New Zealand will coincide with this

development. Stage II is anticipated to be completed during the 2011/12 financial year.

Demand for museum services is dependant upon a number of external influencing factors. These include:

1. The resident population of the District;
2. Domestic visitor numbers to Rotorua;
3. International visitor numbers to Rotorua;
4. Demand from schools, both local and visiting, for curriculum-linked education programmes.

It is anticipated that visitor attendance at the Museum will grow as follows, independent of new investment or special one-off exhibitions and events.

The projected number of school students for FY08 assumes the Museum is successful in negotiating a new and enhanced LEOTC contract beginning 1 July 2007, providing for a third teacher which would increase capacity in line with increasing demand for the service. Information on the resident and visitor population predicted for the District are taken from the Districts Growth Model.

An increase in level of service will occur when the proposed Centennial Development extensions to the Bath House building are completed. More exhibition galleries will be available to visitors and a wider range of experiences offered. These increased levels of service will enable an increase in prices for non-local visitors, thus offsetting the costs of providing the service.

Continued ability to leverage funding from external sources in addition to generated revenue.

Asset Management Plans Information

The key assets used in this Activity Group are:

- Buildings
- Land
- Parks & Reserves
- City Focus
- Nursery
- Bridges
- Footpaths
- Minor Wastewater Treatment
- Library Collection
- Art & History Collection

Further details are provided in each Activity section.

Summary of Group Net Cost of Service

Description (thousands)	Last Year	Annual Plan										
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Aquatic Facilities	1,397	1,323	1,351	1,486	1,411	1,401	1,410	1,425	1,163	1,158	1,162	1,117
Cemeteries/Crematorium	142	155	174	187	182	176	162	163	186	215	213	205
City Services Operations	1,304	1,453	1,705	1,755	1,813	1,876	1,861	1,911	1,949	1,989	2,035	2,055
Parking CBD Operations	-884	-1,014	-809	-823	-852	-902	-1,255	-1,232	-1,379	-1,379	-1,384	-1,374
Civil Defence Emergency Management	237	257	302	317	327	326	321	333	333	332	332	338
Community Assistance	531	1,216	1,067	1,019	1,052	1,061	1,005	910	934	1,031	971	904
Community Halls	231	239	296	301	317	309	308	312	310	315	326	337
Community Policy & Resources	740	1,045	1,047	1,215	1,246	1,271	1,278	1,312	1,330	1,347	1,364	1,385
Event Venues	-163	-7,383	3,160	1,580	1,593	3,111	3,614	3,788	3,915	3,824	3,841	4,109
Nursery	-15	2	38	39	32	50	14	13	12	20	28	31
Pensioner Housing	124	-1,394	288	261	327	330	125	189	170	134	144	118
Public Gardens/General Reserves	5,452	6,924	7,690	8,278	8,608	6,603	8,718	8,874	8,927	8,922	8,804	8,765
Public Library	2,681	3,123	3,160	3,394	3,568	3,656	3,762	3,874	3,926	3,933	4,018	4,004
Rotorua Museum of Art & History	1,354	1,291	1,692	727	656	2,030	-3,511	-3,514	2,364	2,395	2,412	2,308
Total Social & Cultural	13,132	7,237	21,161	19,736	20,280	21,297	17,812	18,357	24,140	24,237	24,265	24,304

Statement of Infrastructure Assets

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Art & History Collection		5,725	15	5,710
Bridges		20	-	20
Buildings		69,390	1,939	67,451
City Focus		230	82	148
Computer Hardware		968	758	210
Computer Software		234	233	1
Database		19	12	7
Furniture & Fittings		2,961	2,585	376
Land		96,803	-	96,803
Tree Stands		856	-	856
Library Collection		3,189	707	2,482
Minor Wastewater Treatment S		94	13	81
Nursery		2	1	1
Office Equipment		818	733	85
Parking		865	101	764
Parks & Reserves		17,491	1,025	16,466
Plant & Machinery		4,154	2,684	1,470
Vehicle		13	3	10
		203,832	10,891	192,941

Activity Group Revenue Sources

Description (thousands)	Last Year	Annual Plan										
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
OPERATIONAL FUNDING												
Funding/Rates	16,654	19,244	22,031	24,117	24,776	23,066	24,819	25,668	25,847	26,030	26,122	26,114
Less depreciation equivalent for capital	-3,178	-3,704	-4,246	-4,670	-5,170	-5,400	-5,156	-5,807	-5,925	-5,950	-6,254	-6,044
Total rates for operations	13,476	15,540	17,785	19,447	19,606	17,666	19,664	19,862	19,922	20,080	19,868	20,071
Subsidies and grants	265	384	616	396	370	381	419	396	401	447	416	427
Investment income	375	413	121	89	115	158	214	269	324	389	463	541
Fees and charges	5,691	6,290	6,576	7,223	7,658	10,134	8,516	8,961	9,446	9,644	9,848	10,056
Internal rate and water by meter	-519	-584	-616	-633	-651	-670	-686	-702	-718	-734	-750	-766
Total operational funding	19,288	22,043	24,482	26,521	27,098	27,669	28,127	28,786	29,375	29,827	29,846	30,329
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	3,178	3,704	4,246	4,670	5,170	5,400	5,156	5,807	5,925	5,950	6,254	6,044
Loans	-1,509	11,571	13,122	1,845	-1,278	-2,077	1,081	-1,913	-3,257	-4,247	-4,376	-3,063
Capital Grants	2,590	12,097	273	3,569	3,610	768	5,769	5,862	191	193	196	90
Resource management fees	1,004	400	600	612	624	637	649	662	676	689	703	717
Development contributions	0	0	84	200	262	364	589	787	840	911	959	1,004
Reserves net	-739	520	1,248	-308	-651	-708	-769	-834	-905	-979	-1,060	-1,145
Advances net	-224	136	-696	-21	-21	78	77	73	73	72	68	13
Grants for community assets	-71	-490	-88	0	0	0	0	0	0	0	0	0
Asset sales	54	0	0	0	0	0	0	0	0	0	0	0
Total capital	4,284	27,938	18,788	10,567	7,716	4,462	12,553	10,445	3,542	2,590	2,744	3,660

Minor roundings may occur in above totals.

Aquatic Facilities

Overall aim of the activity

To provide an affordable, safe, aquatic, fun facility that meets the needs and requirements of the local community. The Rotorua Aquatic Centre is proudly owned and operated by the Rotorua District Council.

Activity purpose – why we provide the service

Council undertakes this activity because of community requirements for a multi-purpose swimming and aquatic leisure facility that is unlikely to be satisfied by the private sector. The activity provided, is consistent with the Rotorua District Recreation Strategy which promotes healthy communities through opportunities for physical activity.

The provision of affordable, safe, aquatic, fun is provided via a learn to Swim School (Swimsation – ‘Where Families Learn to Swim’) available to all members of the public. Council undertakes this activity because of a community need for swimming and water safety education, recreation and exercise and the increasing awareness of the need for healthy lifestyles.

The healthy lifestyles theme is further provided through the ‘Get Active Stay Active’ programmes and events. Programmes are developed to specifically target unhealthy and inactive participants, Elderly, Youth, Maori, Women, Pacific Islanders, and Persons with Disabilities, to get active and stay active and contribute to a healthy community.

The Rotorua Aquatic Centre fills an important niche for family and community in providing low cost leisure and recreation. Provision for this activity allows for lane swimming before and after work (peak periods), health and fitness, rehabilitation, relaxation and school swimming. These provisions target and

increase opportunities for recreation, health and well-being and strengthening of families to work play and talk together. In order to meet these provisions the Rotorua Aquatic Centre is open 7 days per week from 6.00am to 9.00pm and operates over 364 days per year.

Included within this activity is the administration of the lease of the Waikite Valley Thermal Pools. This facility provides a hot geothermal bathing facility that offers a unique safe and enjoyable experience in a friendly rural environment. The original facility was built on Council reserve but is now managed by a private operator under a long term lease agreement. Council is involved in this activity as a legal requirement of being the administering body for the reserve.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A healthy community

- Increasing recreational opportunities
- Improving health status for all
- Improved youth health
- Partnerships to promote healthy living
- Healthy whanau, healthy communities

A happening community

- Lots of events including sporting, cultural, festivals, arts
- Leading edge activity events
- Great Facilities to visit
- Provision of good quality event, conference and tourism facilities

What we say we will do

OUTCOMES PROMOTED						
- A healthy community						
- A happening community						
Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Increasing recreational opportunities • Improving health status for all • Improved youth health • Partnerships to promote healthy living 	Provide safe, excellent and affordable swimming pools for competitive sports, casual recreation and health and fitness training.	NBR Survey	Two thirds of Rotorua households will visit or use the Aquatic Centre each year.	Two thirds of Rotorua households will visit or use the Aquatic Centre each year.	Two thirds of Rotorua households will visit or use the Aquatic Centre each year.	Two thirds of Rotorua households will visit or use the Aquatic Centre each year.

OUTCOMES PROMOTED - A healthy community - A happening community						
Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Healthy whanau, healthy communities • Lots of events including sporting, cultural, festivals, arts • Leading edge activity events • Great facilities to visit Provision of good quality event, conference and tourism facilities		Operations log	Open the Aquatic Centre 364 days a year, open to the public 105 hours each week.	Open the Aquatic Centre 364 days a year, open to the public 105 hours each week.	Open the Aquatic Centre 364 days a year, open to the public 105 hours each week.	Open the Aquatic Centre 364 days a year, open to the public 105 hours each week.

Assets used in Aquatic Centre Activity

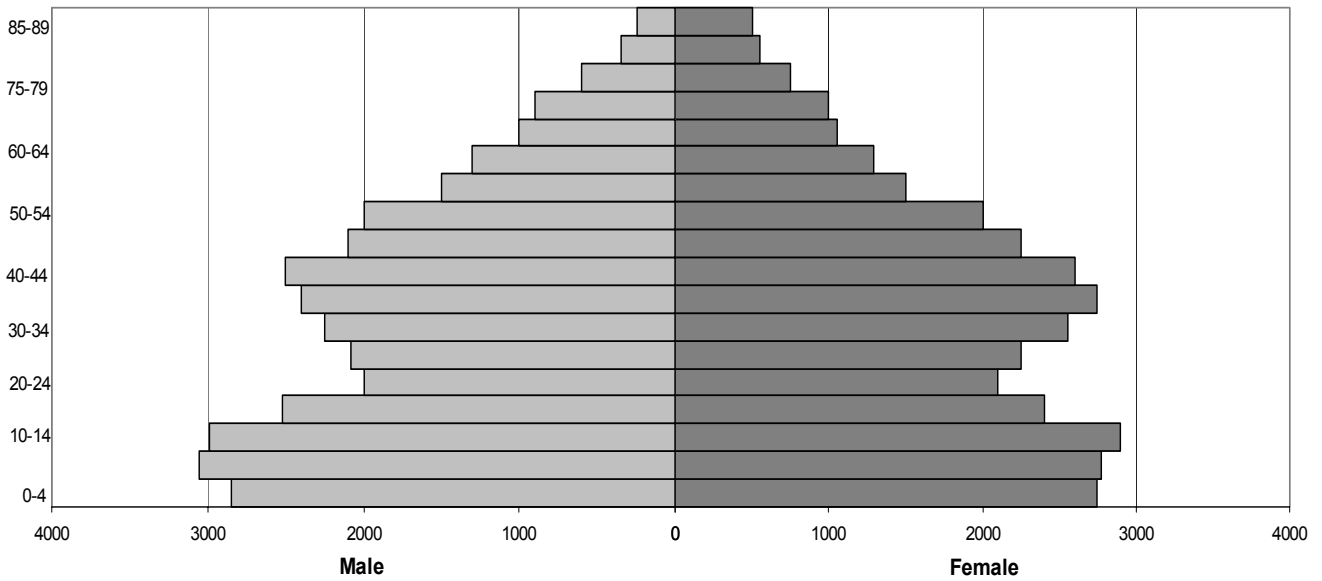
Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Buildings		6,409	194	6,215
Computer Hardware		58	48	9
Computer Software		7	7	-
Furniture & Fittings		405	404	1
Land		505	-	505
Office Equipment		65	62	3
Parks & Reserves		339	23	315
Plant & Machinery		1,477	1,295	182
		9,265	2,033	7,230

How the local authority will assess and manage changes in demand, consumption or change in level of service

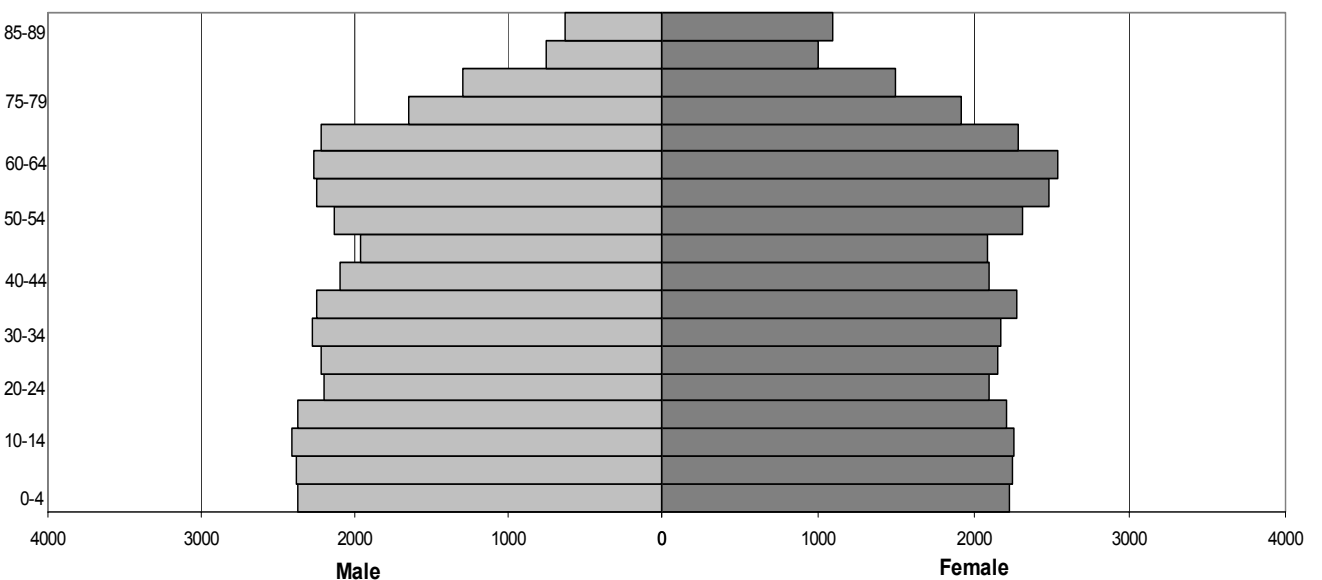
RDC will assess and manage changes in demand, consumption and changes in levels of service through NRB, Surveys, Operations Log, Enrolment Records, Data Base (admissions customer surveys, customer feedback forms and the tracking of population growth and changes in population dynamics).

The graphs below shows how over time the population of the Rotorua District will trend towards an ageing population.

Rotorua District Population Projections, 2001



Rotorua District Population Projections, 2026



As can be seen from the age profiles above, the age mix within the district is shifting towards an ageing population. The result of this will see a change in the demand, consumption and service provided by the Aquatic Centre. In order to meet these changes the Aquatic Centre Management Team are investigating initiatives in order to provide services and programmes that will meet the demand of the future Rotorua community.

Strategies to manage the peak demand on the facilities include offering incentive packages for schools to encourage them to visit the facilities during non-peak times. Additionally, the Rotorua Aquatic Centre is partnering with local schools with swimming pool facilities to alleviate capacity issues and assist in reducing costs to schools. However, a major challenge with the Aquatic Centre is that it does not fully meet the needs for some school groups primarily because of the depth of the indoor pool (2m) and

seating. The outdoor pool, which is 1.2 metres deep, is generally used during the summer months for children, as the winter months are too cold for aquatic activities outside.

In addition, a variety of new services have been investigated and implemented to cater for the increased variation in the demands made by the users of the facilities. These include providing snorkelling and canoeing courses along with aqua-aerobic and aqua-jogging classes. Further research is being undertaken.

Anticipated capacity changes and whether they are the result of demand or service level changes

Increases in admissions would have a direct impact upon capacity; however, there is no expectation of an immediate swell in population over the up and coming years.

How the provision of any additional capacity will be undertaken

Over the next 10 years it is envisaged that the demand for the Rotorua Aquatic Centre Service will change due to the age profiles predicted for the Rotorua District. As a result additional capacity is not required at this stage. However as discussed above the Aquatic Centre Management Team are working on investigating initiatives involving joint ventures in order to provide services and programmes that will meet the demand of the future Rotorua community.

How maintenance, renewal and replacement will be undertaken

All information regarding the buildings, the associated services plant and furniture and fittings is kept in CONFIRM ENVIRONMENTAL. Confirm is an inventory capture and asset management tool. It is used to forecast replacement and upgrade requirements on a long term basis.

Information on the buildings and plant is maintained by Council's Property Asset Manager who has developed a comprehensive building management and cyclical maintenance programme in consultation with the Aquatic Centre Manager. Maintenance schedules for furniture and fittings is maintained by the Aquatic Centre Manager.

Computer hardware is managed by Council's IT department in consultation with Aquatic Centre staff.

Funding

Who benefits from the activity?

- The community as a whole benefits from this activity and is provided with a choice of recreational facilities which are affordable, safe and fun, as well as to provide a healthy activity. Individual members of the community who derive benefit from this activity include:
 - Individuals who have a range of needs, including: health, rehabilitation, fitness, sport, swimming education (children, youth, Maori, Pacific Islanders, male, female, senior persons with disabilities).
 - Members of groups with needs for swimming education, health, relaxation, fitness, sport training, recreation, and rehabilitation (schools, swimming clubs, sports clubs, community organisations).
 - Visitors to the district who come primarily for recreation or in relation to an event or training.

What is the period of benefit?

- Benefits last for the duration of the visit and are also ongoing from a healthy lifestyle.

Who creates need for the activity?

- The need to undertake this activity derives from those who use the service

Funding source

Since benefits are seen as relating more to individuals and groups who use the Centre than to the community as a whole, these users should pay for the service, but recovery of costs from users is limited to a level that will not discourage use. A significant increase is likely to prevent people on low incomes from coming to the Centre. It is intended that fees be maintained at a level that will enable potential users to have access and that will encourage use.

Aquatic Facilities financial summaries (forecast 2007-2016)

Description	Last Year	Annual Plan										
(thousands)	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	1,996	2,027	2,229	2,562	2,530	2,563	2,629	2,692	2,721	2,784	2,836	2,848
Depreciation	287	270	254	253	258	277	320	364	369	371	400	407
Finance	31	69	62	84	92	96	101	106	106	104	91	92
Total costs	2,314	2,366	2,545	2,899	2,880	2,937	3,050	3,162	3,195	3,259	3,327	3,347
REVENUE												
Subsidies and grants	5	12	12	12	12	13	13	13	14	14	14	14
Fees and charges	912	1,031	1,157	1,343	1,380	1,418	1,457	1,496	1,775	1,824	1,874	1,925
Capital grants and contributions	0	0	24	58	76	105	170	228	243	264	277	290
Total revenue	917	1,043	1,193	1,414	1,469	1,536	1,640	1,737	2,032	2,102	2,166	2,230
Net cost of service	1,397	1,323	1,351	1,486	1,411	1,401	1,410	1,425	1,163	1,158	1,162	1,117
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Aquatic Centre Upgrade												
Level of Service Change	81	181	30	74	293	1,674	1,745	64	64	334	424	252
Pool Equipment												
Renewal	15	10	75	0	18	65	95	100	48	47	51	68
Other renewals	10	4	13	2	4	13	2	4	13	2	4	13
Total Capital	107	195	117	76	315	1,752	1,842	168	125	383	480	332
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	1,397	1,323	1,351	1,486	1,411	1,401	1,410	1,425	1,163	1,158	1,162	1,117
Plus Capital Grants and Contributions	0	0	24	58	76	105	170	228	243	264	277	290
Funding	1,397	1,323	1,376	1,544	1,487	1,506	1,580	1,653	1,406	1,421	1,439	1,407
Less depreciation for Capital	-287	-270	-254	-253	-258	-277	-320	-364	-369	-371	-400	-407
Total Rates for/(from) Operations	1,110	1,053	1,121	1,290	1,229	1,229	1,260	1,288	1,038	1,050	1,039	1,000
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	287	270	254	253	258	277	320	364	369	371	400	407
Loans from/(to) Corporate Funds	-180	-75	-161	-235	-19	1,369	1,351	-425	-487	-251	-198	-365
Development contributions	0	0	24	58	76	105	170	228	243	264	277	290
Total capital	107	195	117	76	315	1,752	1,842	168	125	383	480	332

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Cemeteries/Crematorium

Overall aim of the activity

To provide for the burial and cremation of deceased persons of Rotorua and the surrounding district in a manner that is appropriate to the needs of the community.

This activity involves the provision, operation and maintenance of the Council owned crematorium, and Rotorua, Reporoa, Ngakuru and Mamaku cemeteries. Council also administers and maintains Rotorua's main public cemetery at Ngongotaha for the Kauae Cemetery Board of Trustees with administrative and corporate support costs met by Council

Activity purpose – why we provide the service

Council is the service provider and asset manager

Council provides this service for legislative compliance reasons and to enhance community health and safety, and because the activity is significant, and involves management of strategic assets.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A community with excellent facilities and services

- Affordable facilities and reserves and services

What we say we will do

OUTCOME PROMOTED –A community with excellent facilities and services

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Affordable facilities and reserves and services	Ensure culturally appropriate, well designed, conveniently located cemeteries are available in the Rotorua District	Location maps of Rotorua Cemeteries.	Burial plots are available locally and cremation services are provided in the district.	Burial plots are available locally and cremation services are provided in the district.	Burial plots are available locally and cremation services are provided in the district.	Burial plots are available locally and cremation services are provided in the district.

Assets used in Cemeteries/Crematorium Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Buildings		271	12	259
Computer Hardware		9	7	1
Computer Software		6	6	-
Furniture & Fittings		45	44	1
Land		2,835	-	2,835
Office Equipment		2	2	-
Parks & Reserves		71	4	67
Plant & Machinery		264	191	73
		3,503	266	3,236

How the local authority will assess and manage changes in demand, consumption or change in level of service

Records are kept of burials and cremations in the five cemeteries and crematorium managed by Council. An increase in demand over time in relation to changing

demographics and increased population is anticipated. This will not affect the level of service provided.

Anticipated capacity changes and whether they are the result of demand or service level changes

Capacity changes are likely to occur as a result of demand ultimately exceeding supply of burial plots. Capacity will gradually diminish as plots are used. It is anticipated that land currently available for the supply of plots for general burials at Kauae Cemetery will be exhausted in 10 years, although the district is well supplied with available burial plots in other locations.

How the provision of any additional capacity will be undertaken

Additional capacity will be supplied by the development of new cemetery in the next five years. This will either involve purchase or long term lease of land or use of existing Council reserve land. The requirement for additional land is accounted for in the financial statement and through the Development Contributions Policy.

How maintenance, renewal and replacement will be undertaken.

Maintenance is undertaken in accordance with maintenance contracts let to Council's in-house contracting arm. Renewal and replacement of assets is funded from depreciation.

Funding

Who benefits from the activity?

The community as a whole benefits:

- from the historical significance of those who have passed away.
- by providing for maintenance of public health through sanitary disposal of the deceased.

Individuals who benefits are:

- Users of the service and those who visit.
- Individuals and families from being able to plan.
- Those who seek a historical and heritage purpose.

What is the period of benefit?

- Benefits are ongoing.

Who creates need for the activity?

- The need to undertake this activity derives from the community as a whole with equity of access and affordability.

Funding source

Having regard to the benefits it is considered that:

- Costs of burials and cremations should be funded by user charges; and that
- Maintenance of the open space, which is essentially a park, should be funded by general rates.

Cemeteries/Crematorium financial summaries (forecast 2007-2016)

Description (thousands)	Last Year	Annual Plan										
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	289	292	290	305	306	312	317	325	332	337	344	347
Depreciation	19	16	27	27	28	27	26	27	55	91	99	98
Finance	8	15	30	41	45	47	49	52	52	51	45	45
Total costs	316	323	348	374	379	386	393	404	438	479	487	490
REVENUE												
Fees and charges	175	165	165	172	178	185	192	190	198	205	213	220
Capital grants and contributions	0	3	8	15	19	25	39	51	55	59	62	65
Total revenue	175	168	173	187	197	210	231	242	252	264	275	285
Net cost of service	142	155	174	187	182	176	162	163	186	215	213	205
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Cremator Upgrade Plant												
Renewal	0	13	0	0	0	0	0	0	706	0	0	0
Crematorium - General >\$1000												
Renewal	21	35	30	12	4	0	0	0	0	48	44	0
Cemetery Toilet												
Level of Service Change	0	15	0	0	0	0	0	0	0	0	0	0
Cemetery Development												
Provision for Growth	0	300	250	5	257	121	15	0	0	0	13	9
Waikite/Ngakuru Cemetery												
Other renewals	2	0	0	0	0	0	0	0	0	0	0	0
Total Capital	23	363	280	17	261	121	15	0	706	48	57	9
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	142	155	174	187	182	176	162	163	186	215	213	205
Plus Capital Grants and Contributions	0	3	8	15	19	25	39	51	55	59	62	65
Funding	142	158	182	202	201	201	201	214	240	274	275	270
Less depreciation for Capital	-19	-16	-27	-27	-28	-27	-26	-27	-55	-91	-99	-98
Total Rates for/(from) Operations	123	142	155	175	173	174	175	187	186	183	176	172
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	19	16	27	27	28	27	26	27	55	91	99	98
Loans from/(to) Corporate Funds	4	344	245	-25	214	69	-50	-78	597	-101	-104	-154
Capital Grants	0	3	3	3	3	3	3	3	3	3	3	3
Development contributions	0	0	5	12	16	22	36	48	51	56	59	62
Total capital	23	363	280	17	261	121	15	0	706	48	57	9

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

City Services Operations

Overall aim of the activity

Rotorua District Council to provide and keep the central city and environs functioning and clean, tidy and welcoming in order to meet community expectations.

Activity purpose – why we provide the service

Under Local Government Act 2002 part 2 the purpose of Local Government is to enable democratic local decision-making and action by, and on behalf of, communities; and to promote the social, economic, environmental, and cultural well-being of communities, in the present and for the future.

The New Zealand Bill of Rights Act 1990 sets out the rights of the public.

The Local Government Act 2002 gives Council the authority to make bylaws regulating the use of public places; thus the activities contemplated in this activity are regulated by both statute and bylaw. The Local Government Act 1974 part XXXIV public services section 591 – 591A makes provision for parking places, parking buildings and the like.

Council has adopted policies for this activity which include CBD, City Focus, public places, street appeals, provision and servicing of public conveniences, parking enforcement and CBD policies, lakefront and government gardens.

Council is the service provider, asset manager and provides regulatory assistance. This service is provided in order to meet community outcomes and expectations and involves keeping the central city and adjacent areas clean, safe and vibrant. It ensures efficient off and on street parking management and provision of a effective close circuit camera surveillance system. We provide management and maintenance of: -

- City Focus
- Central Business District
- Government Gardens

- Lake Front
- Off street parking building – Hinemoa Centre 244 spaces
- Off street Haupapa car park – Haupapa Street, 95 spaces
- On street parking 1200 metered and 2900 un-metered spaces
- Public conveniences – 12 facilities
- Tourism kiosks & signage
- Street banners, flags & decorative lighting
- Crime prevention camera network
- Promoting of City Focus/Centre as a vibrant, warm and welcoming community focal point
- Regulatory function (litter, dogs, liquor, hawkers, skateboard, etc.)
- Rotary time capsule – 25 year burial uplift in 2028
- Giant chess game
- Community policing & information centre
- Ngongotaha village
- Volunteer workers

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A safe and caring community

- Providing safe public spaces
- Safe public buildings and streets
- Working together with other agencies

A community with excellent facilities and services

- Easy to get from place to place
- Good quality infrastructure for now and the future

A happening community

- Lots of events (well managed & organised)
- Internal/external agencies working together to promote Bright future

What we say we will do

OUTCOME PROMOTED – A community with excellent facilities and services

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Good, safe, maintained services and roads	High standards of CBD cleaning and maintenance	Reports (contractors) confirm that cleaning and maintenance completed to the required standards.	Ensure cleaning and maintenance is completed to 95% of the approved standards for: City Centre Lakefront Government Gardens Ngongotaha Village Whakarewarewa Village	Ensure cleaning and maintenance is completed to 95% of the approved standards for: City Centre Lakefront Government Gardens Ngongotaha Village Whakarewarewa Village	Ensure cleaning and maintenance is completed to 95% of the approved standards for: City Centre Lakefront Government Gardens Ngongotaha Village Whakarewarewa Village	Ensure cleaning and maintenance is completed to 95% of the approved standards for: City Centre Lakefront Government Gardens Ngongotaha Village Whakarewarewa Village
Easy to get from place to place	Car parking available for "users" in the CBD	Random survey of car park usage.	Meters for car parks will be provided in the CBD where shown the availability of car parks is less than 1 in 7 for the whole street.	Meters for car parks will be provided in the CBD where shown the availability of car parks is less than 1 in 7 for the whole street.	Meters for car parks will be provided in the CBD where shown the availability of car parks is less than 1 in 7 for the whole street.	Meters for car parks will be provided in the CBD where shown the availability of car parks is less than 1 in 7 for the whole street.
Good quality infrastructure for future	High quality janitorial services for public conveniences in the City Centre and environs	Contractor reports and random inspections confirm required standards met.	Janitorial programme completed to standards required (100%).	Janitorial programme completed to standards required (100%).	Janitorial programme completed to standards required (100%).	Janitorial programme completed to standards required (100%).

OUTCOME PROMOTED – A safe and caring community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Providing safe public spaces	Contribution to crime prevention by provision of a crime prevention camera system	Record of crime prevention camera operation maintained.	Maintain the operation of the crime prevention camera system.	Maintain the operation of the crime prevention camera system.	Maintain the operation of the crime prevention camera system.	Maintain the operation of the crime prevention camera system.

Assets used in City Services Operations Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Buildings		3,578	176	3,402
City Focus		230	82	148
Computer Hardware		25	19	6
Furniture & Fittings		63	63	-
Land		1,605	-	1,605
Office Equipment		79	77	3
Parking		865	101	764
Plant & Machinery		501	197	304
		6,946	715	6,232

How the local authority will assess and manage changes in demand, consumption or change in level of service

At present it is not anticipated there will be changes in demand, or a change in level of service for this activity over the next 10 years.

Anticipated capacity changes and whether they are the result of demand or service level changes

No capacity changes are anticipated.

How the provision of any additional capacity will be undertaken

No additional capacity is anticipated for this activity.

How maintenance, renewal and replacement will be undertaken.

Maintenance, renewal and replacement for the assets of this activity will be undertaken when required.

Funding

This activity comprises two sub-activities is that are considered separately for funding. They are:

- a) City Services
- b) City Parking, both on-street and off-street

City Services

Who benefits from the activity?

- The community as a whole benefits from this activity; it is available and accessible to everyone. It provides an attractive, clean, well maintained, safe city and environs with easy and unobstructed access to attractive and safe shops and the surrounding environment.
- Retailers and landlords benefit from the commercial opportunity of operating in an attractive environment.
- Visitors to the city also derive a benefit.

What is the period of benefit?

- Benefits are intergenerational and ongoing as long as the infrastructure and service are maintained.

Who creates need for the activity?

- The need to undertake this activity derives from the community as a whole, by public expectation rather than any particular individuals or group.
- The need to undertake this activity is also partly created by shops and shoppers, including visitors.

City Services Operations financial summaries (forecast 2007-2016)

Description (thousands)	Last Year	Annual Plan										
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	1,245	1,362	1,591	1,631	1,675	1,732	1,749	1,789	1,826	1,857	1,889	1,912
Depreciation	82	87	106	112	124	129	96	105	107	116	133	130
Finance	6	12	14	19	21	21	23	24	24	23	20	21
Total costs	1,333	1,461	1,711	1,761	1,820	1,883	1,868	1,918	1,956	1,997	2,042	2,063
REVENUE												
Fees and charges	7	8	7	7	7	7	7	7	7	7	8	8
Capital grants and contributions	23	0	0	0	0	0	0	0	0	0	0	0
Total revenue	29	8	7	7	7	7	7	7	7	7	8	8
Net cost of service	1,304	1,453	1,705	1,755	1,813	1,876	1,861	1,911	1,949	1,989	2,035	2,055
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Sails/Canopy												
Renewal	0	0	0	0	0	0	0	0	0	88	0	0
Sound System												
Renewal	5	0	5	0	0	5	0	6	0	0	6	0
Other renewals	43	36	60	54	61	65	65	66	69	62	76	75
Total Capital	48	36	65	54	61	71	65	71	69	150	82	75
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	1,304	1,453	1,705	1,755	1,813	1,876	1,861	1,911	1,949	1,989	2,035	2,055
Plus Capital Grants and Contributions	23	0	0	0	0	0	0	0	0	0	0	0
Funding	1,326	1,453	1,705	1,755	1,813	1,876	1,861	1,911	1,949	1,989	2,035	2,055
Less depreciation for Capital	-82	-87	-106	-112	-124	-129	-96	-105	-107	-116	-133	-130
Total Rates for/(from) Operations	1,244	1,366	1,599	1,643	1,689	1,747	1,765	1,806	1,842	1,873	1,902	1,925
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	82	87	105	112	124	129	95	104	107	116	132	130
Loans from/(to) Corporate Funds	-57	-51	-40	-58	-62	-58	-30	-33	-38	34	-50	-54
Capital Grants	23	0	0	0	0	0	0	0	0	0	0	0
Total capital	48	36	65	54	61	71	65	71	69	150	82	75

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

City Parking

Who benefits from the activity?

Sections of the community who derive benefit from this activity include:

- The entire community from the accessibility of central areas and transportation throughout.
- Road users and parking facility users.
- Retailers and landlords who benefit from shopping centres being made accessible.

What is the period of benefit?

- Benefits are ongoing as long as the infrastructure is maintained.

Who creates need for the activity?

- The need to undertake this activity is created by the community as a whole.
- The need to undertake this activity is also partly created by shops and shoppers, including visitors.

Funding source

- Users of the off-street service are the prime beneficiaries and pay for the service as they use it.
- Fees are set at a level that will not dissuade use of the parking facilities, but meets the cost of this activity.

Parking CBD Operations financial summaries (forecast 2007-2016)

Description (thousands)	Last Year Actual	Annual Plan										
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	373	413	479	499	502	505	515	529	540	552	564	611
Depreciation	129	133	245	249	267	270	264	284	138	143	148	124
Finance	17	32	40	54	60	62	65	68	69	68	59	60
Total costs	518	578	763	802	828	837	845	881	747	762	771	795
REVENUE												
Fees and charges	1,403	1,592	1,572	1,625	1,681	1,739	2,100	2,113	2,127	2,141	2,154	2,168
Total revenue	1,403	1,592	1,572	1,625	1,681	1,739	2,100	2,113	2,127	2,141	2,154	2,168
Net cost of service	-884	-1,014	-809	-823	-852	-902	-1,255	-1,232	-1,379	-1,379	-1,384	-1,374
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Parking Meter Acquisition												
Renewal	71	30	30	31	32	32	33	34	35	35	36	36
Other renewals	37	60	0	38	0	0	0	6	117	0	0	0
Total Capital	108	90	30	69	32	32	33	40	151	35	36	36
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	-884	-1,014	-809	-823	-852	-902	-1,255	-1,232	-1,379	-1,379	-1,384	-1,374
Funding	-884	-1,014	-809	-823	-852	-902	-1,255	-1,232	-1,379	-1,379	-1,384	-1,374
Less depreciation for Capital	-129	-133	-245	-249	-267	-270	-264	-284	-138	-143	-148	-124
Total Rates for/(from) Operations	-1,013	-1,147	-1,053	-1,072	-1,119	-1,172	-1,519	-1,516	-1,518	-1,521	-1,531	-1,497
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	129	133	245	249	267	270	264	284	138	143	148	124
Loans from/(to) Corporate Funds	-21	-43	-215	-180	-235	-238	-231	-245	13	-107	-112	-88
Total capital	108	90	30	69	32	32	33	40	151	35	36	36

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Civil Defence Emergency Management

Overall aim of the activity

To plan, train and educate for the response to, management of, and recovery from an emergency.

Activity purpose – why we provide the service

The Civil Defence Emergency Management (CDEM) Act 2002 requires that Rotorua District Council be responsible for civil defence emergency management within its boundaries. Rotorua is a member of the BOP CDEM Group, the Plan for which was approved by the Ministry of CDEM in May 2005.

The local Rotorua District Council Plan meets with the obligations of the CDEM Act 2002 and is consistent with the BOP CDEM Group Plan.

The National Plan is currently open for public consultation.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

- **A safe and caring community**
 - Safe homes and streets
 - Organisations working together on agreed priorities
 - Providing safe public places
- **A healthy community**
 - Effective responses to developing health issues
 - Partnerships to promote healthy living

What we say we will do

OUTCOMES PROMOTED - A safe and caring community - A healthy community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Safe home and streets • Organisations working together on agreed priorities • Safe public places • Partnerships to promote healthy living • Effective responses to developing health issues 	Efficient operational capabilities for responding to an emergency.	NRB Survey.	A 5% increase in the number of households reporting to have an emergency plan and pack in place 30 June each year.	A 5% increase in the number of households reporting to have an emergency plan and pack in place 30 June each year.	A 5% increase in the number of households reporting to have an emergency plan and pack in place 30 June each year.	A 5% increase in the number of households reporting to have an emergency plan and pack in place 30 June each year.
	Stabilise the affected community and assure that life support systems are operational.	Report prepared and reviewed by BOP CDEM Group.	Prepare a Recovery Plan for Rotorua.	Review Recovery Plan for Rotorua.	Review Recovery Plan for Rotorua.	Review Recovery Plan for Rotorua.

Assets used in Civil Defence Emergency Management Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Computer Hardware		36	25	10
Computer Software		11	11	-
Furniture & Fittings		24	24	-
Office Equipment		42	36	6
Plant & Machinery		9	2	8
		122	98	24

How the local authority will assess and manage changes in demand, consumption or change in level of service

No change in level of service is anticipated for this activity.

Anticipated capacity changes and whether they are the result of demand or service level changes

Capacity changes will be required to reflect changes in the perceived level of hazards. This could be the result of changes to the international hazardscape (e.g. pandemic) or to local levels of risk (e.g. change to the geothermal field).

How the provision of any additional capacity will be undertaken

Through review process of BOP CDEM Group Plan on a 5 year basis or as changes to hazards are identified.

How maintenance, renewal and replacement will be undertaken.

Through monitoring of Asset Replacement Schedule.

Funding

Who benefits from the activity?

- The community as a whole benefits from assurance that a Civil Defence Emergency Management Plan is maintained for activating in the event of an emergency.

What is the period of benefit?

- Benefits are ongoing in terms of peace of mind for residents, although direct benefits are short term in the event of a disaster.

Who creates need for the activity?

- The need to undertake this activity derives from the community as a whole rather than any particular individuals or group and is created by legislation.

Civil Defence Emergency Management financial summaries (forecast 2007-2016)

Description (thousands)	Last Year	Annual Plan										
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	239	266	314	325	332	331	326	337	339	339	339	344
Depreciation	8	11	8	12	15	16	16	18	17	15	15	17
Finance	0	0	0	0	0	0	0	0	0	0	0	0
Total costs	247	277	323	337	348	347	343	355	356	355	355	362
REVENUE												
Subsidies and grants	10	20	21	20	21	21	22	22	23	23	23	24
Total revenue	10	20	21	20	21	21	22	22	23	23	23	24
Net cost of service	237	257	302	317	327	326	321	333	333	332	332	338
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Other renewals	8	23	17	19	15	9	11	30	8	4	15	43
Total Capital	8	23	17	19	15	9	11	30	8	4	15	43
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	237	257	302	317	327	326	321	333	333	332	332	338
Funding	237	257	302	317	327	326	321	333	333	332	332	338
Less depreciation for Capital	-8	-11	-8	-12	-15	-16	-16	-18	-17	-15	-15	-17
Total Rates for/(from) Operations	229	246	293	305	312	310	305	315	317	317	316	321
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	8	11	8	12	15	16	16	18	17	15	15	17
Loans from/(to) Corporate Funds	0	12	9	7	0	-6	-5	12	-9	-12	-1	26
Total capital	8	23	17	19	15	9	11	30	8	4	15	43

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Community Assistance

Overall aim of the activity

To foster social and cultural well-being by supporting communities to achieve their objectives, build their capacity and strengthen their identity.

Activity purpose – why we provide the service

Over many decades Council has developed a range of policies and processes through which to support the work of local not-for-profit organizations in addressing local needs and issues, and enhancing community well-being. Under the Local Government Act 2002 Territorial Local Authorities are required to address Social, Economic, Environmental and Cultural well-being in their communities.

Rotorua District Council (RDC) has provided Community Assistance as a way of supporting Community Development. "In New Zealand, community development is recognised as a methodology utilised by a wide range of professions. Community Development practice is also set within a broader international context based on agreements our government has become signatory to and foundation agreements such as the Treaty of Waitangi. New Zealand definitions include one developed in 1997 by the Community Advisory Service of Internal Affairs.

Community development is:

Concerned with change and growth within communities, with giving people more power over the changes that are taking place around them, the policies which affect them and the services they use. Our ultimate concern is to help increase the well-being of communities and takes place predominantly within those communities that have been most disadvantaged or discriminated against.

We choose community development methodologies as an approach to work with communities because these increase opportunities for participation, enable the transfer of skills between people, develop self reliance, build organisations capacity and networks of community groups, ensure local ownership of projects and decisions, utilize local resources to solve local problems and, in the end effectively increase the amount of social capital available within a community."

- *Dept of Internal Affairs [Community Development Resource Kit](#), July 2003, page 2*

There are five key principles:

1. People define their own problems and issues.
2. People work together as a group rather than as individuals.
3. Actions increase the self reliance of the community and its individuals rather than increase dependency on others.

4. The role of community development workers is to facilitate this process rather than to organize it on behalf of others.
5. Community development involves engagement in political processes and often negotiation between groups with conflicting interests. It also involves elements of social change whereby disadvantaged or minority groups provide challenges to the attitudes or power relations in society.

Community development is based on beliefs and values of social action, justice and equity. The focus is on participation, rights to employment and other key economic and social benefits, devolved local decision making, co-operation and equitable allocation of resources across groups or societies. This model strives to attain social justice, particularly for those who are disadvantaged.

Community Assistance policies also acknowledge a sustainable development approach. The internationally recognised definition is:

".. development which meets the needs of the present without compromising the ability of future generations to meet their own needs."

RDC Community Assistance strategies are open to a wide-ranging cross section of - recreation and sports clubs, business networks, arts and cultural groups, environmental organisations, social services and community groups, as all of these organisations all make huge contributions to various aspects of local well-being.

1. The Community Assistance area includes a wide range of policies and functions including:
 - Facility provision and support through Community House, the Rotorua Arts Village, and Kuirau House.
 - Community Grants scheme.
 - Community Asset Development Fund.
 - Contracts with the not-for-profit sector – this includes with Sport Bay of Plenty, Te Papa Takaro, Citizens Advice Bureau, Rotorua Council of Social Services, Rotorua Community Youth Centre, and Rotorua Arts Village Experience. This supports groups providing social services, which cannot be provided by Council, to Rotorua communities.
 - Council's annual and rates grants.
 - Creative Communities Fund (on behalf of Creative NZ).
 - Community Safety Project Fund.
 - Funding support for Neighbourhood Support increased to \$80,000 per annum for first three years of plan.
 - Support for the Rotorua ICT Trust.
2. In May 2006, through the review of Community Assistance Policies, Council reconfirmed its intention to support local not for profit organisations to achieve their goals in sport and recreation, community, social service, art and cultural, youth and elderly services.

The Review of Community Assistance Policies Process forms a part of RDC's commitment to a six yearly policy review period.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A safe and caring community

- Organisations working together on agreed priorities
- Safe homes and streets
- Less crime
- Fewer road accidents
- Providing safe public spaces
- Families and whanau work, play and talk together

A healthy community

- Partnerships to promote healthy living
- Healthy whanau, healthy communities

A community that values its living Maori culture

- A community that recognises the value of partnerships including the Treaty of Waitangi.

A happening community

- Great facilities to visit, e.g.: Museum, Arts Village, Aquatic Centre
- Celebrating and nurturing traditional Maori culture
- Foster artistic expression, art, music, dancing, public performances and exhibitions.

What we say we will do

OUTCOMES PROMOTED - A safe and caring community - A healthy community - A community that values its living Maori culture - A "happening" community						
Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Safe homes and streets • Organisations working together on agreed priorities • Less crime 	Directly and indirectly provide assistance to community groups to build their capacity and help them achieve their objectives.	Occupancy Logs	Provide accommodation to complying groups i.e.: Community House and other Council owned venues.	Provide accommodation to complying groups i.e.: Community House and other Council owned venues.	Provide accommodation to complying groups i.e.: Community House and other Council owned venues.	Provide accommodation to complying groups i.e.: Community House and other Council owned venues.
		RDC Annual Report	Provide rates relief to churches, sports clubs, arts and cultural organisations and community groups in terms of rating legislation and Council policy.	Provide rates relief to churches, sports clubs, arts and cultural organisations and community groups in terms of rating legislation and Council policy.	Provide rates relief to churches, sports clubs, arts and cultural organisations and community groups in terms of rating legislation and Council policy.	Provide rates relief to churches, sports clubs, arts and cultural organisations and community groups in terms of rating legislation and Council policy.
<ul style="list-style-type: none"> • Providing safe public spaces • Families and whanau work, play and talk together • Partnerships to promote healthy living • Healthy whanau, healthy communities 		RDC Annual Report	Provide annual grants to Community organisations and support projects in the arts and cultural areas.	Provide annual grants to Community organisations and support projects in the arts and cultural areas.	Provide annual grants to Community organisations and support projects in the arts and cultural areas.	Provide annual grants to Community organisations and support projects in the arts and cultural areas.
<ul style="list-style-type: none"> • A community that recognises the value of partnerships including the Treaty of Waitangi 						

OUTCOMES PROMOTED
- A safe and caring community
- A healthy community
- A community that values its living Maori culture
- A "happening" community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> Strengthening relationships between cultures Great facilities to visit, e.g. Museum, Arts Village, Aquatic Centre Celebrating and nurturing traditional Maori culture Foster artistic expression, art, music, dancing, public performances and exhibitions 	Directly and indirectly provide assistance to community groups to build their capacity and help them achieve their objectives.	RDC Annual Report	Provide funding through the Community Asset Development Fund to enable community groups to invest in social and recreational capital for the benefit of the whole community.	Provide funding through the Community Asset Development Fund to enable community groups to invest in social and recreational capital for the benefit of the whole community.	Provide funding through the Community Asset Development Fund to enable community groups to invest in social and recreational capital for the benefit of the whole community.	Provide funding through the Community Asset Development Fund to enable community groups to invest in social and recreational capital for the benefit of the whole community.
		Twice yearly contract performance reports.	Contract NFP organisations to deliver outputs that support the community outcomes.	Contract NFP organisations to deliver outputs that support the community outcomes.	Contract NFP organisations to deliver outputs that support the community outcomes.	Contract NFP organisations to deliver outputs that support the community outcomes.
		RDC Annual Report	Provide funding through the Community Safety project fund to support a safe and caring community	Provide funding through the Community Safety project fund to support a safe and caring community	Provide funding through the Community Safety project fund to support a safe and caring community	Provide funding through the Community Safety project fund to support a safe and caring community

Assets used in Community Assistance Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Furniture & Fittings		2	2	1
		2	2	1

How the local authority will assess and manage changes in demand, consumption or change in level of service

Changes in demand will be identified from applications received for community assistance and census figures. The resources to match anticipated demand will be considered along with other demands for ratepayer support.

Social and community well-being demand

Results of the NZDep deprivation index provide some indication of overall social and community well-being demand in the Rotorua District. Rotorua scored 7 out of 10 on the NZDep deprivation index in the past three Census years – 1991, 1996 and 2001. This means that a typical area within the District is in the 30% most deprived areas in New Zealand. More precisely, around 46% of the Rotorua District

population live in areas that are considered the 30% most deprived in the country.

Summary results for the components of the NZDep index over the period 1991 to 2001 are as follows.

- 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.
- Between 1996 and 2001 the percentage of Rotorua people receiving some form of income support fell slightly from 38.4% to 37.1%.
- 10.3% of Rotorua dwellings had no motor vehicle in 2001 compared with 13.0% in 1991. The proportion of Rotorua dwellings with no vehicle remains slightly above the national average.

- 2.1% of Rotorua dwellings are estimated to be overcrowded compared with 1.8% for New Zealand overall. The Equivalised Crowding Index (ECI) for Rotorua as at 2001 was 0.62 compared with 0.61 for New Zealand as a whole.
- In 1991 73.6% of Rotorua District households owned their own home compared with 73.8% for New Zealand overall. In 2001 only 66.1% of Rotorua District households owned their own home compared with 67.8% for New Zealand as a whole. The trend has been towards increased numbers of private rentals.
- The Census night unemployment rate for the Rotorua District fell from 12.9% in 1991 to 8.9% in 2001 but remains higher than the national average rate of 7.5%.
- The percentage of people aged 15 and over in the Rotorua District with no formal qualification fell from 40.7% in 1996 to 31.1% in 2001 but is still higher than 27.6% for New Zealand as a whole.
- The proportion of sole-parent families in the Rotorua District increased slightly from 23.3% in 1991 to 24.2% in 2001, compared with 18.9% for New Zealand as a whole.
- 6.0% of households in the Rotorua District are without access to a private telephone, compared with 3.7% for New Zealand as a whole.

For further information on Rotorua's socio-economic status refer to the RDC website: <http://www.rdc.govt.nz>

Community Assistance demand

Census results can provide a rough guide to the demand for community assistance in the Rotorua District.

Anticipated capacity changes and whether they are the result of demand or service level changes

No change in level of service is anticipated for this activity.

How the provision of any additional capacity will be undertaken

No significant capacity changes are anticipated for this activity.

How maintenance, renewal and replacement will be undertaken.

Council employs a staff member whose specific responsibility is the maintenance of all Community Assistance related work.

In the course of assessing trends and issues for short and long term needs the future needs are determined and requirements highlighted.

Funding

Who benefits from the activity?

- The community as a whole benefits from:
 - Choice of arts and recreational activities; these also contribute to having a healthy community.
 - The educational opportunities and cultural awareness that comes from the provision of performing arts activities and facilities.
- Individuals who take advantage of the facilities benefit from this activity.

What is the period of benefit?

- Benefits are ongoing to the people of Rotorua through access to community assistance schemes in terms of use and access of facilities and the presence of organisations in the community.

Who creates need for the activity?

- The need to undertake this activity derives from the community as a whole by way of access to cultural, educational, recreational and creative media organisations and facilities.

Funding source

- Community Assistance: Funding requirements and demands may change over time arising from potential demographic changes.
- Community Houses: The level of commitment required varies through the period due to maintenance work required at the three Council-supported venues – Community House, Kuirau House, and Rotorua Arts Village.
- Benefits of expenditure on this service are public in nature in that Council's objective for providing the service is to enhance social and cultural well-being.
- This activity is funded from general rates.

Community Assistance financial summaries (forecast 2007-2016)

Description	Last Year	Annual Plan										
(thousands)	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	575	1,259	1,115	1,088	1,123	1,135	1,080	987	1,014	1,114	1,055	991
Depreciation	0	0	0	0	0	0	0	0	0	0	0	0
Finance	0	0	0	0	0	0	0	0	0	0	0	0
Total costs	576	1,260	1,115	1,088	1,124	1,135	1,080	987	1,014	1,114	1,055	991
REVENUE												
Investment income	1	0	0	0	0	0	0	0	0	0	0	0
Capital grants and contributions	44	44	48	69	71	73	75	78	80	82	85	87
Total revenue	45	44	48	69	71	73	75	78	80	82	85	87
Net cost of service	531	1,216	1,067	1,019	1,052	1,061	1,005	910	934	1,031	971	904
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	531	1,216	1,067	1,019	1,052	1,061	1,005	910	934	1,031	971	904
Plus Capital Grants and Contributions	44	44	48	69	71	73	75	78	80	82	85	87
Less community assets funding	-71	-490	-88	0	0	0	0	0	0	0	0	0
Funding	504	770	1,027	1,088	1,123	1,134	1,080	987	1,014	1,113	1,055	991
Less depreciation for Capital Operations	0	0	0	0	0	0	0	0	0	0	0	0
Total Rates for/(from) Operations	504	769	1,027	1,088	1,123	1,134	1,080	987	1,014	1,113	1,055	991
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	0	0	0	0	0	0	0	0	0	0	0	0
Loans from/(to) Corporate Funds	255	303	736	-48	-50	-152	-153	-150	-153	-155	-153	-100
Capital Grants	44	44	48	69	71	73	75	78	80	82	85	87
Reserves net	-4	7	0	0	0	0	0	0	0	0	0	0
Advances net	-224	136	-696	-21	-21	78	77	73	73	72	68	13
Grants for community assets	-71	-490	-88	0	0	0	0	0	0	0	0	0
Total capital	0	0	0	0	0	0	0	0	0	0	0	0

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Community Halls

Overall aim of the activity

To foster social and cultural well-being in rural communities.

Activity purpose – why we provide the service

Rotorua District Council provides this service to ensure that there is a focal point for the local rural community to meet in, celebrate in and to join in activities in. Such a facility is an aid to fostering community cohesion.

Historically Council has built or been gifted halls which serve rural community purposes. Council has regarded this as a way of providing for social and community activity in rural areas.

RDC owns nine community centres and halls in the rural district. Council assists the management committee of each hall by way of maintenance and on-going liaison in respect of operational matters. These are sited at Waikite Valley, Kaharoa, Broadlands, Okareka, Mamaku, Reporoa, Rerewhakaaitu, Ngakuru and Ngongotaha.

In addition, Council makes an annual grant towards two independently owned halls, one at Rotoma and one outside the district boundary at Atiamuri, both used by a number of Rotorua ratepayers.

In total Council supports 11 facilities in rural communities.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A safe and caring community

- Organisations working together on agreed priorities
- Safe homes and streets
- Less crime
- Providing safe public spaces
- Families and whanau work, play and talk together

A healthy community

- Partnerships to promote healthy living
- Healthy whanau, healthy communities

A community that values its living Maori culture

- A community that recognises the value of partnerships including the Treaty of Waitangi.
- Strengthening relationships between cultures.

A happening community

- Great facilities to visit, e.g.: Museum, Arts Village, Aquatic Centre
- Celebrating and nurturing traditional Maori culture
- Foster artistic expression, art, music, dancing, public performances and exhibitions.

What we say we will do

OUTCOMES PROMOTED
 - A safe and caring community
 - A healthy community
 - A community that values its living Maori culture
 - A “happening” community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Safe homes and streets • Organisations working together on agreed priorities • Less crime • Providing safe public spaces • Families and whanau work, play and talk together 	Directly and indirectly provide assistance to community groups to build their capacity and help them achieve their objectives.	RDC Annual Report	Provide and maintain a facility in rural communities to foster community cohesion.	Provide and maintain a facility in rural communities to foster community cohesion.	Provide and maintain a facility in rural communities to foster community cohesion.	Provide and maintain a facility in rural communities to foster community cohesion.

OUTCOMES PROMOTED
 - A safe and caring community
 - A healthy community
 - A community that values its living Maori culture
 - A “happening” community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Partnerships to promote healthy living • Healthy whanau, healthy communities • A community that recognises the value of partnerships including the Treaty of Waitangi • Strengthening relationships between cultures • Great facilities to visit, eg Museum, Arts Village, Aquatic Centre • Celebrating and nurturing traditional Maori culture • Foster artistic expression, art, music, dancing, public performances and exhibitions 	Directly and indirectly provide assistance to community groups to build their capacity and help them achieve their objectives.	RDC Annual Report	Provide and maintain a facility in rural communities to foster community cohesion.	Provide and maintain a facility in rural communities to foster community cohesion.	Provide and maintain a facility in rural communities to foster community cohesion.	Provide and maintain a facility in rural communities to foster community cohesion.

Assets used in Community Halls Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Buildings		1,634	87	1,547
Furniture & Fittings		25	25	-
Land		1,315	-	1,315
Office Equipment		1	1	-
Plant & Machinery		58	45	13
		3,033	158	2,875

How the local authority will assess and manage changes in demand, consumption or change in level of service

Many of these facilities are ageing and some have declining and minimal use. While not a short term issue, in the long term Council and the community need to consider what investment is appropriate for ratepayers to share if halls are little used. For some years the revenue generated by a number of halls has been declining, along with usage, and over the next decade this needs to be explored and addressed to ensure sustainability.

Anticipated capacity changes and whether they are the result of demand or service level changes

Capacity changes could be accommodated.

How the provision of any additional capacity will be undertaken

The physical asset exists and in most cases could be used more each week by the local community. Council currently supports voluntary management and cleaning roles undertaken by residents of these communities. In the case

of Ngongotaha Hall the most well used community facility, a commissioned booking agent is in place alongside a paid cleaner/custodian. An increase in the use of other community halls would necessitate a re-appraisal of the day-to-day management systems.

How maintenance, renewal and replacement will be undertaken.

Council is focused on the maintenance of community halls in the next 10 years. Council's Property Asset Management has lifecycle management plans and systems in place.

Funding

Who benefits from the activity?

- The community as a whole benefits from:
 - The choice of recreational activities and venues.
 - Healthy active communities.
- Users of facilities and spectators of events benefit from the activities.
- Event organisers benefit from commercial gains from using the facilities.

What is the period of benefit?

- Benefits are ongoing as long as the facilities are maintained.

Who creates need for the activity?

The need to undertake this activity derives from:

- Communities who surround the rural halls.
- Event organisers who need the infrastructure in order to hold events.

Funding source

Benefits derive to both the community as a whole and to individuals and groups.

The primary users are local communities, including school groups, sporting groups, community oriented organisations and individual family members. In addition, some use of the facilities derives to district people from outside the rural communities.

Council considers this activity provides some holistic benefit to the well-being of the district as a whole.

User charges are preserved at a level that will not dissuade or prevent use of the facilities, since it is not wise to detract from community activities and spirit throughout the district.

Further, there is little ability to extract greater user pays given the localities of the facilities, the market available, and the voluntary management and cleaning role undertaken by the community.

Community Halls financial summaries (forecast 2007-2016)

Description	Last Year	Annual Plan										
(thousands)	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	151	159	195	192	200	195	213	211	208	211	223	252
Depreciation	86	78	91	91	97	92	72	77	79	81	86	68
Finance	9	17	25	33	37	38	40	42	42	41	36	36
Total costs	246	254	310	317	333	326	325	330	328	333	345	356
REVENUE												
Fees and charges	16	15	15	16	16	17	17	17	18	18	19	19
Total revenue	16	15	15	16	16	17	17	17	18	18	19	19
Net cost of service	231	239	296	301	317	309	308	312	310	315	326	337
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Community Halls Capital												
Renewal	0	0	0	0	0	14	0	0	105	0	5	8
Total Capital	0	0	0	0	0	14	0	0	105	0	5	8
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	231	239	296	301	317	309	308	312	310	315	326	337
Funding	231	239	296	301	317	309	308	312	310	315	326	337
Less depreciation for Capital	-86	-78	-91	-91	-97	-92	-72	-77	-79	-81	-86	-68
Total Rates for/(from) Operations	145	161	204	210	220	217	236	236	232	234	241	270
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	86	78	91	91	97	92	72	77	79	81	86	68
Loans from/(to) Corporate Funds	-86	-78	-91	-91	-97	-79	-72	-77	27	-81	-81	-59
Total capital	0	0	0	0	0	14	0	0	105	0	5	8

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Community Policy and Resources

Overall aim of the activity

To foster social and cultural well-being by supporting communities to achieve their objectives, build their capacity and strengthen their identity.

Activity purpose – why we provide the service

For many years successive Rotorua Councils have prioritised focus on social, cultural and community needs. The Local Government Act 2002 now requires that all local authorities take into account these dimensions of well-being in their priority setting, decision-making, and actions. The Community Policy and Resources Division activities provide leadership for Council in the areas of social and cultural well-being within the District through a wide range of strategies

These include:

- Facilitating community consultation, research and activities around local social and cultural issues as directed by Council.
- Monitoring Rotorua social and cultural trends and keeping Council and the community informed.
- Developing policy through which Council can effectively address local issues and needs (e.g. community assistance policies).
- Implementing action plans within policies adopted by Council (e.g. Youth Policy and action plans).
- Establishing and maintaining relationships with a wide range of organisations and groups with a commitment to Rotorua's community and social fabric (e.g. community safety forums).
- Facilitating planning, events, activities and services relevant to Council priorities (e.g. Anzac Day Civic Service, the development of comprehensive arts sector databases)
- Providing support to Council and the community's relationships with our sister cities including with Beppu (Japan), Lake Macquarie (Australia), Klamath Falls (Oregon, USA) and Wuzhong District of Suzhou City

(China); and international programmes to which RDC is committed, including 'People to People'.

- Advising Council on social policy issues and matters in support of Council's advocacy and leadership roles.
- The division also undertakes the management of resources and services which enhance community well-being, including Council's community halls, Pensioner Housing and Community Assistance policies (various grant and loan schemes, community contracts and community group facilities including the Arts Village and Community House).

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A safe and caring community

- Organisations working together on agreed priorities
- Safe homes and streets
- Less crime
- Providing safe public spaces
- Families and whanau work, play and talk together

A healthy community

- Partnerships to promote healthy living
- Healthy whanau, healthy communities

A community that values its living Maori culture

- A community that recognises the value of partnerships including the Treaty of Waitangi.
- Strengthening relationships between cultures.

A happening community

- Great facilities to visit, e.g.: Museum, Arts Village, Aquatic Centre
- Celebrating and nurturing traditional Maori culture
- Foster artistic expression, art, music, dancing, public performances and exhibitions.

What we say we will do

OUTCOMES PROMOTED
- A safe and caring community
- A healthy community
- A community that values its living Maori culture
- A “happening” community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> Safe homes and streets Organisations working together on agreed priorities Less crime Providing safe public spaces Families and whanau work, play and talk together 	Advocate social and cultural issues on behalf of community groups within the Rotorua district and on behalf of the Rotorua district to Regional and Central Government	RDC Annual Report	Ensure significant proposed social and/or cultural legislation and policies are reviewed and if appropriate, a Rotorua perspective submitted as part of the consultation process.	Ensure significant proposed social and/or cultural legislation and policies are reviewed and if appropriate, a Rotorua perspective submitted as part of the consultation process.	Ensure significant proposed social and/or cultural legislation and policies are reviewed and if appropriate, a Rotorua perspective submitted as part of the consultation process.	Ensure significant proposed social and/or cultural legislation and policies are reviewed and if appropriate, a Rotorua perspective submitted as part of the consultation process.
<ul style="list-style-type: none"> Partnerships to promote healthy living Healthy whanau, healthy communities A community that recognises the value of partnerships including the Treaty of Waitangi 	Ensure quality information on the social and cultural composition and trends of the community are available and used in the direct setting of Rotorua	RDC Annual Report	Produce and update reports on Rotorua's demographic profiles – Social Monitor - Youth - Elderly - Ethnicity - Good Health - Youth Services Directory	Produce and update reports on Rotorua's demographic profiles – Social Monitor - Youth - Elderly - Ethnicity - Good Health - Youth Services Directory	Produce and update reports on Rotorua's demographic profiles – Social Monitor - Youth - Elderly - Ethnicity - Good Health - Youth Services Directory	Produce and update reports on Rotorua's demographic profiles – Social Monitor - Youth - Elderly - Ethnicity - Good Health - Youth Services Directory
<ul style="list-style-type: none"> Strengthening relationships between cultures Great facilities to visit, e.g. Museum, Arts Village, Aquatic Centre Celebrating and nurturing traditional Maori culture Foster artistic expression, art, music, dancing, public performances and exhibitions. 	Facilitate specific programmes and foster partnerships that contribute to social and cultural well-being	Report to CP & Rec Committee on the results of the safety perceptions survey.	Contribute to an increase in the perception of safety in the community to 78% (76% in 2005).	Contribute to an increase in the perception of safety in the community to 78% (76% in 2005).	Contribute to an increase in the perception of safety in the community to 78% (76% in 2005).	Contribute to an increase in the perception of safety in the community to 78% (76% in 2005).

Assets used in Community Policy & Resources Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Buildings		1,866	41	1,825
Computer Hardware		36	27	8
Database		6	6	-
Furniture & Fittings		48	34	15
Land		500	-	500
Office Equipment		21	17	4
Plant & Machinery		44	21	23
		2,521	146	2,375

How the local authority will assess and manage changes in demand, consumption or change in level of service

No change in level of service is anticipated for this activity.

Anticipated capacity changes and whether they are the result of demand or service level changes

No significant capacity changes are anticipated for this activity.

How the provision of any additional capacity will be undertaken

No additional capacity is anticipated for this activity.

How maintenance, renewal and replacement will be undertaken.

No significant assets are associated with this activity.

Funding

Who benefits from the activity?

- The community as a whole benefits from enrichment that comes from exposure to different groups and opportunities.
- Disadvantaged members of the community benefit from this activity.

What is the period of benefit?

- Benefits are ongoing as sharing of experiences and expertise leads to community enhancement.

Who creates need for the activity?

- The need to undertake this activity derives from the community as a whole, since the more integrated members of society are, the more they contribute to the economic, environmental, social and cultural well-being of the community.

Community Policy and Resources financial summaries (forecast 2007-2016)

Description	Last Year	Annual Plan										
(thousands)	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	780	1,051	1,062	1,136	1,160	1,187	1,189	1,221	1,241	1,264	1,280	1,304
Depreciation	50	45	57	53	55	55	55	58	53	51	54	54
Finance	1	17	21	28	31	32	34	35	35	35	30	31
Total costs	831	1,112	1,139	1,217	1,246	1,273	1,278	1,315	1,330	1,349	1,364	1,388
REVENUE												
Subsidies and grants	86	67	92	3	0	3	0	3	0	3	0	3
Fees and charges	5	0	0	0	0	0	0	0	0	0	0	0
Total revenue	91	67	92	3	0	3	0	3	0	3	0	3
Net cost of service	740	1,045	1,047	1,215	1,246	1,271	1,278	1,312	1,330	1,347	1,364	1,385
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Other renewals	12	0	6	9	0	6	9	0	6	9	0	6
Total Capital	12	0	6	9	0	6	9	0	6	9	0	6
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	740	1,045	1,047	1,215	1,246	1,271	1,278	1,312	1,330	1,347	1,364	1,385
Funding	740	1,045	1,047	1,215	1,246	1,271	1,278	1,312	1,330	1,347	1,364	1,385
Less depreciation for Capital	-50	-45	-57	-53	-55	-55	-55	-58	-53	-51	-54	-54
Total Rates for/(from) Operations	690	1,000	990	1,161	1,191	1,216	1,223	1,254	1,277	1,296	1,310	1,331
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	50	45	57	53	55	55	55	58	53	51	54	54
Loans from/(to) Corporate Funds	-38	-45	-51	-45	-55	-49	-46	-58	-47	-42	-54	-48
Total capital	12	0	6	9	0	6	9	0	6	9	0	6

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Event Venues

Overall aim of the activity

To provide venues for conventions, theatre shows, entertainment, sporting events and community use for local residents and visitors to Rotorua.

To provide the best event facilities for Rotorua that support the destination in its endeavours to attract large, high yielding events. (local, regional, national and international)

- Local amateur performance venues
- Sport and recreation venues
- Conference and incentive venues
- Social function venues
- Touring and local professional performing venues
- Cultural activity performing venues

Activity purpose – why we provide the service

Council provides the Event Venues facilities and services in order to meet residents' expectations and to assist Rotorua District Council's proactive approach creating employment opportunities within the tourism sector, for the citizens of Rotorua.

This activity covers the operation of the Rotorua Convention Centre, Civic Theatre, Ticketek, Te Runanga Tea House, Soundshell and Sportsdrome, the development of the Energy Events Centre, International Stadium (including Number 2 field) and community sports and events in terms of Council policy. Funding is required to cover operations, maintenance

and caretaking costs for the buildings in order to obtain optimum return. Current usage varies for each centre.

The activity contributes towards sustainable development by promoting the following community outcomes:

A happening community

- Lots of events including sporting cultural festivals arts
- Leading edge activity events
- Provision of good quality events, conference and tourism facilities
- Celebrating and nurturing traditional Maori Culture
- Foster artistic expression, art, music, dancing, public performance and exhibitions

A prosperous community

- Raising average incomes
- Reducing unemployment rate
- More employment opportunities
- Celebrating and promoting our districts unique qualities
- Encouraging growth

A healthy community

- Increasing recreational opportunities
- Improving health status for all
- Improve youth health
- Effective responses to developing health issues
- Partnerships to promote healthy living
- Healthy whanau and healthy communities

What we will do:

OUTCOME PROMOTED – A “happening” community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Lots of events including Sporting, cultural, festivals, arts • Leading edge activity events • Provision of good quality event, conference and tourism facilities • Celebrating and nurturing traditional Maori Culture 	Excellent well maintained and well used venues	NRB (new question).	2/3 of Rotorua residents will use an Event Venues facility during the year.	2/3 of Rotorua residents will use an Event Venues facility during the year.	2/3 of Rotorua residents will use an Event Venues facility during the year.	2/3 of Rotorua residents will use an Event Venues facility during the year.
		Analysis of bookings through Schedulers.	40% of hirers are from community groups at community hire rates.	40% of hirers are from community groups at community hire rates.	40% of hirers are from community groups at community hire rates.	40% of hirers are from community groups at community hire rates.
		Hire customer satisfaction surveys.	90% customer satisfaction.	90% customer satisfaction.	90% customer satisfaction.	90% customer satisfaction.

OUTCOME PROMOTED – A “happening” community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> Foster artistic expression, art, music, dancing, public performances and exhibitions. 	Excellent well maintained and well used venues	Financial performance of Event Venues Rotorua.	Charges to meet 25% operating costs.	Charges to meet 25% operating costs.	Charges to meet 25% operating costs.	Charges to meet 25% operating costs.
	To encourage a wide range of events with high levels of local participation that add to the appeal of Rotorua for its citizens and visitors.	Analyse economic impact from events facilitated by Event Venues and reset targets.	Contribute \$20M to the local economy by way of delegate and visitor spend.	Contribute prior year's figure plus 5% growth to the local economy by way of delegate and visitor spend.	Contribute prior year's figure plus 5% growth to the local economy by way of delegate and visitor spend.	Contribute prior year's figure plus 5% growth to the local economy by way of delegate and visitor spend.
		A calendar of 1 major event per week average.	A calendar of 1 major event per week average.	A calendar of 1 major event per week average.	A calendar of 1 major event per week average.	A calendar of 1 major event per week average.

OUTCOME PROMOTED – A prosperous community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> Rising average incomes Reducing unemployment rate More employment opportunities Encouraging growth 	Attract significant events and conferences to Rotorua.	Analysis of bookings.	20 conferences with over 6,000 delegates attending each year.	25 conferences with over 11,000 delegates attending each year.	25 conferences with over 11,000 delegates attending each year.	25 conferences with over 11,000 delegates attending each year.

OUTCOME PROMOTED – A healthy community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> Increasing recreational opportunities Improving health status for all Improve youth health Effective responses to developing health issues Partnerships to promote healthy living Healthy whanau and healthy communities 	To increase and develop recreational opportunities and to develop partnerships to deliver those opportunities.	Calendar of events.	A calendar of local recreational events.	A calendar of local recreational events.	A calendar of local recreational events.	A calendar of local recreational events.

Assets used in Event Venues Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Buildings		37,059	626	36,433
Computer Hardware		121	85	35
Computer Software		25	24	1
Furniture & Fittings		1,411	1,338	73
Land		1,696	-	1,696
Office Equipment		383	376	6
Parks & Reserves		1,512	161	1,351
Plant & Machinery		897	519	378
Vehicle		13	3	10
		43,117	3,132	39,983

How the local authority will assess and manage changes in demand, consumption or change in level of service

- Commissioning of the Energy Events Centre to facilitate the trend for major court sports to play indoors
- Assessment of growth and demand to be based on RDC growth model
- Assessment of growth in C&I business against CINZ research projections

Anticipated capacity changes and whether they are the result of demand or service level changes

The Energy Events Centre has been developed to meet the demand for higher attendance numbers for conferences, trade shows and sports.

The size of other Event Venues facilities is considered to be adequate to meet demand.

How the provision of any additional capacity will be undertaken

The development of the Energy Events Centre is being funded from a partners programme with RDC input set at \$6.5 million.

How maintenance, renewal and replacement will be undertaken.

Buildings

All information regarding the building and its associated services plant is kept in CONFIRM ENVIRONMENTAL and is maintained by Council's Property Asset Manager who has developed a comprehensive building management and cyclical maintenance programme in consultation with the General Manager of Event Venues

Technical Equipment

All data regarding Event Venues furniture and fittings is captured in an Asset Management software package called CONFIRM ENVIRONMENTAL. This system operates as an inventory capture and asset management tool. Replacement requirements have been scheduled on recommendation of our technical staff.

Furniture/Fittings

All data regarding Event Venues furniture and fittings is captured in an Asset Management software package called

CONFIRM ENVIRONMENTAL. This system operates as an inventory capture and asset management tool. It is used to forecast replacement and upgrade requirements on a long term basis.

Funding

Who benefits from the activity?

- The community as a whole benefits:
 - From the city's vibrant image and attraction of visitors.
 - By the contribution to economic growth and employment of the district by providing upmarket venues.
- Event organisers, community groups and sports bodies benefit from availability and use of the facilities and infrastructure.
- Local businesses, including suppliers, tourism operators, retailers, conference organisers, and the private event industry derive a commercial benefit.
- Individuals and groups who attend events benefit from this activity.

What is the period of benefit?

- Benefits are intergenerational and ongoing as long as the infrastructure/service is maintained, by way of city image, promotion, and diversity.
- Event managers and spectators derive both short and long term benefits from specific events.

Who creates need for the activity?

The need to undertake this activity derives from:

- The community as a whole in respect of events and facilities for community development and maintenance.
- Event promoters who need development and maintenance of event infrastructures.

Funding source

It is considered to be in the interests of residents and ratepayers to maximise both commercial revenue and local use for all venues.

The level of user charges is driven by market conditions at both the local and commercial levels; these determine ability to increase revenues so that adjustments and price changes need to be carefully transitioned.

Event Venues financial summaries (forecast 2007-2016)

Description	Last Year	Annual Plan										
(thousands)	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	2,401	2,892	3,444	3,514	3,564	3,650	3,745	3,801	3,986	3,997	3,989	4,242
Depreciation	659	1,118	1,082	1,399	1,527	1,588	1,557	1,676	1,683	1,692	1,795	1,767
Finance	84	159	222	490	480	452	443	447	434	414	351	337
Total costs	3,144	4,169	4,749	5,402	5,572	5,690	5,745	5,925	6,103	6,103	6,135	6,346
REVENUE												
Subsidies and grants	99	249	372	240	213	218	256	227	231	271	239	244
Investment income	317	345	86									
Fees and charges	848	938	1,013	1,288	1,458	1,590	1,613	1,630	1,665	1,700	1,737	1,774
Capital grants and contributions	2,042	10,020	118	2,294	2,307	772	262	280	292	307	318	220
Total revenue	3,306	11,552	1,589	3,822	3,978	2,579	2,130	2,137	2,188	2,279	2,294	2,237
Net cost of service	-163	-7,383	3,160	1,580	1,593	3,111	3,614	3,788	3,915	3,824	3,841	4,109
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Acoustical Improvements												
Level of Service Change	0	0	78	4	0	2	845	13	22	2	3	0
International Stadium General												
Level of Service Change	53	54	0	0	97	0	0	5	19	0	0	0
Stadium Turnstiles												
Level of Service Change	0	0	7	3	2	0	7	41	64	17	0	0
Energy Events Centre												
Provision for Growth	1942	16005	10729	0	0	0	0	0	0	0	0	0
Renewals	255	1858	777	4710	2526	485	354	367	305	282	233	396
Total Capital	2,250	17,917	11,591	4,717	2,625	487	1,206	426	410	301	236	396
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	-163	-7,383	3,160	1,580	1,593	3,111	3,614	3,788	3,915	3,824	3,841	4,109
Plus Capital Grants and Contributions	2,042	10,020	118	2,294	2,307	772	262	280	292	307	318	220
Funding	1,880	2,637	3,278	3,874	3,901	3,883	3,876	4,068	4,207	4,132	4,159	4,328
Less depreciation for Capital	-659	-1,118	-1,082	-1,399	-1,527	-1,588	-1,557	-1,676	-1,683	-1,692	-1,795	-1,767
Total Rates for/(from) Operations	1,221	1,519	2,196	2,476	2,373	2,295	2,319	2,392	2,524	2,439	2,364	2,562
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	659	1,118	1,082	1,399	1,527	1,588	1,557	1,676	1,683	1,692	1,795	1,767
Loans from/(to) Corporate Funds	-451	6,780	9,941	1,024	-1,210	-1,873	-613	-1,531	-1,565	-1,699	-1,876	-1,590
Capital Grants	2,042	10,020	100	2,250	2,250	692	133	108	108	108	108	0
Development contributions	0	0	18	44	57	80	129	172	184	199	210	220
Reserves net	0	0	450	0	0	0	0	0	0	0	0	0
Total capital	2,250	17,917	11,591	4,717	2,625	487	1,206	426	410	301	236	396

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Pensioner Housing

Overall aim of the activity

To contribute to the community's social well-being by ensuring safe accessible and affordable housing is available for elderly people.

Activity purpose – why we provide the service

Why does RDC provide social housing?

1. In 1997 Council formally confirmed its intention to remain in the business of supplying a limited number of dwelling units for elderly people on fixed incomes.
2. The provision of affordable pensioner housing contributes towards several Community Outcomes for the Rotorua District including:
 - A healthy community
 - A safe and caring community
3. The provision of pensioner housing is specified in Council's Older Persons Policy, one specific goal of which is "a District that offers a range of affordable, accessible and safe housing options for older people".
4. Rotorua's population profile is ageing and demand for pensioner housing is expected to increase in the future. As at Census night 2001 there were an estimated 6,822 residents aged 65-plus years in the Rotorua District, of whom at least 40% were not partnered (e.g. widowed). According to official forecasts, by the year 2021 there will be 12,200 people aged 65 and over in the District. In 2001, around 20% of people aged 65-plus did not own their own home, giving an estimated 960 rental homes occupied by older people in Rotorua. Council's housing stock is therefore approximately 15% of the market for rental homes occupied by older people in Rotorua.
5. Council's pensioner housing stock is listed as a Strategic Asset in its Long Term Council Community Plan 2006-16.

For over four decades Council has provided housing for older people within a "social housing" philosophy. As at May 2005 there were 146 units owned and managed by Council. Of these 20 were double units having one separate bedroom and there are 126 single units, 105 of which were bed-sits with remaining 21 having one separate bedroom. From August 2006 there will be 152 units in total of which 81 will be of a bed/sitting room style, 51 will be single units a separate bedroom and 20 units with a separate bedroom will be for couples.

Vacancies are filled from a waiting list based on assessment criteria and date of receipt of application with the majority of

applicants having their housing needs met within six to nine months.

There is recognition that housing plays a crucial role in community health and well-being and that councils play an important role in shaping housing outcomes at a community level.

Social Housing

Social housing in broad terms is housing provided for the primary purpose of meeting the needs of occupiers, rather than solely returning an investment to the owner, i.e. primarily not-for-profit, and with social rather than commercial objectives. It covers a range of housing types that have in common that some form of public support and/or support from community service providers is a necessary part of putting it in place. This will be true whether the need is assisting people into home ownership, or into rental housing.

The traditional emphasis has been on affordability, with housing policy focused on how to enable provision of physically adequate housing for households, which lack the financial means to meet their needs through the market. This is changing.

Social Housing and social services

Today the term social housing means more than just housing which targets affordability; now it typically means housing that is provided in a way that meets an identifiable social need or needs across a range of welfare and health issues.

Social housing treats the home as the nexus in a complex web of relationships which together contribute to the stability and well-being of individual households. The emphasis is on housing that is stable in the sense that the individual household(er) is able to utilise it long term and thus develop enduring relationships with other social service providers such as health, education, employment and welfare services.

Local Government and community involvement in Management and Ownership of Social Housing.

A report for Local Government NZ and the Ministry of Social Policy Dec 2000

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A safe and caring community

- Safe homes & streets
- Organisation's working together on agreed priorities

A healthy community

- Partnerships to promote healthy living

What we say we will do

OUTCOME PROMOTED – A safe and caring community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> Safe homes and streets Organisation's working together on agreed priorities 	Sensitively manage tenancies whilst achieving financial and occupancy objectives.	Tenancy Records	Provide accommodation for a maximum of 172 elderly people with limited assets.	Provide accommodation for a maximum of 172 elderly people with limited assets.	Provide accommodation for a maximum of 172 elderly people with limited assets.	Provide accommodation for a maximum of 172 elderly people with limited assets.

OUTCOME PROMOTED – A healthy community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Partnerships to promote healthy living	Maintain the Pensioner houses and their environs as sustainable community assets.	Progress reports to CPR committee	Redevelop 30 pensioner houses at Rawhiti by 2006.	N/A	N/A	N/A
		Maintenance Logs/Calls	Respond to maintenance requests within 2 working days if non-urgent or 1 working day if urgent issue.	Respond to maintenance requests within 2 working days if non-urgent or 1 working day if urgent issue.	Respond to maintenance requests within 2 working days if non-urgent or 1 working day if urgent issue.	Respond to maintenance requests within 2 working days if non-urgent or 1 working day if urgent issue.

Assets used in Pensioner Housing Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Buildings		7,245	332	6,913
Land		2,028	-	2,028
Plant & Machinery		76	70	6
		9,349	402	8,947

How the local authority will assess and manage changes in demand, consumption or change in level of service

Changes in demand will be 'identified' from applications received for accommodation and census figures. Where changes in demand are different from anticipated (i.e. deviations from the RDC Growth Model), the changes will be closely monitored and proposed adjustments highlighted to Council through committees, changes to the Activity Plans, and budgets reviewed. The resources to match anticipated demand will be considered along with other demands for ratepayer support.

Social housing demand

Results of the NZDep deprivation index provide some indication of overall social housing demand in the Rotorua District. Rotorua scored 7 out of 10 on the NZDep

deprivation index in the past three Census years – 1991, 1996 and 2001. This means that a typical area within the District is in the 30% most deprived areas in New Zealand. More precisely, around 46% of the Rotorua District population live in areas that are considered the 30% most deprived in the country.

Summary results for the components of the NZDep index over the period 1991 to 2001 are as follows.

- 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.
- Between 1996 and 2001 the percentage of Rotorua people receiving some form of income support fell slightly from 38.4% to 37.1%.
- 10.3% of Rotorua dwellings had no motor vehicle in 2001 compared with 13.0% in 1991. The proportion of

Rotorua dwellings with no vehicle remains slightly above the national average.

- 2.1% of Rotorua dwellings are estimated to be overcrowded compared with 1.8% for New Zealand overall. The Equivalised Crowding Index (ECI) for Rotorua as at 2001 was 0.62 compared with 0.61 for New Zealand as a whole.
- In 1991 73.6% of Rotorua District households owned their own home compared with 73.8% for New Zealand overall. In 2001 only 66.1% of Rotorua District households owned their own home compared with 67.8% for New Zealand as a whole. The trend has been towards increased numbers of private rentals.
- The Census night unemployment rate for the Rotorua District fell from 12.9% in 1991 to 8.9% in 2001 but remains higher than the national average rate of 7.5%.
- The percentage of people aged 15 and over in the Rotorua District with no formal qualification fell from 40.7% in 1996 to 31.1% in 2001 but is still higher than 27.6% for New Zealand as a whole.
- The proportion of sole-parent families in the Rotorua District increased slightly from 23.3% in 1991 to 24.2% in 2001, compared with 18.9% for New Zealand as a whole.
- 6.0% of households in the Rotorua District are without access to a private telephone, compared with 3.7% for New Zealand as a whole.

For further information on Rotorua’s socio-economic status refer to the RDC website: <http://www.rdc.govt.nz>

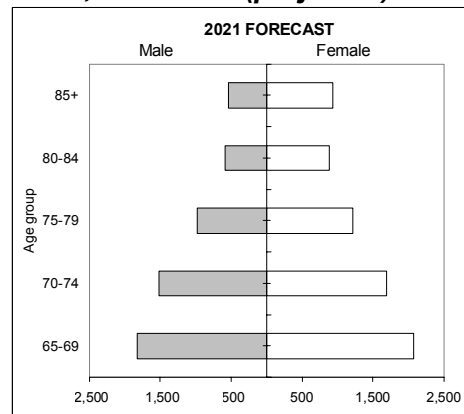
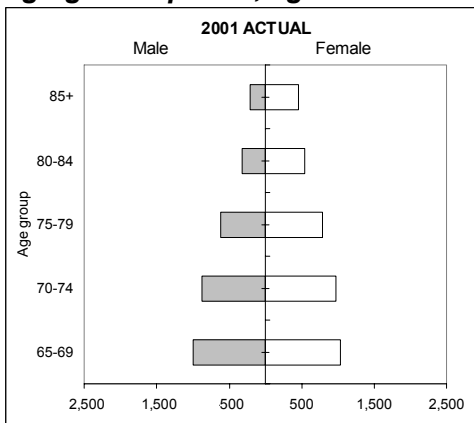
****Pensioner housing demand**

Census results can provide a rough guide to the demand for rental housing for older people in the Rotorua District:

- As at Census night 2001 there were an estimated 6,822 residents aged 65-plus years in the Rotorua District, of whom at least 40% were not partnered (e.g. widowed).
- Council’s stock of 146 units makes up approximately 3% of the estimated 4,800 homes occupied by older people in Rotorua.
- Around 20% of people aged 65-plus do not own their own home, giving an estimated 960 rental homes occupied by older people in Rotorua. Council’s housing stock is therefore approximately 15% of the market for rental homes occupied by older people in Rotorua.

At any one time there are typically 16-21 applicants on the waiting list for Council pensioner housing units. The majority of tenants are single and have no car. Overall the median tenancy is around 6 years although some tenants remain for up to 25 years. Demand for Council’s pensioner housing is expected to increase in the future as the District’s population profile becomes older. According to official forecasts, by the year 2021 there will be 12,200 people aged 65 and over in the District. Part of this increase is due to the ageing baby boomer generation. Also, due to increasing life expectancy, the number of people aged 85 and over in Rotorua is projected to more than double by the year 2021, from 660 to 1,470. There is a national trend towards older people increasingly living alone. The median personal income for people aged 65 and over is around \$13,000.

Age-gender profile, age 65 and over, Rotorua District, 2001-2021 (projected)

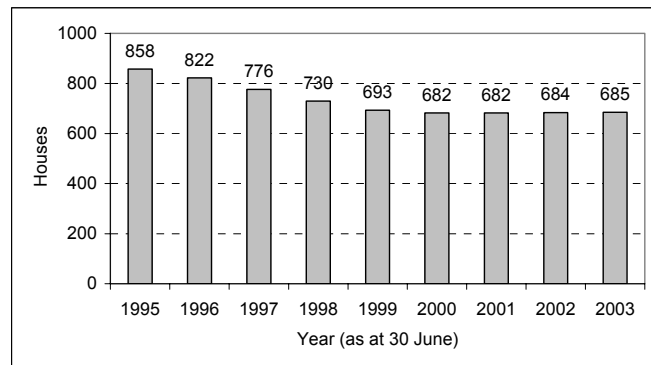


Source: Statistics New Zealand

Supply of social housing in the Rotorua District

Housing New Zealand Corporation

Since the mid-1990s the stock of houses provided by HNZC has fallen from 858 in 1995 to a low of 682 in 2000. In the last few years several additional houses were purchased by HNZC while one was lost through fire. The net result is that the HNZC housing stock in Rotorua as at June 2003 is 685. Eligibility criteria include an income less than 1.5 times the superannuation rate and realisable assets less than \$19,732.



Stock of HNZC houses in the Rotorua District, 1995-2003

Source: Housing New Zealand Corporation

Anticipated capacity changes and whether they are the result of demand or service level changes

In view of the age, design and poor facilities of existing housing stock at the Rawhiti Complex it has been agreed to progressively upgrade the units.

How the provision of any additional capacity will be undertaken

In the case of the Rawhiti Complex upgrade, Council entered into a funding partnership with the New Zealand Housing Corporation. It is hoped that further stages of the Rawhiti upgrade will be funded on a similar basis.

How maintenance, renewal and replacement will be undertaken.

Council employs a staff member whose specific responsibility is the maintenance of all Council buildings. In the course of assessing buildings for short and long term needs the future needs are determined and replacement requirements highlighted.

Funding

Who benefits from the activity?

- Older persons with housing needs benefit from this activity.
- Persons in receipt of an invalid benefit who require housing derive a benefit.

- The community as a whole benefits from providing housing to fulfil a need.

What is the period of benefit?

- Benefits to individuals last as long as the accommodation is used.
- Benefits to the community continue while the housing stock is maintained.

Who creates need for the activity?

The need to undertake this activity derives from:

- The elderly and people in receipt of an invalid benefit who need housing.
- The community as a whole since community housing offers essential services that may not be offered otherwise.

Funding source

Since the benefits are essentially private benefits to the tenants, it is considered rental charges should recover all costs of the activity without subsidy from general rates.

This includes covering costs of maintenance and contribution to capital development, but without providing any commercial return on the asset value of the properties.

Council policy supports the Central Government philosophy that social housing rental should not exceed 25 - 30% of fixed income.

Pensioner Housing financial summaries (forecast 2007-2016)

Description (thousands)	Last Year Actual	Annual Plan										
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	466	480	521	542	566	577	572	648	637	619	632	639
Depreciation	153	169	372	397	445	449	269	272	275	275	293	279
Finance	0	46	0	0	0	0	0	0	0	0	0	0
Total costs	619	696	894	938	1,012	1,026	841	920	912	894	925	919
REVENUE												
Investment income	11	0	10	71	66	65	72	74	73	77	84	89
Fees and charges	484	523	595	607	619	631	644	657	670	683	697	711
Capital grants and contributions	0	1,567	0	0	0	0	0	0	0	0	0	0
Total revenue	495	2,090	605	678	685	696	716	731	743	760	781	800
Net cost of service	124	-1,394	288	260	327	330	126	189	170	134	143	118
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Buildings Upgrade												
Level of Service Charge/ Backlog	7	3,072	300	0	0	0	0	0	0	0	0	0
Domain Ave Flats												
Renewal	0	0	0	0	0	0	34	0	0	0	0	0
Lucas Place Flats												
Renewal	0	0	16	16	0	0	0	112	95	0	61	86
Rawhiti Flats												
Renewal	153	0	700	1,646	254	0	0	0	30	0	0	0
Dawson Drive Flats												
Renewal	0	0	0	0	0	18	0	0	0	0	0	0
Total Capital	159	3,072	1,016	1,663	254	18	34	112	125	0	61	86
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	124	-1,394	288	260	327	330	126	189	170	134	143	118
Plus Capital Grants and Contributions	0	1,567	0	0	0	0	0	0	0	0	0	0
Funding	124	173	288	260	327	330	126	189	170	134	143	118
Less depreciation for Capital	-153	-169	-372	-397	-445	-449	-269	-272	-275	-275	-293	-279
Total Rates for/(from) Operations	-29	3	-84	-136	-118	-119	-143	-83	-106	-141	-150	-161
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	153	169	372	397	445	449	269	272	275	275	293	279
Loans from/(to) Corporate Funds	-46	1,336	643	1,266	-192	-431	-235	-160	-150	-275	-232	-193
Capital Grants	0	1,567	0	0	0	0	0	0	0	0	0	0
Asset sales	52	0	0	0	0	0	0	0	0	0	0	0
Total capital	159	3,072	1,016	1,663	254	18	34	112	125	0	61	86

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Public Gardens/General Reserves

Overall aim of the activity

To provide a network of parks and reserves at a neighbourhood and district level for casual and organised recreation, environmental and urban enhancement which contributes to the shape and form of the places in which we live.

To enhance the urban and rural environment with excellent open space, design, planting and interpretation.

Activity purpose – why we provide the service

The provision of parks, reserves and public gardens contributes towards the protection and enhancement of ecological, heritage, recreation and landscape values in the Rotorua District. The provision of parks, reserves and public gardens also contributes directly and indirectly to the physical, mental and spiritual health of Rotorua people, and to the social, cultural, economic and environmental well-being of the Rotorua community.

Many of the most significant parks and reserves in Rotorua city were gifted to the Crown by Ngati Whakauae at the time Rotorua was first developed. Council has taken over responsibility for these areas from the Crown, and cares for them on behalf of current and future generations of Rotorua residents.

The Rotorua community has over a long period of time been active partners with Council and the Crown in development of reserves for sporting, community and environmental purposes. The community has played a significant role in developing the assets that Council now maintains on their behalf.

The way we present our District to our community and visitors demonstrates the pride that we have in our community. It also provides a welcome to our visitors that is part of what makes Rotorua special. This has additional economic benefits for the community in the form of higher visitor numbers.

Council provides services that meet the needs of the community for access to recreational opportunities on our lakes, such as boat ramps and jetties, carparks, walkways, public toilets etc.

The activity contributes to improved water quality in our lakes through protection and enhancement of the ecological wetlands on Council reserve land.

The activity is significant in that it deals with development and maintenance of strategic assets i.e. parks and reserves. The activity also deals with the development, maintenance and replacement of assets within those parks and reserves

which are provided for the use and enjoyment of the public and for the benefit of the community.

Activities include:

- Legislative compliance in development and management of parks assets.
- Policy implementation, compliance and review.
- Planning and implementation of parks' capital works and replacement of parks' assets.
- Scheduling and implementation of parks maintenance and capital works contracts.
- The maintenance of high profile parks, gardens and lawns.
- The maintenance of all sports fields, urban and rural reserves, street trees, local purpose reserves, drainage easements and traffic islands
- The maintenance of structures on and bordering reserves including buildings, fences, playgrounds, jetties, boat ramps, furniture.
- Reserves amenity lighting and water supply to reserves.
- Janitorial services for reserves' amenities.
- The management of the Tokorangi forest ensuring continued public access to at least the current level.

Council provides the Nursery activity in order to:

- Contribute to the civic pride of the District by providing sufficient numbers of high quality plants for Council's parks, gardens and displays (indoor and outdoor).
- Have available appropriate plants for use in environmental improvement projects.
- Have available large, high quality trees for streetscaping.
- Provide high quality plant material to other local authorities which in turn subsidises the cost of plants to Rotorua District Council.
- Provide educational opportunities for horticultural students (able bodied and disabled)

The numbers of plants produced include annuals, perennials, trees, shrubs, and house plants. Experience has shown that sourcing these plants from other suppliers can be a hit and miss process. If Council is to maintain high standards in parks and gardens, it is necessary to control the production process. Sale prices of plants include a return on the capital value of the stock on hand.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A safe and caring community

- Providing safe public spaces
- Family & whanau work, play and talk together

A community that respects its environment

- Improved lake water quality
- People using and enjoying our natural environment
- Kaitiakitanga (guardianship)
- Managing and protecting geothermal resources and our springs, trout, lakes, forests, geysers

- Looking after our air, land and water resources.
- People using and enjoying our natural environment

A community with excellent facilities and services

- Affordable facilities and reserves and services

What we say we will do

OUTCOMES PROMOTED - A safe and caring community - A healthy community						
Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Providing safe public spaces • Families and whanau work, play and talk together • Increasing recreational opportunities 	Provide and maintain safe accessible parks and reserves, play areas, wetlands, gardens and walkways	Spatial analysis using GIS maps.	A children's play area within 500m of 90% of dwellings in the urban area.	A children's play area within 500m of 90% of dwellings in the urban area.	A children's play area within 500m of 90% of dwellings in the urban area.	A children's play area within 500m of 90% of dwellings in the urban area.
		Safety audit completed annually and reported to Council through CPR Committee.	97% of safety audits comply with NZ Safety Standards.	97% of safety audits comply with NZ Safety Standards.	97% of safety audits comply with NZ Safety Standards.	97% of safety audits comply with NZ Safety Standards.
	Form and function of play areas/locations reviewed.	Review completed and report presented to Council through CPR Committee.	Play areas/ locations reviewed every 5 years.	Play areas/ locations reviewed every 5 years.	Play areas/ locations reviewed every 5 years.	Play areas/ locations reviewed every 5 years.
	Provide and maintain sportsfields for local, regional, national competitions and participation	NRB Survey and Summer and Winter booking form analysis.	Grassed sportsfields for all summer and winter codes as demonstrated by an overall satisfaction level of 91% in the NRB Survey.	Grassed sportsfields for all summer and winter codes as demonstrated by an overall satisfaction level of 91% in the NRB Survey.	Grassed sportsfields for all summer and winter codes as demonstrated by an overall satisfaction level of 91% in the NRB Survey.	Grassed sportsfields for all summer and winter codes as demonstrated by an overall satisfaction level of 91% in the NRB Survey.

OUTCOME PROMOTED – A community that respects its environment

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> Improved lake water quality People using and enjoying our natural environment Kaitiakitanga (guardianship) Managing and protecting geothermal resources and our springs, trout, lakes, forests, geysers 	Enhance the urban and rural environment with excellent open space design, planting and interpretation	NRB Survey	Stunning floral displays, amenity plantings and street trees in public gardens within the CBD, suburban streets and rural and lakeside reserves as demonstrated by an overall satisfaction of 92% in the NRB Survey.	Stunning floral displays, amenity plantings and street trees in public gardens within the CBD, suburban streets and rural and lakeside reserves as demonstrated by an overall satisfaction of 92% in the NRB Survey.	Stunning floral displays, amenity plantings and street trees in public gardens within the CBD, suburban streets and rural and lakeside reserves as demonstrated by an overall satisfaction of 92% in the NRB Survey.	Stunning floral displays, amenity plantings and street trees in public gardens within the CBD, suburban streets and rural and lakeside reserves as demonstrated by an overall satisfaction of 92% in the NRB Survey.

Assets used in Public Gardens/General Reserves Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Bridges		20	-	20
Buildings		4,157	185	3,971
Computer Hardware		95	76	19
Computer Software		50	50	-
Database		10	3	7
Furniture & Fittings		16	9	7
Land		86,169	-	86,169
Tree Stands		856	-	856
Minor Wastewater Treatment		94	13	81
Nursery		2	1	1
Office Equipment		10	4	7
Parks & Reserves		15,570	836	14,733
Plant & Machinery		136	128	8
		107,185	1,305	105,879

Public Gardens/General Reserves
How the local authority will assess and manage changes in demand, consumption or change in level of service

We will meet regularly with user groups (including twice yearly meetings with sports codes) to identify their changing requirements for sportsfields and other amenities to enable shifts in the allocation of resources to meet demand.

We will continue to monitor changes in the demographic profile of the District to assist better adaptation of reserves to meet the needs of an ageing population and changes in tastes and preferences.

Anticipated capacity changes and whether they are the result of demand or service level changes

Demand for additional areas of reserve is likely to result from growth as predicted by the Rotorua Growth Model. New reserves will need to be acquired and developed to meet the demands of a growing population.

How the provision of any additional capacity will be undertaken

Most additional reserve areas will be provided from financial or development contributions.

How maintenance, renewal and replacement will be undertaken.

Maintenance is carried out in accordance with contracts with Castlecorp, Council's in-house contracting arm. Renewals and replacements are scheduled in accordance with Council's Parks and Recreation AMP.

- Short term benefits include activities such as planting of annual beds.
- Long term benefits include activities such as planting of trees that are not expected to mature for 30 years.

Funding

Who benefits from the activity?

- The community as a whole benefits from:
 - Choice of recreational facilities and a healthy active community.
 - Access to lakes, clean water quality, attractive parks, gardens and streetscapes, and high quality reserve facilities.
- Event organisers benefit from commercial opportunities from activities.
- Individuals who take part as activity participants and spectators.

Who creates need for the activity?

- The need to undertake this activity derives from the community as a whole for recreational activities and choice.

Funding source

A significant portion of the benefit relates to the public nature of the activity including availability of free access to reserves and amenities that enhance the district's image. The balance of benefits derive to identifiable users such as sporting bodies. Council policy is to encourage the greatest possible use of reserves. Recent surveys indicate that reserve use is very broad and across all economic groups. Direct recovery of costs is reasonably recovered from identifiable users without dissuading use.

What is the period of benefit?

- Benefits are both short term and ongoing:

Public Gardens/General Reserves financial summaries (forecast 2007-2016)

Description (thousands)	Last Year Actual	Annual Plan											
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	
DAY TO DAY OPERATIONS													
COST OF SERVICE STATEMENT													
OPERATING COSTS													
Direct costs	5,985	6,470	7,051	7,244	7,460	7,622	7,762	7,923	8,082	8,221	8,389	8,482	
Depreciation	837	895	1,006	1,000	1,063	1,059	986	1,052	1,045	1,034	1,050	1,025	
Finance	366	710	940	1,273	1,400	1,460	1,532	1,603	1,604	1,582	1,387	1,393	
Total costs	7,189	8,075	8,997	9,518	9,922	10,141	10,280	10,578	10,731	10,836	10,826	10,901	
REVENUE													
Subsidies and grants	1	27	7	7	7	7	7	7	7	7	8	8	
Investment income	28	48	24	18	49	94	142	195	251	313	379	451	
Fees and charges	378	461	527	537	548	2,681	570	581	593	605	617	629	
Capital grants and contributions	1,329	615	750	678	711	757	843	922	952	989	1,019	1,048	
Total revenue	1,736	1,151	1,307	1,240	1,314	3,538	1,562	1,705	1,804	1,914	2,022	2,136	
Net cost of service	5,452	6,924	7,690	8,278	8,608	6,603	8,718	8,874	8,927	8,922	8,804	8,765	
INVESTING IN THE FUTURE													
CAPITAL COSTS													
City Entrance Ways													
Level of Service Change	0	250	250	0	0	0	0	0	0	0	0	0	
Lake Rotoma Protection Works													
Level of Service Change	35	35	0	0	0	0	0	0	0	0	0	0	
Arawa Park Development													
Level of Service Change	20	20	0	0	0	0	0	0	0	0	0	0	
Blue Lake Reserve													
Level of Service Change	0	140	0	0	0	0	0	0	0	0	0	0	
City Entrance Way Design													
Level of Service Change	11	8	0	0	0	0	0	0	0	0	0	0	
General Reserve Development													
Level of Service Change	0	190	0	95	82	78	75	135	225	49	65	145	
Hannahs Bay Wetland Development													
Level of Service Change	11	120	155	0	0	0	0	0	0	0	0	0	

Description	Last Year (thousands) Actual	Annual Plan											
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	
Hockey Improvements													
Renewal	59	48	0	0	634	0	0	0	0	0	0	0	0
Tree Plan													
Level of Service Change	0	281	0	0	0	0	0	0	0	0	0	0	0
Koriri St Reserve Carpark													
Level of Service Change	0	17	0	0	0	0	0	0	0	0	0	0	0
Kuirau Park - Development													
Provision for Growth	7	630	863	0	34	0	0	0	0	0	0	0	1
Kuirau Park - Main Building Upgrade													
Provision for Growth	0	0	0	0	0	173	0	0	0	0	0	0	0
Kuirau Park Toilet													
Provision for Growth	0	0	0	0	137	0	0	0	0	0	0	0	0
Lake Okareka Walkway													
Level of Service Change	75	0	0	0	0	0	0	0	0	0	0	0	0
Pukeroa Boardwalk - Flagpole Replacement													
Level of Service Change	0	0	0	0	0	0	0	0	0	0	9	2	
Lakefront Watersports Development													
Level of Service Change	31	0	0	0	0	0	0	0	0	0	0	0	0
Linton Park Boardwalk Replacement													
Level of Service Change	0	0	0	0	0	0	0	0	0	0	0	0	2
Tennis Courts Sealing													
Level of Service Change	0	22	22	0	0	14	0	0	0	0	0	0	0
New Jetties													
Level of Service Change	0	0	16	118	55	65	105	141	69	0	0	0	0
Replacement Fences													
Level of Service Change	22	42	83	100	55	104	162	82	37	240	159	101	
New Toilets													
Level of Service Change	0	80	0	0	0	0	0	0	0	0	0	0	0
Lakefront Development													
Level of Service Change	4	490	100	346	0	0	0	0	0	0	0	0	1,000
Ngongotaha CBD Upgrade													
Provision for Growth	3	320	444	334	0	0	0	0	0	0	0	0	0
Ngongotaha Stream Reserve Land Purchase													
Provision for Growth	0	30	30	0	0	0	0	0	0	0	0	0	0
Lake Okaro Revegetation													
Level of Service Change	0	0	60	0	0	0	0	0	0	0	0	0	0
Okawa Bay Road Resealing													
Level of Service Change	24	0	0	0	0	0	0	0	0	0	0	0	0
Okere Trout Pool Toilets													
Level of Service Change	0	150	0	0	0	0	0	0	0	0	0	0	0
Parks Drainage													
Level of Service Change	30	0	0	0	0	0	0	0	0	0	0	0	0
Playgrounds New													
Level of Service Change	0	0	0	31	32	32	33	34	0	35	36	36	
Pohutukawa Drive Reserve Development													
Level of Service Change	0	0	70	0	0	0	0	0	0	0	0	0	0
Puarenga Stream Boardwalk Replacement													
Level of Service Change	0	0	0	0	0	0	0	0	0	0	4	1	
Reporoa Skatepark													
Level of Service Change	0	30	30	0	0	0	7	0	0	0	0	0	0
Reserve Lake Access Kawaha Point													
Level of Service Change	0	0	6	0	0	0	0	0	0	0	0	0	0
Rotorua Tree Trust Development													
Level of Service Change	10	211	275	0	0	0	0	0	0	0	0	0	0
Signage Replacement													
Level of Service Change	12	0	34	35	65	55	32	18	15	29	35	22	
Tarawera Landing Environmental													
Level of Service Change	0	75	75	0	0	0	0	0	0	0	0	0	0

Description (thousands)	Last Year	Annual Plan											
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	
Westbrook Park Land Purchase and Develop													
Level of Service Change	0	0	600	257	0	162	0	0	0	0	0	0	0
Westbrook Cricket Wicket New													
Provision for Growth	0	35	35	0	37	0	0	0	0	0	0	0	0
Westbrook Pavillion													
Level of Service Change	0	1,000	0	0	0	0	0	0	0	0	0	0	0
Westbrook Playing Fields													
Provision for Growth	10	154	95	0	0	0	0	0	0	0	0	0	0
Renewals	324	499	318	239	291	272	419	465	532	357	366	417	
Total Capital	688	4,877	3,561	1,555	1,422	955	833	875	878	710	674	1,727	

HOW WE PAY FOR THIS ACTIVITY

OPERATIONAL FUNDING

Net cost of service	5,452	6,924	7,690	8,278	8,608	6,603	8,718	8,874	8,927	8,922	8,804	8,765
Plus Capital Grants and Contributions	1,329	615	750	678	711	757	843	922	952	989	1,019	1,048
Funding	6,782	7,539	8,440	8,956	9,318	7,359	9,562	9,795	9,880	9,911	9,822	9,813
Less depreciation for Capital	-837	-895	-1,006	-1,000	-1,063	-1,059	-986	-1,052	-1,045	-1,034	-1,050	-1,025
Total Rates for/(from) Operations	5,944	6,645	7,433	7,956	8,256	6,300	8,575	8,743	8,835	8,878	8,773	8,787

CAPITAL FUNDING

Capital funded by:-

Rates funding (depreciation equivalent)	835	895	1,006	1,000	1,063	1,059	986	1,052	1,045	1,034	1,050	1,025
Loans from/(to) Corporate Funds	-744	3,154	1,307	185	300	-153	-228	-265	-214	-334	-334	799
Capital Grants	325	215	122	0	0	0	0	0	0	0	0	0
Resource management fees	1,004	400	600	612	624	637	649	662	676	689	703	717
Development contributions	0	0	28	66	86	120	194	259	277	300	316	330
Reserves net	-735	213	498	-308	-651	-708	-769	-834	-905	-979	-1,060	-1,145
Asset sales	2	0	0	0	0	0	0	0	0	0	0	0
Total capital	688	4,877	3,561	1,555	1,422	955	833	875	878	710	674	1,727

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Nursery

How the local authority will assess and manage changes in demand, consumption or change in level of service

The main demand driver for the nursery is the activities of Castlecorp – Council's in-house contracting arm. The nursery supplies the bulk of Castlecorp's materials for planting programmes. However, the nursery is currently near capacity and would be unable to respond to a significant increase in demand.

Anticipated capacity changes and whether they are the result of demand or service level changes

The current capacity is limited by space and labour resources. Capacity is not anticipated to change in response to either demand or changes in level of service.

How the provision of any additional capacity will be undertaken

Current capacity is sufficient to meet demand and is not expected to change given constraints of space.

How maintenance, renewal and replacement will be undertaken.

Maintenance of fixed assets is carried out as required by Council's Property Maintenance Officer. Renewals and replacements are programmed and carried out based on the recommendations of Council Officers.

Funding

This activity is an internal service and the net operational costs are allocated to those Council activities that use or derive benefit from the activity. The basis of allocation is reviewed annually. Operational funding for this activity is therefore derived through the funding sources of the activities that directly deliver services to the community.

Nursery financial summaries (forecast 2007-2016)

Description (thousands)	Last Year	Annual Plan										
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	246	246	303	308	306	329	299	304	309	323	338	347
Depreciation	6	7	2	2	2	2	2	2	2	2	2	2
Finance	0	2	3	3	4	4	4	4	4	4	4	4
Total costs	252	255	307	314	312	335	305	310	315	329	343	353
REVENUE												
Fees and charges	266	253	269	274	280	285	291	297	303	309	315	321
Total revenue	266	253	269	274	280	285	291	297	303	309	315	321
Net cost of service	-15	2	38	39	32	50	14	13	12	20	28	31
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Government Gardens Boardwalk/Walkway R Renewal	0	0	30	0	0	0	0	0	0	0	0	0
Other renewals	0	0	5	0	0	5	0	0	5	0	0	5
Total Capital	0	0	35	0	0	5	0	0	5	0	0	5
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	-15	2	38	39	32	50	14	13	12	20	28	31
Funding	-15	2	38	39	32	50	14	13	12	20	28	31
Less depreciation for Capital	-6	-7	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2
Total Rates for/(from) Operations	-20	-5	36	37	30	48	12	12	10	18	26	29
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	6	7	2	2	2	2	2	2	2	2	2	2
Loans from/(to) Corporate Funds	-6	-7	32	-2	-2	3	-2	-2	3	-2	-2	3
Total capital	0	0	35	0	0	5	0	0	5	0	0	5

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Public Library

Overall aim of the activity

To provide education, information, cultural and recreation resources, to all people of the Rotorua District and minimise economic, social and cultural barriers to access. To be a repository for local history, including Maori history, for future generations.

Activity purpose - how and why we provide the service:

The public library was first established in 1889 and is a very popular and well used civic amenity. Although there is no legislation or government policy for the provision of library service it is expected by the community. The library provides access to information for all residents and plays an important role in improving the standard and quality of life for residents by providing the means for lifelong learning, independent decision-making and cultural development of the individual and social groups.

The library is staffed for 62 hours per week, Monday to Saturday and is open for 55.5 of those hours as follows:

Monday to Friday	9.30am to 8.00pm
Saturday	9.30am to 12.30pm

65% of the population belongs to the library and statistics show an average of 7,500 users per week. Services available to library users include a lending range of children's and adults' fiction and non-fiction books in normal and large print, magazines, not for loan reference books, special collections of NZ books, an historical collection of local newspapers on microfiche, (for which an index is being developed), talking books, music cassettes, CDs, CD-ROMs, videos and DVDs. The library houses the Community Toy Library, a collection of material belonging to the Rotorua Branch NZ Society of Genealogists, the Te Rangikaheke Papers (which are held in trust for Ngati Rangiwewehi) and a variety of Maori Land Court minute books. All of these are available to the public. The library created and now maintains the Community Contacts Database which contains information on more than 1,000 clubs and organisations.

The library also maintains a website (www.rotorualibrary.govt.nz) which provides free access to

the library's catalogue and a number of government, education and research databases.

The library goes out into the community to serve borrowers via the Mobile Library, Monday to Friday – and via the Housebound Service which is delivered fortnightly by volunteer drivers. Community training groups and 'Polytechnic' classes are encouraged to visit the library for orientation tours. Toddler Times are held twice weekly. Holiday programmes are held for children during the school holidays and teachers are encouraged to bring their classes into the library. The library's mascot, Fletcher Tuatara, visits schools with the staff, and new entrants at all the district's primary schools are provided with special packs to encourage them to join the library. Every year there are special programmes for teens including FRESH (Fun, Reading, Enjoyment, Sport and Health) – a teens' reading initiative. Space is provided for exhibitions and displays.

The activity contributes towards sustainable development by promoting the following community outcomes:

A community with excellent facilities and services

- Affordable facilities and reserves and services

A community that values its living Maori culture

- Improved opportunities
- Fostering Maori cultural activities and expression
- Respecting Te Arawa as part of the unique heritage of Rotorua District

A learning community

- Learning activities accessible for everyone
- Excellent pre-school/infant facilities
- Whanaus supported learning

A "happening" community

- Lots of events including sporting, cultural, festivals, arts
- Leading edge activity events
- Foster artistic expression, art, music, dancing, public performances and exhibitions
- Great facilities to visit

What we say we will do

OUTCOME PROMOTED – A community with excellent facilities and services

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Affordable facilities and reserves and services.	Outstanding library freely accessible to Rotorua residents and visitors.	NRB Survey.	Four out of every five households use the District Library service.	Four out of every five households use the District Library service.	Four out of every five households use the District Library service.	Four out of every five households use the District Library service.
		Horizon database of library numbers.	65% of population are members of the library.	65% of population are members of the library.	65% of population are members of the library.	65% of population are members of the library.
		Log of opening hours.	Library open to the public Monday-Friday 9.30am-8.00pm, Saturday 9.30am-12.30pm.	Library open to the public Monday-Friday 9.30am-8.00pm, Saturday 9.30am-12.30pm.	Library open to the public Monday-Friday 9.30am-8.00pm, Saturday 9.30am-12.30pm.	Library open to the public Monday-Friday 9.30am-8.00pm, Saturday 9.30am-12.30pm.

OUTCOME PROMOTED – A community that values its living Maori culture

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Improved opportunities. • Fostering Maori cultural activities and expression. • Respecting Te Arawa as part of the unique heritage of Rotorua District. 	Collection of local Maori and European print resources for reference and study.	Catalogue and index.	100% of all published and unpublished print material reflecting Rotorua's heritage and culture is purchased each year for maintaining and protecting for present and future generations.	100% of all published and unpublished print material reflecting Rotorua's heritage and culture is purchased each year for maintaining and protecting for present and future generations.	100% of all published and unpublished print material reflecting Rotorua's heritage and culture is purchased each year for maintaining and protecting for present and future generations.	100% of all published and unpublished print material reflecting Rotorua's heritage and culture is purchased each year for maintaining and protecting for present and future generations.
		Internet service logs.	Provide 24 hour 7 day access to the local history catalogue or index through the internet.	Provide 24 hour 7 day access to the local history catalogue or index through the internet.	Provide 24 hour 7 day access to the local history catalogue or index through the internet.	Provide 24 hour 7 day access to the local history catalogue or index through the internet.
		Log of opening hours.	Physical secure access to items in the local history collection Monday-Friday 9.30am-8.00pm Saturday 9.30am-12.30pm	Physical secure access to items in the local history collection Monday-Friday 9.30am-8.00pm Saturday 9.30am-12.30pm	Physical secure access to items in the local history collection Monday-Friday 9.30am-8.00pm Saturday 9.30am-12.30pm	Physical secure access to items in the local history collection Monday-Friday 9.30am-8.00pm Saturday 9.30am-12.30pm

OUTCOME PROMOTED – A learning community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> Learning activities accessible for everyone. Excellent pre-school/ infants facilities. Whanau supported learning. 	Collections of fiction and non fiction for information, education and recreation.	NRB Survey	A range of educational levels including primary, secondary, tertiary and adult learning as demonstrated by an overall satisfaction rating of 85% in the NRB Survey.	A range of educational levels including primary, secondary, tertiary and adult learning as demonstrated by an overall satisfaction rating of 85% in the NRB Survey.	A range of educational levels including primary, secondary, tertiary and adult learning as demonstrated by an overall satisfaction rating of 85% in the NRB Survey.	A range of educational levels including primary, secondary, tertiary and adult learning as demonstrated by an overall satisfaction rating of 85% in the NRB Survey.
		Record of school and organisations taking the tours are noted in the Library operations log.	Instruction will be provided in library use and resources to no fewer than 75 groups per year.	Instruction will be provided in library use and resources to no fewer than 75 groups per year.	Instruction will be provided in library use and resources to no fewer than 75 groups per year.	Instruction will be provided in library use and resources to no fewer than 75 groups per year.
		Log of classes and packs delivered.	New Entrant packs will be delivered to every 5 year old starting school in the district.	New Entrant packs will be delivered to every 5 year old starting school in the district.	New Entrant packs will be delivered to every 5 year old starting school in the district.	New Entrant packs will be delivered to every 5 year old starting school in the district.

OUTCOME PROMOTED – A “happening” community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> Lots of events including sporting, cultural, festivals, arts. Leading edge activity events. Foster artistic expression, art, music, dancing, public performances and exhibitions. Great facilities to visit. 	Events that reflect the art and cultural interest of the community with a specific focus on literacy.	Programme logs.	4 children's programmers per year. 2 teens programmes per year. Toddler Time 2 times a week during school terms.	4 children's programmers per year. 2 teens programmes per year. Toddler Time 2 times a week during school terms.	4 children's programmers per year. 2 teens programmes per year. Toddler Time 2 times a week during school terms.	4 children's programmers per year. 2 teens programmes per year. Toddler Time 2 times a week during school terms.
		Noticeboard utilisation logs.	Noticeboards showcasing various community group/individual work or activities for no fewer than 50 weeks per year.	Noticeboards showcasing various community group/individual work or activities for no fewer than 50 weeks per year.	Noticeboards showcasing various community group/individual work or activities for no fewer than 50 weeks per year.	Noticeboards showcasing various community group/individual work or activities for no fewer than 50 weeks per year.

Assets used in Public Library Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Buildings		100	-	100
Computer Hardware		511	409	102
Computer Software		116	116	-
Furniture & Fittings		553	366	186
Library Collection		3,189	707	2,482
Office Equipment		103	69	34
Plant & Machinery		40	13	27
		4,612	1,680	2,931

How the local authority will assess and manage changes in demand, consumption or change in level of service

The Library levels of service have been established and refined over the years through a number of direct and indirect mechanisms to identify the views of customers and ratepayers, not least of which is the political process and annual planning review cycle.

Feedback on the service provided by the Public Library as well as customer expectations is available from a number of sources. The first is from information gathered as part of the annual National Research Bureau (NRB) survey. The survey comprises of 400 telephone interviews amongst residents of the Rotorua District and spread over the four Wards and seeks information on each of Council's Services/Facilities including the Library.

The most recent (2005) NRB survey indicates that overall, 85% of residents in the Rotorua District are satisfied with the Public Library with 94% of actual users of the Library indicating their satisfaction. The main reasons for dissatisfaction involve issues with opening hours, fees/fines, insufficient quantity and selection of books and a desire for improved parking facilities. These issues have been taken on board and are presently being reviewed.

In addition to the NRB survey, the following procedures are in place to gauge the satisfaction of the users of the Library:

- An in-house survey is conducted periodically. The most recent of these was conducted December 2002.
- "Suggestions for stock purchase" forms are available for customers to complete.
- "Brickbat & Bouquet" forms are available for complaints about stock, staff or policy and suggestions for things other than stock. These comments are reviewed regularly and action taken where it is warranted.

A Strategic Review of all services and processes was conducted in 2002.

Anticipated capacity changes and whether they are the result of demand or service level changes

This plan includes \$1 million for increasing Library capacity. Of this, approximately 50% is to address backlog in capacity and 50% for growth.

How the provision of any additional capacity will be undertaken

LTCCP has identified the need to extend the library facility in 2006/07.

How maintenance, renewal and replacement will be undertaken.

Assets are maintained by a variety of databases – CONFIRM for buildings, furniture and fittings, HORIZON for library stock control, NAVISION for accounting and financial systems, ACCESS for technology and the mobile library is maintained by Castlec corp. These databases provide information on which the replacement schedule is developed.

Funding

Who benefits from the activity?

- The community as a whole benefits from:
 - Choice of recreational activities and a healthy caring community.
 - The educational opportunities the Library offers.
 - Being informed.
 - The library acting as a repository for local history, including Maori history
- Community groups and individuals who borrow material benefit personally.

What is the period of benefit?

- Educational benefits from an informed, literate and educated population are ongoing.
- The preservation of written local history, including Maori history, for future generations, is ongoing.
- Recreational benefits for a holistic lifestyle for the community are ongoing and long term.

Who creates need for the activity?

- The community as a whole creates the need for access to cultural heritage, creative media, knowledge, and recreational activity.
- The drivers are:
 - Connecting Communities Strategy/ Digital Strategy
 - LIANZA Standards
 - Local Government Act 2002
 - Strategic Review
 - Marketing Plan
 - Library Collection Management Plan

- Library Opening Hours Policy
- Draft National Public Libraries Strategic Framework
- Library Business Plan
- E-Government Strategy

Funding source

Council wants to encourage use of the Library and wants all people to have access to the Library, regardless of economic status.

Accordingly, Council proposes to maintain fees at a level that will not discourage and reduce use. However, the full cost of 'added value services' will be charged wherever practical.

Public Library financial summaries (forecast 2007-2016)

Description (thousands)	Last Year Actual	Annual Plan										
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	2,427	2,858	2,867	3,056	3,126	3,169	3,238	3,279	3,369	3,428	3,502	3,517
Depreciation	560	561	578	648	761	820	878	967	943	909	941	927
Finance	12	24	34	46	50	53	55	58	58	57	50	50
Total costs	2,999	3,442	3,480	3,750	3,937	4,041	4,171	4,305	4,370	4,394	4,493	4,494
REVENUE												
Subsidies and grants	5	0	5	5	5	5	5	5	5	5	5	5
Investment income	18	20	0	0	0	0	0	0	0	0	0	0
Fees and charges	291	300	310	340	350	361	371	382	394	405	417	429
Capital grants and contributions	4	0	5	11	14	20	32	43	46	50	52	55
Total revenue	318	320	319	355	369	385	408	430	445	460	475	489
Net cost of service	2,681	3,123	3,160	3,394	3,568	3,656	3,762	3,874	3,926	3,933	4,018	4,004
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Renewal Books												
Renewal	412	418	510	525	541	557	574	591	608	626	645	664
Security System												
Renewal	6	140	140	0	0	0	0	0	0	0	0	0
Buildings Upgrade												
Level of Service Charge/ Backlog	0	0	784	206	0	0	0	0	0	0	0	0
Telephone System												
Renewal	0	20	20	0	0	0	0	0	0	0	0	0
Other renewals	49	74	99	166	76	101	124	207	103	126	79	158
Total Capital	468	652	1,553	897	617	659	698	798	712	752	724	821
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	2,681	3,123	3,160	3,394	3,568	3,656	3,762	3,874	3,926	3,933	4,018	4,004
Plus Capital Grants and Contributions	4	0	5	11	14	20	32	43	46	50	52	55
Funding	2,685	3,123	3,165	3,405	3,582	3,676	3,794	3,917	3,971	3,983	4,070	4,059
Less depreciation for Capital	-560	-561	-578	-648	-761	-820	-878	-967	-943	-909	-941	-927
Total Rates for/(from) Operations	2,124	2,562	2,587	2,758	2,821	2,856	2,917	2,950	3,028	3,074	3,129	3,132
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	560	561	578	648	761	820	878	967	943	909	941	927
Loans from/(to) Corporate Funds	-96	-209	670	239	-159	-181	-212	-213	-277	-207	-269	-160
Capital Grants	4	0	0	0	0	0	0	0	0	0	0	0
Development contributions	0	0	5	11	14	20	32	43	46	50	52	55
Reserves net	0	300	300	0	0	0	0	0	0	0	0	0
Total capital	468	652	1,553	897	617	659	698	798	712	752	724	821

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Rotorua Museum of Art & History

Overall aim of the activity

To provide an outstanding museum for the benefit of the Rotorua community and its visitors; to collect, preserve and interpret the material cultural heritage of the District for the benefit of future generations; to maintain the integrity of the Bathhouse as an iconic building for Rotorua and New Zealand.

Activity purpose – why we provide the service

The purpose of the Museum activity can be summarized:

- To collect and preserve the material heritage of the District for the benefit of current and future generations of citizens;
- To interpret, through exhibitions and public programmes, the Great Stories of Rotorua for local residents and visitors to the District;
- To maintain and enhance the Bath House building as a nationally important heritage building;
- To contribute to the tourism industry in the Rotorua District by providing a high quality visitor experience that enhances the overall tourist product of the District.

The Rotorua Museum of Art & History, Te Whare Taonga O Te Arawa, is situated in the Bath House, an historic landmark building sited strategically in the Government Gardens. This activity also includes a small museum area in the Blue Baths complex, also located in the Government Gardens and other heritage features in the District.

The museum opens to the public every day except Christmas Day, from 9.00am to 8.00pm daily during NZ daylight saving time, and from 9.00am to 5.00pm the rest of the year.

The museum presents a diverse range of long and short term exhibitions focusing primarily on the unique history and cultures of the region.

Seven important collections are at the heart of the museum's identity. They are:

- | | |
|-----------------------|----------------------------|
| • Ethnology | (1,000 items est) |
| • Fine Arts | (2,500 items est) |
| • Natural Environment | (500 items est) |
| • Photography | (75,000-100,000 items est) |
| • Resource Library | (2,500 items est) |
| • Social History | (4,000 items est) |
| • Taonga Maori | (1,500 items est) |

Contained within the museum's collections are an estimated total of between 100,000 - 125,000 items. These collections are developed through gift, purchase and loan.

The museum's collections are housed off site in a customised building where they are stored in an optimum environment, thereby protecting the community's cultural heritage for future generations. A long term project to accession and catalogue collection items aims to have every item recorded and stored on a computerised collection management system.

In order to better tell the Great Stories of Rotorua to its visitors, the museum is in the middle of important developments. Aided by funding from the Rotorua Trust, a theatre experience detailing the stories of Rotorua was added to the museum's attractions in 1998. Major new permanent exhibitions featuring the 1886 eruption of Mount Tarawera, and the story of B Company of 28 Maori Battalion, have been developed. The North Wing Art Galleries underwent a significant redevelopment in late 2001 enabling the museum to host important art exhibitions for the first time. A cafe has also been established at the museum.

To better tell the story of the Bathhouse building, and to provide additional exhibition space for other stories, areas previously unavailable to visitors, such as the famous Mudbath Basement, have also been developed, highlighting the unique use of the building as a sanatorium and health spa for over 50 years. The reinstatement of the historic Viewing Promenade on the North Wing roof is scheduled to be completed by Christmas 2006, made possible by grants from the Ministry of Tourism and the NZ Lotteries Grants Board which supplement Annual Plan funding from RDC. Other areas, such as the magnificent foyer, have been renovated, and major new developments, depending on availability of grant funds, will see the building finished and renovated in time for its centenary in 2008.

The museum has developed into a flagship facility for Rotorua District Council and the Rotorua community as a whole. The museum is now regarded as a leader in the museum sector in New Zealand and has become a "must-see" attraction for visitors to the district. The museum has won five New Zealand Tourism Awards since 2000, being named the country's Best Heritage Attraction three years in a row, culminating in a Distinction Award in 2002. Important new developments are planned for the next five years which will ensure the museum retains its position as a centre of community pride and as an excellent visitor attraction in its own right.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A happening community

- Great facilities to visit.
- Foster artistic expression, art, music, dance, public performances and exhibitions.

A learning community

- Learning activities accessible for everyone.
- Quality educational institutions.

A community that values its living Maori culture

- Preservation and sustainable development of Maori resources.

What we say we will do**OUTCOME PROMOTED – A “happening” community**

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Great facilities to visit • Foster artistic expression, art, music, dancing, public performances and exhibitions 	An outstanding museum experience free to local residents of Rotorua	NRB Survey	More than half the households in Rotorua will visit the Museum each year.	More than half the households in Rotorua will visit the Museum each year.	More than half the households in Rotorua will visit the Museum each year.	More than half the households in Rotorua will visit the Museum each year.
		NRB Survey	At least 70% of local residents are very satisfied with the Museum and its services.	At least 70% of local residents are very satisfied with the Museum and its services.	At least 70% of local residents are very satisfied with the Museum and its services.	At least 70% of local residents are very satisfied with the Museum and its services.
		Weekly Reporting Log	Open the museum 364 days a year, open to the public during advertised opening hours.	Open the museum 364 days a year, open to the public during advertised opening hours.	Open the museum 364 days a year, open to the public during advertised opening hours.	Open the museum 364 days a year, open to the public during advertised opening hours.
		Exhibition Programme as presented to Council.	No fewer than 20 touring and specially curated exhibitions from other parts of NZ and overseas per year.	No fewer than 20 touring and specially curated exhibitions from other parts of NZ and overseas per year.	No fewer than 20 touring and specially curated exhibitions from other parts of NZ and overseas per year.	No fewer than 20 touring and specially curated exhibitions from other parts of NZ and overseas per year.

OUTCOME PROMOTED – A community that values its living Maori culture

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Preservation and sustainable development of Maori resources	Collect, preserve, catalogue and conserve the community's cultural heritage.	Collection database records.	Provide at least 7 collections of approximately 100,000-125,000 items.	Provide at least 7 collections of approximately 100,000-125,000 items.	Provide at least 7 collections of approximately 100,000-125,000 items.	Provide at least 7 collections of approximately 100,000-125,000 items.
	Interpret and display the art, culture and stories of Rotorua and Te Arawa via a number of permanent exhibitions.	Exhibition log.	Provide and maintain at least 7 permanent exhibitions 364 days of the year.	Provide and maintain at least 7 permanent exhibitions 364 days of the year.	Provide and maintain at least 7 permanent exhibitions 364 days of the year.	Provide and maintain at least 7 permanent exhibitions 364 days of the year.

OUTCOME PROMOTED – A learning community						
Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Learning activities accessible for everyone Quality educational institutions.	A range of educational levels including primary, secondary, tertiary and adult learning.	Annual public programmes log.	Provide at least 20 Public Programmes (workshops/ lectures) per year.	Provide at least 20 Public Programmes (workshops/ lectures) per year.	Provide at least 20 Public Programmes (workshops/ lectures) per year.	Provide at least 20 Public Programmes (workshops/ lectures) per year.
		LEOTC Contract Milestone Reports.	Provide curriculum based learning programmes to at least 12000 students/year.	Provide curriculum based learning programmes to at least 12000 students/year.	Provide curriculum based learning programmes to at least 12000 students/year.	Provide curriculum based learning programmes to at least 12000 students/year.
		Daily check of information displays.	Provide at least 14 different language based navigational maps so that museum visitors can self guide themselves around the museum.	Provide at least 14 different language based navigational maps so that museum visitors can self guide themselves around the museum.	Provide at least 14 different language based navigational maps so that museum visitors can self guide themselves around the museum.	Provide at least 14 different language based navigational maps so that museum visitors can self guide themselves around the museum.
		Daily reporting log and customer surveys.	Provide a minimum of 4 guided tours per day by trained docents.	Provide a minimum of 4 guided tours per day by trained docents.	Provide a minimum of 4 guided tours per day by trained docents.	Provide a minimum of 4 guided tours per day by trained docents.

Assets used in Rotorua Museum of Art & History Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Art & History Collection		5,725	15	5,710
Buildings		7,071	286	6,785
Computer Hardware		79	61	18
Computer Software		17	17	-
Database		2	2	-
Furniture & Fittings		367	275	91
Land		150	-	150
Office Equipment		112	89	23
Plant & Machinery		651	202	449
		14,174	947	13,226

How the local authority will assess and manage changes in demand, consumption or change in level of service

As the community grows and develops so does the demand on the services of the Museum. Factors influencing future demand are:-

Growth of the Community

- Data from the census of 2001 puts the population of the Rotorua District served by the Museum at 64,473. The 1996 census showed an increase of 5%. 2001 showed

a very slight decrease, 0.1%, but the numbers of Museum visitors has continued to increase. Should this growth trend continue, the number of users of the Museum can also be expected to increase. The medium growth forecast for the District has been estimated by the NZ Census to be approximately 1% per annum.

Growth in Visitor Numbers

- Based upon data provided by Tourism New Zealand and Destination Rotorua Tourism Marketing, visitor

numbers to the Rotorua District are predicted to grow by an average of 2.9% per annum until 2010.

Growth in Demand from School Groups

- As the New Zealand school curriculum develops and includes a greater emphasis on Education outside the Classroom, the demand on the education services of the Museum will continue to increase, both from local schools and school groups visiting the District from other regions of New Zealand.

For the purposes of this AMP, a total of 3.3% growth per annum in demand is assumed, based upon 0.38% growth per annum in the local population plus 2.9% growth per annum in domestic and international visitors to the District. Therefore, 3.3% per annum is assumed to be the annual growth required of the Museum in order to maintain its present level of service.

Anticipated capacity changes and whether they are the result of demand or service level changes

The increase in demand for the Museum will have a significant impact on the future management of the service. There is increasing pressure on the capacity of the Museum building, particularly during the peak summer tourist season, and as tourist numbers to the District increase as predicted by 2.2% per annum, visitor numbers to the Museum can be expected to increase accordingly.

How the provision of any additional capacity will be undertaken

A key method of managing increasing visitor numbers is to open up new areas of the building to the public, thus increasing the capacity of the building at peak times. In recent years the basement area has been opened to the public, the Maori Battalion gallery has been opened, and at Christmas 2006 the historic viewing promenade, plus associated attic space, will open. All these areas of the building were previously not accessible to visitors so their opening has/will increase the carrying capacity of the building.

Included in the capital works programme for the 2007/08 financial year, and subsequent years, is a major project of renovation and expansion of the Museum to complete the building to its original 1908 specifications. This project, named the Centennial Development, will significantly increase the publicly accessible space in the Museum, thus increasing the carrying capacity of the building significantly.

How maintenance, renewal and replacement will be undertaken

Buildings, plant and furniture/fittings

All information regarding the buildings, the associated services plant and furniture and fittings is kept in CONFIRM ENVIRONMENTAL. Confirm is an inventory capture and asset management tool. It is used to forecast replacement and upgrade requirements on a long term basis.

Information on the buildings and plant is maintained by Council's Property Asset Manager who has developed a comprehensive building management and cyclical maintenance programme in consultation with the museum Director. Maintenance schedules for furniture and fittings is maintained by Museum Director.

Computer hardware is managed by Council's IT department in consultation with Museum staff.

Collections and Heritage Features

The collection items (between 100,000 and 125,000 items) are documented, photographed and then recorded in a database called Collection (provided by specialist museum collection management software company Vernon Systems Ltd.) The process involves photographing all collection items as they enter the offsite storage facility and then scanning these to provide a digitised image for storage on the computer system. A condition report is completed for all items as well as a catalogue sheet which details further relevant information about the item.

The collection management system used to store all of this information is known as the VERNON system. The system is continually being updated in order to achieve a comprehensive record of all of the Museum's collections. It can also be used as a classification search tool.

Funding

Who benefits from the activity?

- The community as a whole benefits from this activity; it is available and accessible to everyone.
- The local community benefits from the provision of exhibitions and public programmes that would otherwise not be possible to have in Rotorua.
- Present and future generations of residents benefit from the ongoing stewardship of the material heritage collections of the District.
- School students from the District and beyond benefit from the educational opportunities provided at the Museum
- Individuals and groups who take advantage of the service and attend activities benefit from this activity.
- Specific benefits to those domestic and international visitors who visit the museum as a paid attraction.

What is the period of benefit?

- Educational benefits from an informed, creative population, including visitors to the District, is ongoing.
- The preservation of cultural heritage, including Maori heritage is ongoing and long term.
- Recreational benefits for a holistic lifestyle for the community is ongoing.

Who creates need for the activity?

- The need to undertake this activity is created by:
 - The local community for access to cultural heritage and creative media.

- Community expectation that the material heritage of the District will be cared for, preserved and interpreted for the benefit of current and future generations.
- Demand from domestic and international visitors for a quality museum experience to enhance and enrich their visit to the Rotorua District.
- Whanau and hapu of Te Arawa for a safe and secure repository for their taonga.
- The need to care for and preserve the Bathhouse and Blue Baths as historic buildings.

Funding source

The Museum provides a significant public benefit to the community as well as a particular benefit to individuals and groups who visit the Museum for either educational or recreational purposes.

Fees are charged to visitors to the district at a level that encourages use of the Museum.

Rotorua Museum of Art & History financial summaries (forecast 2007-2016)

Description (thousands)	Last Year Actual	Annual Plan										
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	2,120	2,151	2,219	2,523	2,506	2,584	2,642	2,801	2,864	2,941	2,971	3,016
Depreciation	303	314	416	427	528	617	615	905	1,159	1,171	1,239	1,146
Finance	50	89	116	157	173	181	190	198	198	196	172	172
Total costs	2,474	2,554	2,751	3,107	3,207	3,382	3,446	3,904	4,221	4,308	4,381	4,335
REVENUE												
Subsidies and grants	58	10	108	110	112	115	117	119	122	124	127	129
Fees and charges	908	1,005	948	1,013	1,141	1,220	1,254	1,589	1,697	1,746	1,798	1,851
Capital grants and contributions	153	248	4	1,257	1,298	17	5,586	5,711	39	43	45	47
Total revenue	1,119	1,263	1,059	2,380	2,551	1,352	6,957	7,419	1,858	1,913	1,969	2,027
Net cost of service	1,354	1,291	1,692	727	656	2,030	-3,511	-3,514	2,364	2,395	2,412	2,308
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Monitoring Equipment												
Renewal	0	15	0	0	0	0	0	0	0	0	0	0
Cafe Development												
Renewal	3	5	5	5	5	5	6	6	6	6	6	6
Collection Purchase												
Provision for Growth	3	8	8	8	8	9	9	9	9	9	10	10
Rotorua Stories Moving Seats												
Renewal	0	0	0	0	265	0	0	0	0	0	0	0
Film Upgrade												
Renewal	224	0	0	0	0	217	0	0	0	0	238	0
Viewing Platform												
Level of Service Change	23	350	0	0	0	0	0	0	0	0	0	0
North West Wing Gallery Upgrade												
Renewal	31	0	0	0	211	0	0	0	0	0	0	0
Video Surveillance Upgrade												
Renewal	0	20	0	0	0	0	0	0	0	0	0	0
Centennial Development												
Provision for Growth	33	250	420	1,373	1,410	0	7,576	7,735	0	0	0	0
Te Arawa/South East Wing												
Renewal	3	0	0	0	0	0	0	0	0	0	0	0
Theatre Equipment												
Renewal	0	25	25	26	27	27	28	29	29	30	30	31
Offsite Storage												
Renewal	0	0	0	0	30	0	0	0	0	5	0	0
Other renewals	91	39	59	80	159	77	189	147	199	149	91	68
Total Capital	412	712	517	1,492	2,115	335	7,807	7,926	243	199	374	114

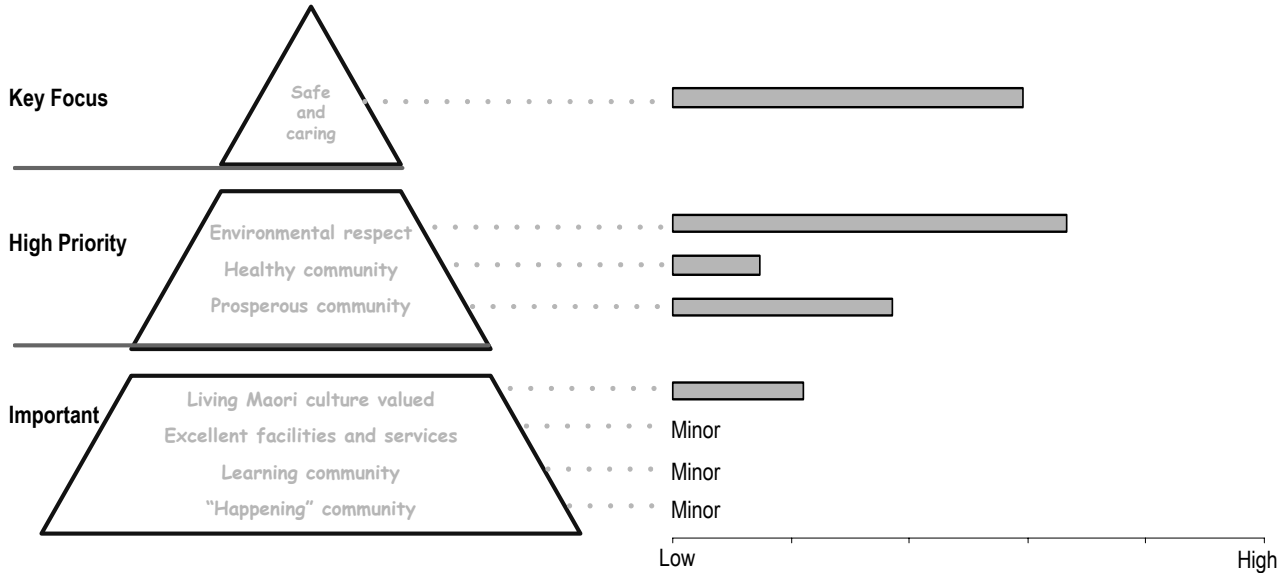
Description (thousands)	Last Year Actual	Annual Plan										
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	1,354	1,291	1,692	727	656	2,030	-3,511	-3,514	2,364	2,395	2,412	2,308
Plus Capital Grants and Contributions	153	248	4	1,257	1,298	17	5,586	5,711	39	43	45	47
Funding	1,507	1,539	1,696	1,984	1,954	2,047	2,075	2,196	2,403	2,438	2,457	2,355
Less depreciation for Capital	-303	-314	-416	-427	-528	-617	-615	-905	-1,159	-1,171	-1,239	-1,146
Total Rates for/(from) Operations	1,203	1,226	1,280	1,557	1,426	1,430	1,460	1,291	1,244	1,267	1,218	1,208
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	303	314	416	427	528	617	615	905	1,159	1,171	1,239	1,146
Loans from/(to) Corporate Funds	-44	151	97	-192	289	-298	1,607	1,311	-956	-1,015	-910	-1,079
Capital Grants	153	248	0	1,247	1,286	0	5,558	5,674	0	0	0	0
Development contributions	0	0	4	9	12	17	28	37	39	43	45	47
Total capital	412	712	517	1,492	2,115	335	7,807	7,926	243	199	374	114

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

ENVIRONMENTAL GROUP

Contribution to Community Outcomes by services in Group



Overview of Group

This group is made up of the following activities of Council:

- Animal Control
- Building Control
- Environmental Planning
- Inspection
- Parking Enforcement

The Environmental Group activities reflect Council's role in natural resources management and regulation. The activities help us to plan for the future and make sure that everyone gets a fair deal, often having to balance competing rights of individuals and groups in the community to do different things.

Potential Significant Negative Effects

Potential negative effects may include:

- Statutory processes take time and can be lengthy, community aspirations for the environment can alter over this time.
- Possible judicial review of exercising statutory authority and processes.
- Appeals lodged against decisions to the Environment Court.
- Changes in legislation that will have resultant effects on Levels of Services provided.

- Expenses associated with the high degree of consultation that must be undertaken for policy development projects.

Strategic Direction and Highlights

Animal Control

- Anticipate maintaining current level of service
- New legislative requirements (e.g. breed specific dog control legislation).

Building Control

- Anticipate maintaining current level of service
- Council will seek accreditation under the Building Act 2004 commencing May 2006 through 2007
- Shared services with other Bay of Plenty Local Authorities will be further explored and may have some merit
- Adoption and implementation of policies on:
 - Earthquake Prone Buildings
 - Dangerous and Insanitary Buildings

Environmental Planning

- Anticipate maintaining current level of service, although changes in this could become necessary through changes in legislation and/or demand.
- The process of preparing a new District Plan has commenced and this will continue through 2006 and 2007. Public notification is planned for March 2008.

Key strategic issues for the next ten years include:

- Maintenance and enhancement of the District environment and in particular the Rotorua lakes (through the development of lake catchment action plans in association with Environment Bay of Plenty).
- Resourcing the District Plan Review over a sustained period, including development, notification, submission, and decision processes.
- Management and protection of the district's unique geothermal energy resources.
- Identification of sustainable urban and rural development options.
- Integration of Regional and District RMA functions and LGA planning and decision making processes.
- Responding to changes in activities as a result of Resource Management Amendment Act 2005.
- Consultation and development of District Plan and associated non-regulatory methods for environmental management.

Inspection

- Anticipate maintaining current level of service

Parking Enforcement

- Anticipate maintaining current level of service.
- Potential for seven day a week enforcement in CBD.

Asset Management Plans Information

The key assets used in this Activity Group are:

- Buildings
- Land
- Parking

Further details are provided in each Activity section.

Summary of Group Net Cost of Service

Description	Last Year	Annual Plan											
	(thousands)	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Animal Control	277	337	288	298	303	316	305	316	319	318	320	316	316
Building Control	156	267	460	459	488	464	410	394	391	363	346	322	322
Env Planning - Policy	998	2,115	1,972	1,655	1,719	1,759	1,612	1,625	1,657	1,647	1,669	1,689	1,689
Env Planning - Implementation	1,273	1,195	1,609	1,691	1,745	1,764	1,761	1,791	1,825	1,841	1,864	1,883	1,883
Inspection	1,031	1,013	1,142	1,165	1,191	1,200	1,202	1,230	1,249	1,261	1,279	1,285	1,285
Insp - Parking Enforcement	-531	-337	-500	-499	-503	-511	-532	-541	-554	-567	-578	-597	-597
Total Environmental	3,203	4,590	4,971	4,769	4,944	4,991	4,758	4,815	4,887	4,863	4,901	4,897	4,897

Statement of Infrastructure Assets

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Buildings		75	2	73
Computer Hardware		359	257	102
Computer Software		79	79	-
Environmental		2	1	1
Furniture & Fittings		128	125	3
Land		41	-	41
Office Equipment		82	55	27
Parking		59	35	24
Plant & Machinery		198	138	60
		1,023	692	331

Activity Group Revenue Sources

Description (thousands)	Last Year Actual	Annual Plan										
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
OPERATIONAL FUNDING												
Funding/Rates	3,201	4,590	4,971	4,769	4,944	4,991	4,758	4,815	4,887	4,863	4,901	4,897
Less depreciation equivalent for capital	-80	-91	-94	-102	-103	-103	-97	-99	-99	-106	-108	-102
Total rates for operations	3,121	4,499	4,877	4,667	4,841	4,888	4,661	4,716	4,788	4,757	4,793	4,795
Fees and charges	3,687	3,467	4,102	4,138	4,232	4,330	4,430	4,532	4,636	4,743	4,852	4,964
Internal rate and water by meter	0	-1	-1	-1	-1	-1	-1	-1	-1	-2	-2	-2
Total operational funding	6,808	7,964	8,978	8,804	9,072	9,217	9,089	9,247	9,423	9,499	9,643	9,757
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	80	91	94	102	103	103	97	99	99	106	108	102
Loans	96	-88	21	-31	6	-44	-17	-41	40	26	-40	-66
Asset sales	13	84	0	0	0	0	0	0	0	0	0	0
Total capital	189	86	114	71	109	59	81	58	139	132	68	36

Minor roundings may occur in above totals.

Animal Control

Overall aim of the activity

To ensure the safety of the public by the control of nuisance dogs and stock wandering in public places.

Activity purpose – why we provide the service

Council provides this service in order to meet a statutory requirement and to meet community expectations. The activity involves the following:

Control Function

This involves registration of dogs and the development and implementation of a Council policy on dog control. This activity is undertaken because it is required by statute. The activity further involves the inspection of kennelling standards and the investigation/resolution of nuisances/complaints. Also provided is an educational programme on dog control available on a demand basis to primary and intermediate schools in the Rotorua District.

Pound Keeping Function

Dogs are impounded so they do not continue to be a nuisance and a risk to the public. They are kept in humane conditions. Those dogs not claimed by their owners after seven days from the date of impounding are disposed of.

Stray stock are impounded so they do not continue to be a nuisance and a public safety risk on roads and in other public places. They are kept with ample sustenance until their disposal to owners, or by way of public auction.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A safe and caring community.

- Providing safe public places.

A community that respects its environment

- People using and enjoying natural environment.

What we say we will do

OUTCOME PROMOTED – A safe and caring community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Providing safe public places	Complaint investigation/resolution.	Monitoring and auditing of complaints register.	Respond to complaints within 1½ days.	Respond to complaints within 1½ days.	Respond to complaints within 1½ days.	Respond to complaints within 1½ days.
	Impounding wandering dogs.	Monitoring and auditing of register of dogs.	Achieve registration of known dogs by 30 June.	Achieve registration of known dogs by 30 June.	Achieve registration of known dogs by 30 June.	Achieve registration of known dogs by 30 June.
	Impounding wandering stock.	Monitoring and auditing of complaints register.	Respond to all complaints immediately upon receipt.	Respond to all complaints immediately upon receipt.	Respond to all complaints immediately upon receipt.	Respond to all complaints immediately upon receipt.

OUTCOME PROMOTED – A community that respects its environment

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
People using and enjoying our natural environment	Provision of dog exercise areas.	NRB survey.	Maintain 66% level of satisfaction in NRB survey.	Maintain 66% level of satisfaction in NRB survey.	Maintain 66% level of satisfaction in NRB survey.	Maintain 66% level of satisfaction in NRB survey.

Assets used in Animal Control Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Buildings		75	2	73
Computer Hardware		39	33	5
Computer Software		21	21	-
ENVIRONMENTAL		2	1	1
Furniture & Fittings		10	10	-
Land		41	-	41
Plant & Machinery		7	7	-
		195	74	120

How the local authority will assess and manage changes in demand, consumption or change in level of service

Dog population is monitored along with any further legislative changes. Additional resources will be added as need arises.

Anticipated capacity changes and whether they are the result of demand or service level changes

No capacity changes are currently identified.

How the provision of any additional capacity will be undertaken

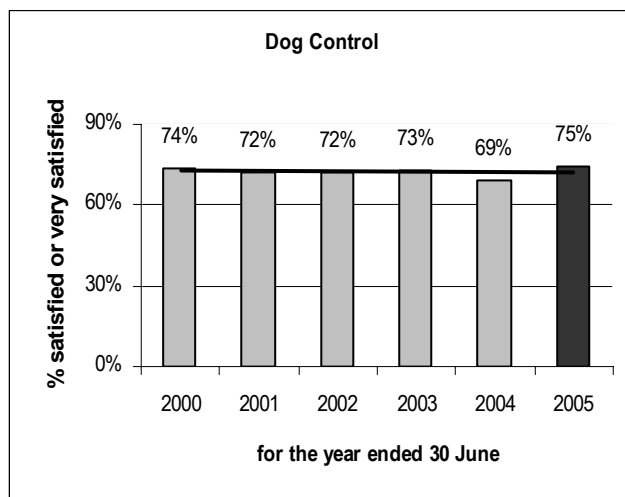
No additional capacity has been identified as being required.

How maintenance, renewal and replacement will be undertaken.

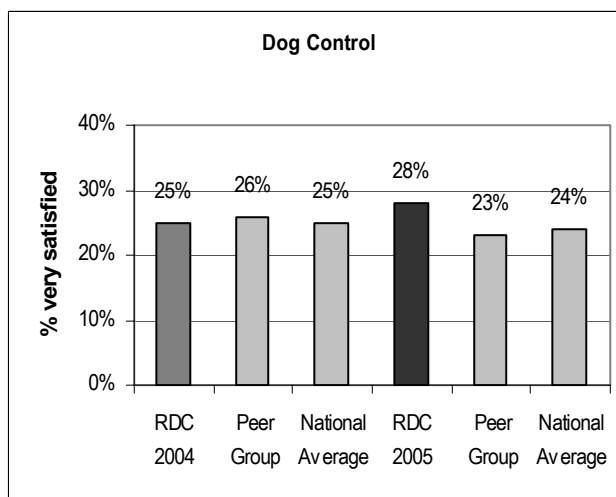
Maintenance budgeted for annually. Renewal and replacement similarly budgeted for and considered as part of estimates process.

Service assessment:

The two graphs below have been prepared from the annual Communitrack Survey conducted by National Research Bureau Ltd (NRB) Public Perception and Interpretations of Council Services and Representation Report.



This graph shows the percentage of survey respondents that are satisfied and very satisfied with this service over the last 6 years. There is a trend line which helps show the general direction of service satisfaction over time.



This graph shows the percentage of survey respondents that are "very" satisfied with this service over the last 2 years and compares it with our peer group and the national average.

Funding

Who benefits from the activity?

The community as a whole benefits:

- From this activity that responds to complaints about nuisance dogs and wandering stock, thereby making the environment safer and more enjoyable to live in.

- Owners of dogs and other animals benefit from education of dog owners on dog owner responsibilities, and the provision of a central pound from which owners can retrieve dogs and other animals which have strayed and been impounded.

What is the period of benefit?

- Benefits from regulation are ongoing, even though specific regulations may change from time to time.

unregistered dogs and dangerous dogs which result in complaints and cause negative effects.

Who creates need for the activity?

- The need to undertake this activity derives from the community as a whole for structure, consistency, safety, and certainty.
- The need to undertake this activity is created by legislation.
- The need to undertake this activity derives from owners of dogs and of wandering livestock, in particular from

Funding source

Most costs are caused by owners of dogs who do not adequately control and train them. Some costs (about 10%) are caused by wandering stock.

Council has determined that about 60% of the cost of dog control should be funded by dog owners to cover the cost of control, and that the balance and the costs of controlling wandering livestock should be met by rates.

Animal Control financial summaries (forecast 2007-2016)

Description (thousands)	Last Year Actual	Annual Plan										
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	707	749	841	860	876	901	902	925	940	952	966	976
Depreciation	13	10	7	9	9	8	8	9	9	9	9	9
Finance	0	1	1	1	2	2	2	2	2	2	2	2
Total costs	720	759	849	870	886	911	912	936	950	962	977	987
REVENUE												
Fees and charges	443	422	561	572	584	595	607	619	632	644	657	670
Total revenue	443	422	561	572	584	595	607	619	632	644	657	670
Net cost of service	277	337	288	298	303	316	305	316	319	318	320	316
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Animal Pound												
Renewal	0	0	0	0	0	0	0	0	6	0	0	0
Animal Pound Extension												
Level of Service Change	90	0	0	0	0	0	0	0	0	0	0	0
Other renewals	5	2	8	8	0	8	8	0	8	8	0	8
Total Capital	94	2	8	8	0	8	8	0	14	8	0	8
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	277	337	288	298	303	316	305	316	319	318	320	316
Funding	277	337	288	298	303	316	305	316	319	318	320	316
Less depreciation for Capital	-13	-10	-7	-9	-9	-8	-8	-9	-9	-9	-9	-9
Total Rates for/(from) Operations	264	328	281	289	294	307	297	308	310	309	311	308
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	13	10	7	9	9	8	8	9	9	9	9	9
Loans from/(to) Corporate Funds	82	-7	1	-1	-9	0	-1	-9	5	-1	-9	-1
Total capital	94	2	8	8	0	8	8	0	14	8	0	8

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Building Control

Overall aim of the activity

To ensure the safety of people occupying buildings, and that buildings remain safe and sanitary.

Activity purpose – why we provide the service

Council provides this service in order to meet a statutory requirement and to enhance community health and safety.

The primary goal of this activity is to ensure the health and safety of persons occupying various categories of buildings, by the enforcement of the provisions of statute.

Workload is dependent upon public generated demand.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A safe and caring community

- Safe homes and streets.
- Organisations working together on agreed priorities.
- Providing safe public spaces.

A community that respects its environment

- Historical sites and buildings are protected and promoted.

A healthy community

- Safe drinking water.
- Improving health status for all.
- Partnerships to promote healthy living.

A community with excellent facilities and services

- Easy to get from place to place.
- Good, safe, maintained services and roads.
- Good quality infrastructure for future.

What we say we will do

OUTCOME PROMOTED – A safe and caring community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Safe homes and streets	Buildings are constructed according to the Building Codes.	Department of Building and Housing audits.	Building consents are issued within the legislative timeframes.	Building consents are issued within the legislative timeframes.	Building consents are issued within the legislative timeframes.	Building consents are issued within the legislative timeframes.

Assets used in Building Control Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Computer Hardware		69	51	19
Office Equipment		21	13	8
Plant & Machinery		10	10	-
		100	74	27

How the local authority will assess and manage changes in demand, consumption or change in level of service

This will be achieved through continued monitoring of numbers of applications received and inspections required, together with monitoring of changes to legislation. No significant changes in demand are expected although gradual growth in numbers of applications received are expected commensurate with the district growth rate.

Anticipated capacity changes and whether they are the result of demand or service level changes

There will be no capacity changes involving assets.

How the provision of any additional capacity will be undertaken

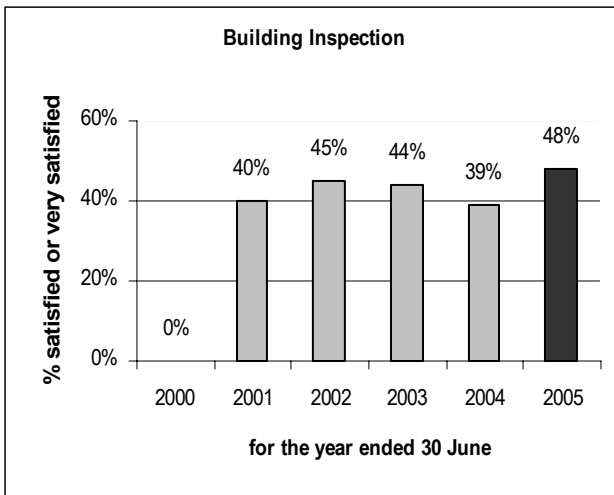
There are no assets in respect of which additional capacity might be required for this activity.

How maintenance, renewal and replacement will be undertaken.

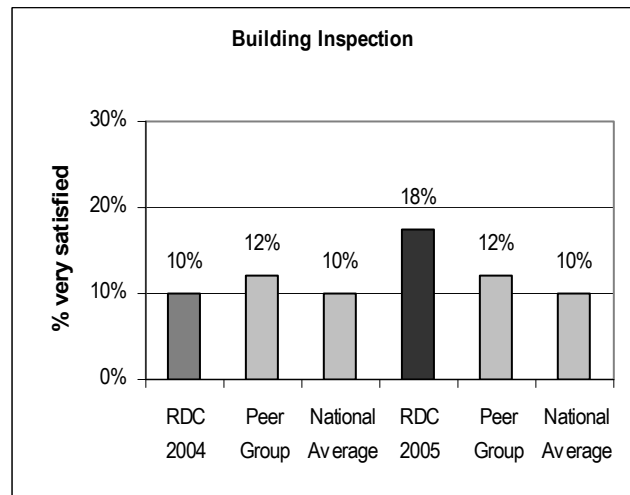
No assets are managed in the Building Control area.

Service assessment:

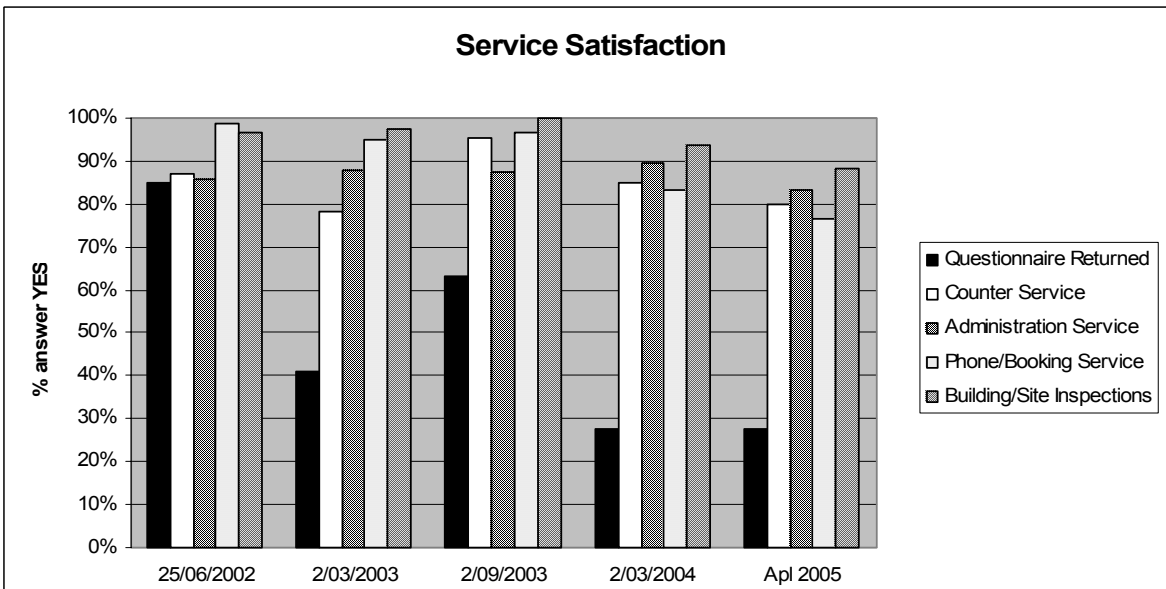
The two graphs below have been prepared from the annual Communitrack Survey conducted by National Research Bureau Ltd (NRB) Public Perception and Interpretations of Council Services and Representation Report.



This graph shows the percentage of survey respondents that are satisfied and very satisfied with this service over the last 6 years.



This graph shows the percentage of survey respondents that are "very" satisfied with this service over the last 2 years and compares it with our peer group and the national average.



Funding

Who benefits from the activity?

- The community as a whole benefits from:
 - Safe, reliable buildings and infrastructures.
 - Its members being informed.

- The building industry benefits by complying with standards.
- Individuals who take advantage of the service benefit from this activity.

What is the period of benefit?

- Benefits of regulation are intergenerational and ongoing as long as the infrastructure/service is maintained.

- Benefits from regulation are ongoing, even though specific regulations may change from time to time.

Who creates need for the activity?

The need to undertake this activity is created by:

- Legislation.
- The community as a whole.
- Partly created by tradesmen who need to maintain standards.

In 2004 the combined territorial local authorities of the Bay of Plenty commissioned consultants MWH to do an independent review and assessment of the capacities and abilities of the Building Control sections of the councils involved. In a report dated 2004, the Rotorua District Council was rated B+, this being higher than the rating for other councils. The assessment included assessment of a range of criteria relating to organisational capacity, systems and processes and skill levels of staff.

Funding Source

It is considered that the benefits of expenditure on this activity go to individual (for consents) and the whole community (for provision of information).

It is reasonable to charge the full cost of consents to those applying for them. However, those who receive consents should not pay for the cost of providing information to the general public.

It is considered that the consents part of this activity will be fully funded by fees charges, whereas information provision aspect will be met in full by general rates mechanisms.

Building Control financial summaries (forecast 2007-2016)

Description	Last Year	Annual Plan										
(thousands)	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	1,097	1,394	1,867	1,909	1,975	1,990	1,979	2,006	2,046	2,064	2,095	2,120
Depreciation	14	15	17	13	15	17	17	18	20	20	19	19
Finance	0	0	0	0	0	0	0	0	0	0	0	0
Total costs	1,111	1,409	1,884	1,922	1,990	2,007	1,996	2,024	2,067	2,085	2,114	2,139
REVENUE												
Fees and charges	955	1,142	1,424	1,463	1,502	1,544	1,586	1,630	1,675	1,721	1,769	1,817
Total revenue	955	1,142	1,424	1,463	1,502	1,544	1,586	1,630	1,675	1,721	1,769	1,817
Net cost of service	156	267	460	459	488	464	410	394	391	363	346	322
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Other renewals	20	16	6	14	37	6	14	16	30	14	16	6
Total Capital	20	16	6	14	37	6	14	16	30	14	16	6
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	156	267	460	459	488	464	410	394	391	363	346	322
Funding	156	267	460	459	488	464	410	394	391	363	346	322
Less depreciation for Capital	-14	-15	-17	-13	-15	-17	-17	-18	-20	-20	-19	-19
Total Rates for/(from) Operations	141	253	443	447	473	447	393	376	371	343	327	303
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	14	15	17	13	15	17	17	18	20	20	19	19
Loans from/(to) Corporate Funds	6	1	-11	2	22	-11	-3	-2	9	-6	-4	-13
Total capital	20	16	6	14	37	6	14	16	30	14	16	6

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Environmental Planning

Overall aim of the activity

To develop, manage, implement and monitor primary environmental and land use policies to maintain or improve the quality of the district's environment for current and future generations.

Activity purpose – why we provide the service

Council provides this service in order to comply with its statutory responsibility. Functions of Environmental Planning are derived primarily from the Resource Management Act 1991 (RMA). Council's policies on the environment are set out in the Rotorua District Plan. The Council also provides input into Regional and National environmental planning documents, and acts as a community advocate. A growing focus is the need to monitor changes in the environment and to identify where changes in environmental policy may have merit. Implementation of current policy remains a key function.

Policy activities include:

- Progressive development of the Council's District Plan. The District Plan review cycle begins in 2005/06 with a target date for notification being 2008.
- Monitoring the state of the environment and reporting of environmental outcomes in the Council Long Term Community Plan (Ten Year Plan).
- Facilitation of input and data collection for the Rotorua Growth Model.
- Advice to Council on environmental issues.
- Consultation with the public, interest groups and affected parties where changes to policy are contemplated.
- Collaborative approach to environmental issues through strategic partnerships with other resource management agencies.
- Responding to central and regional government policy proposals where these affect land use and resource management within the District.

Implementation and administration of the District Plan includes activities such as:

- Receiving, assessing, processing, and making recommendations on land use and subdivision resource consents
- Providing an integral customer service function through the provision of information about the District Plan in response to public enquiries

- Regular monitoring of compliance with conditions attached to approved land use and subdivision consents.
- Where necessary undertake enforcement actions in accordance with the provisions of the District Plan and RMA.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A community that respects its environment

A District that values and protects its uniqueness as the world's premier geothermal wonderland and looks after its lakes, forests, rivers and historic places.

- Looking after our air, land, and water resources
- Managing and protection geothermal resources and our springs, trout, lakes, forests, and geysers
- Historical sites and buildings are protected and promoted
- People using and enjoying our natural environment
- Improved lake water quality

A safe and caring community

Families and whanau are safe and strong, people are considerate and respect cultural diversity

- Safe homes and streets
- Providing safe public spaces

A community that values its living Maori culture

The history of Te Arawa in the district and the value of Maori culture are recognised and fostered.

- A community that recognises the value of partnerships including the Treaty of Waitangi
- Respecting Te Arawa as part of the unique heritage of the Rotorua district
- Preservation and sustainable development of Maori resources

A prosperous community

A District where planned growth ensures sensitive development within the natural environment and easy access to and from the District as well as within.

- More investment in our district
- Encouraging growth
- Celebrating and promoting our district's unique qualities

What we say we will do

Planning Policy

OUTCOME PROMOTED – A community that respects its environment

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> Looking after our air, land and water resources. Managing and protecting geothermal resources and our springs, trout, lakes, forests, geysers. Historical sites and buildings are protected and promoted. Kaitiakitanga (guardianship) 	Operative District Plan that is updated regularly through changes and reviews responsive to the district's environmental issues.	<ul style="list-style-type: none"> Keep web based Plan Change Update page current (www.rdc.govt.nz) Report Plan Changes to Planning and Bylaws Committee regularly. Monthly update of web Plan Change schedule. 	Maintain Operative District Plan that is regularly updated.	Maintain Operative District Plan that is regularly updated.	Maintain Operative District Plan that is regularly updated.	Maintain Operative District Plan that is regularly updated.
People using and enjoying our natural environment.	From an environmental perspective advocate on behalf of the community to national and regional environmental on documents that will impact Rotorua.	<ul style="list-style-type: none"> Submissions prepared and presented in accordance with standard template and procedure. Project Plan reporting of key steps and milestones in process. Yearly matrix of community advocacy projects. 	Submissions lodged on time, and successful representation at national and local hearings.	Submissions lodged on time, and successful representation at national and local hearings.	Submissions lodged on time, and successful representation at national and local hearings.	Submissions lodged on time, and successful representation at national and local hearings.
Improved lake water quality.	Strategic research undertaken to keep abreast and be responsive to environmental issues.	Research projects completed on time and within budget as detailed in Project Plans..	Project Plan reporting of strategic research projects.	Project Plan reporting of strategic research projects.	Project Plan reporting of strategic research projects.	Project Plan reporting of strategic research projects.

OUTCOME PROMOTED – A safe and caring community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> Safe homes and streets. Providing safe public spaces. 	Well planned buildings, spaces, and areas.	<ul style="list-style-type: none"> CPTED assessment included in accompanying plan change Section 32 documentation. Policy Project Plan input checklist annual review. 	Crime Prevention Through Environmental Design (CPTED) principles incorporated into District Plan policy framework.	Crime Prevention Through Environmental Design (CPTED) principles incorporated into District Plan policy framework.	Crime Prevention Through Environmental Design (CPTED) principles incorporated into District Plan policy framework.	Crime Prevention Through Environmental Design (CPTED) principles incorporated into District Plan policy framework.

OUTCOME PROMOTED – A community that values its living Maori culture

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • A community that recognises the value of partnerships including the Treaty of Waitangi. • Respecting Te Arawa as part of the unique heritage of Rotorua District. • Preservation and sustainable development of Maori resources. 	Tangata whenua input into decision making where activities impact Maori values.	<ul style="list-style-type: none"> • Maori input into policy development included in accompanying plan change Section 32 documentation. • Policy Project Plan input checklist annual review. 	Maori input is sought into the development of environmental policy.	Maori input is sought into the development of environmental policy.	Maori input is sought into the development of environmental policy.	Maori input is sought into the development of environmental policy.

OUTCOME PROMOTED – A prosperous community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • More investment in our district. • Encouraging growth. • Celebrating and promoting our district's unique qualities. 	District Plan acknowledges and provides for residential, commercial, industrial, and rural and urban growth.	Statistics NZ data and reports, industry reports, monthly monitoring reports.	Contribute to district growth through sound environmental policy.	Contribute to district growth through sound environmental policy.	Contribute to district growth through sound environmental policy.	Contribute to district growth through sound environmental policy.

Planning Implementation**OUTCOME PROMOTED – A safe and caring community**

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Safe homes and streets	Buildings, spaces, areas in district well planned and safe.	Sample survey of monthly consent reports.	Well planned buildings, spaces, and areas.	Well planned buildings, spaces, and areas.	Well planned buildings, spaces, and areas.	Well planned buildings, spaces, and areas.

OUTCOME PROMOTED – A community that respects its environment

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> Looking after our air, land and water resources. Managing and protecting geothermal resources and our springs, trout, lakes, forests, geysers. 	Timely and consistent consent decisions that minimise impacts on the environment.	Quarterly report on consent processing figures forwarded to Council.	Non-notified consent applications processed within 20 working days of receipt of adequate information.	Non-notified consent applications processed within 20 working days of receipt of adequate information.	Non-notified consent applications processed within 20 working days of receipt of adequate information.	Non-notified consent applications processed within 20 working days of receipt of adequate information.
<ul style="list-style-type: none"> Historical sites and buildings are protected and promoted. Kaitiakitanga (guardianship). 	Appropriate community input sought for more complex applications.	Quarterly report on consent processing figures forwarded to Council.	Notified resource consents processed within statutory timeframes.	Notified resource consents processed within statutory timeframes.	Notified resource consents processed within statutory timeframes.	Notified resource consents processed within statutory timeframes.
	Compliance with consent conditions monitored.	Monthly consent monitoring report.	All consent conditions monitored to ensure compliance.	All consent conditions monitored to ensure compliance.	All consent conditions monitored to ensure compliance.	All consent conditions monitored to ensure compliance.
	Prompt response to complaints about planning and environmental issues.	Monthly complaints monitoring response report.	Complaints received responded to in 24 hours.	Complaints received responded to in 24 hours.	Complaints received responded to in 24 hours.	Complaints received responded to in 24 hours.

OUTCOME PROMOTED – A community that values its living Maori culture

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> A community that recognises the value of partnerships including the Treaty of Waitangi. Respecting Te Arawa as part of the unique heritage of Rotorua District. 	Tangata whenua input into decision making where activities impact Maori values.	Monthly update of Iwi Consultative Register.	<ul style="list-style-type: none"> Regular meetings of the Iwi Consultative Committee. Consent applicants are aware of tangata whenua contacts for consultation purposes. 	<ul style="list-style-type: none"> Regular meetings of the Iwi Consultative Committee. Consent applicants are aware of tangata whenua contacts for consultation purposes. 	<ul style="list-style-type: none"> Regular meetings of the Iwi Consultative Committee. Consent applicants are aware of tangata whenua contacts for consultation purposes. 	<ul style="list-style-type: none"> Regular meetings of the Iwi Consultative Committee. Consent applicants are aware of tangata whenua contacts for consultation purposes.

Assets used in Environmental Planning Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Computer Hardware		101	78	23
Computer Software		53	53	-
Furniture & Fittings		20	17	3
Office Equipment		12	5	7
		186	153	33

How the local authority will assess and manage changes in demand, consumption or change in level of service

Changes in demand will be determined from monthly monitoring reports related to the activities, and frequent reporting to the Planning and Bylaws Committee. Changes in demand may also be brought about through the outcomes of the District Plan review process, and may also be impacted by changes in legislation.

Anticipated capacity changes and whether they are the result of demand or service level changes

It is not anticipated that there will be capacity changes for this activity. Changes in legislation, and responses to these

changes will be a major determinant on capacity changes. No changes in asset capacity are anticipated.

How the provision of any additional capacity will be undertaken

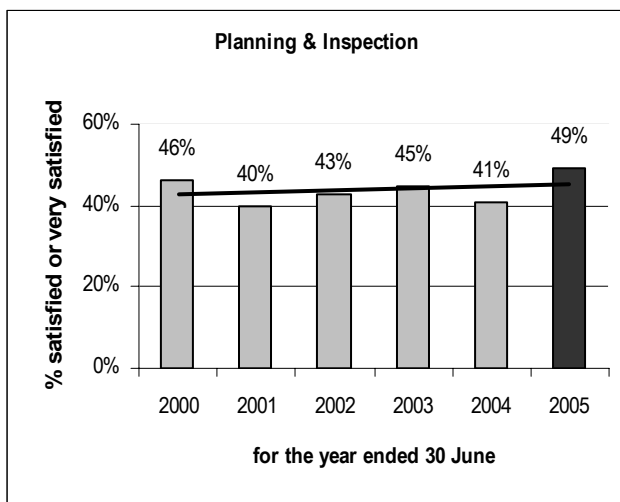
If there is a need for provision of addition capacity this will be by way of additional resourcing either through employment of staff in-house or through more dependence on consultants who are engaged to assist with provision of the service. No changes in asset capacity are anticipated for this activity.

How maintenance, renewal and replacement will be undertaken.

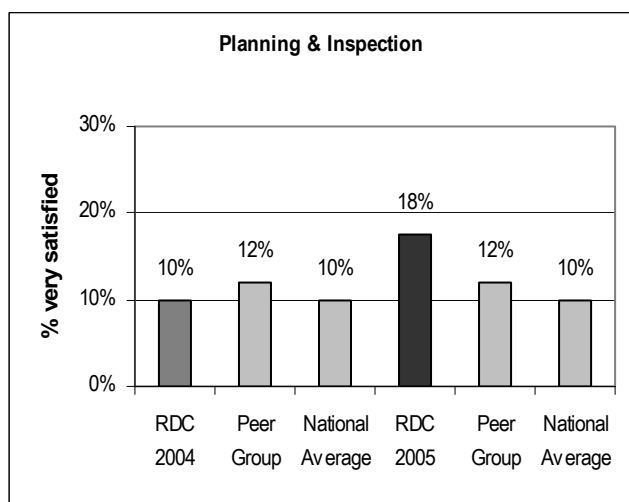
There are no assets managed by this activity.

Service assessment:

The two graphs below have been prepared from the annual Communitrack Survey conducted by National Research Bureau Ltd (NRB) Public Perception and Interpretations of Council Services and Representation Report.



This graph shows the percentage of survey respondents that are satisfied and very satisfied with this service over the last 6 years. There is a trend line which helps show the general direction of service satisfaction over time.



This graph shows the percentage of survey respondents that are "very" satisfied with this service over the last 2 years and compares it with our peer group and the national average.

Funding

Who benefits from the activity?

- The community as a whole benefits from:
 - A unique high quality urban and rural environment.
 - The available built and natural environment opportunities that are able to be enjoyed.
- Business benefits from the attraction of visitors to enjoy the quality Rotorua environment, which is coupled with effective and accessible infrastructure.
- Subdividers and developers benefit from having a planned and consistent framework to work within.

What is the period of benefit?

- Benefits are ongoing in terms of a sustainable district and community.
- Benefits of the work undertaken in Environmental Planning have both an immediate and a longer term planning horizon.
- The longer term planning horizons will be longer than that envisaged by the LTCCP.

Who creates need for the activity?

The need to undertake this activity derives from:

- The community as a whole for pleasant, functional, sustainable urban and rural environments.
- Legislation.
- Compliance with statutory responsibility.

Planning Policy

Funding source

Sustainable management of the resources of the district through protection, development, and use of those resources impacts on the community as a whole, both current and future generations.

Planning Policy financial summaries (forecast 2007-2016)

Description (thousands)	Last Year Actual	Annual Plan										
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	1,013	2,116	1,977	1,658	1,723	1,760	1,611	1,626	1,657	1,645	1,671	1,693
Depreciation	11	13	9	11	10	14	16	15	16	18	16	13
Finance	0	0	0	0	0	0	0	0	0	0	0	0
Total costs	1,024	2,129	1,986	1,669	1,734	1,774	1,628	1,641	1,673	1,664	1,687	1,707
REVENUE												
Fees and charges	26	14	14	14	15	15	16	16	17	17	18	18
Total revenue	26	14	14	14	15	15	16	16	17	17	18	18
Net cost of service	998	2,115	1,972	1,655	1,719	1,759	1,612	1,625	1,657	1,647	1,669	1,689
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Other renewals	17	3	25	6	15	27	6	4	40	6	4	5
Total Capital	17	3	25	6	15	27	6	4	40	6	4	5
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	998	2,115	1,972	1,655	1,719	1,759	1,612	1,625	1,657	1,647	1,669	1,689
Funding	998	2,115	1,972	1,655	1,719	1,759	1,612	1,625	1,657	1,647	1,669	1,689
Less depreciation for Capital	-11	-13	-9	-11	-10	-14	-16	-15	-16	-18	-16	-13
Total Rates for/(from) Operations	987	2,102	1,963	1,644	1,709	1,745	1,596	1,610	1,641	1,629	1,654	1,676
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	9	13	9	11	10	14	16	15	16	18	16	13
Loans from/(to) Corporate Funds	7	-10	16	-5	5	13	-10	-10	24	-12	-11	-8
Asset sales	2	0	0	0	0	0	0	0	0	0	0	0
Total capital	17	3	25	6	15	27	6	4	40	6	4	5

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Planning Implementation

Funding source

About 70% of the costs relates to consent work which essentially benefits individuals or groups of people. The remaining 30% relates to providing public information and other non-recoverable services.

Planning Implementation financial summaries (forecast 2007-2016)

Description (thousands)	Last Year Actual	Annual Plan										
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	1,531	1,439	1,921	1,951	2,011	2,035	2,039	2,076	2,116	2,140	2,170	2,197
Depreciation	6	6	11	14	15	16	16	17	18	18	17	17
Finance	0	0	0	0	0	0	0	0	0	0	0	0
Total costs	1,537	1,445	1,932	1,966	2,026	2,051	2,055	2,093	2,134	2,158	2,188	2,215
REVENUE												
Fees and charges	265	250	323	274	281	288	295	302	309	316	324	332
Total revenue	265	250	323	274	281	288	295	302	309	316	324	332
Net cost of service	1,273	1,195	1,609	1,691	1,745	1,764	1,761	1,791	1,825	1,841	1,864	1,883
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Other renewals	10	15	7	21	20	7	21	10	19	21	10	7
Total Capital	10	15	7	21	20	7	21	10	19	21	10	7
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	1,273	1,195	1,609	1,691	1,745	1,764	1,761	1,791	1,825	1,841	1,864	1,883
Funding	1,273	1,195	1,609	1,691	1,745	1,764	1,761	1,791	1,825	1,841	1,864	1,883
Less depreciation for Capital	-6	-6	-11	-14	-15	-16	-16	-17	-18	-18	-17	-17
Total Rates for/(from) Operations	1,267	1,188	1,598	1,677	1,730	1,748	1,745	1,774	1,808	1,824	1,847	1,866
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	6	6	11	14	15	16	16	17	18	18	17	17
Loans from/(to) Corporate Funds	4	8	-4	7	5	-9	5	-7	1	3	-8	-10
Total capital	10	15	7	21	20	7	21	10	19	21	10	7

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Inspection

Overall aim of the activity

To ensure the health, safety, comfort and well-being of inhabitants and visitors within the District, with reference to wise use and protection of the environment and sustainable resource management.

Activity purpose – why we provide the service

Council provides this service to meet its statutory responsibilities and to enhance community health and safety.

This activity employs inspectors in the following activities:

i) Lakewaters Control

The role is confined to the administration of foreshore structures, during a period of transition of control from Council to Environment BOP. The activity is undertaken to ensure that foreshore structures are located, constructed and used in a safe manner that does not cause a nuisance to the public.

ii) Hazardous Substances

To ensure public safety in the handling and storage of hazardous substances by the enforcement of the Hazardous Substances and New Organisms Act and Regulations, in public places and private dwellings.

iii) Geothermal

The geothermal inspection function is limited to health and safety issues in an advisory role and includes undertaking testing for the emission of hydrogen sulphide gas. The purpose is to keep the public safe from geothermal activity.

iv) General

The purpose of administering and enforcing the General Bylaws is to ensure there is a response capacity to deal with various things that can cause a nuisance to people. A diverse range of activities is involved including licensing signs and hoardings, obstruction of public property, and disposal of abandoned vehicles.

v) District Licensing Agency

The activity involves the management of the District Licensing Agency as required by the Sale of Liquor Act. The purpose of this activity is to administer and enforce the Act, Regulations and Council's Liquor Policy to ensure managers and premises hold the appropriate liquor licence and to work towards a reduction of liquor abuse in the community.

vi) Environmental Health

The purpose of this activity is the promotion and conservation of public health. This is achieved by the enforcement of the provisions of the Health Act, Resource Management Act and bylaws. Activities include inspection of food premises, hairdressers and camping grounds, investigation of noise and health complaints, and monitoring of water supplies and swimming pools.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A safe and caring community.

- Safe homes and streets.
- Providing safe public places.
- Organisations working together on agreed priorities.

A community that respects its environment

- Looking after our air, land and water resources.
- People using and enjoying our natural environment.
- Managing and protecting geothermal resources and our springs, trout, lakes, forests and geysers.

A healthy community

- Good access to health services.
- Safe drinking water.
- Improving health status for all.
- Improved youth health.
- Effective responses to developing health issues.
- Partnerships to promote healthy living.
- Healthy whanau, healthy communities.

What we say we will do

OUTCOME PROMOTED – A safe and caring community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Providing safe public spaces	General complaint investigation/resolution.	Complaint response time analysis report.	To respond to general complaints within 1 working day.	To respond to general complaints within 1 working day.	To respond to general complaints within 1 working day.	To respond to general complaints within 1 working day.

OUTCOME PROMOTED – A safe and caring community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Organisations working together on agreed priorities	Ensure compliance by liquor licensees with condition of liquor licences.	Inspection frequency tracing report.	Inspect every premise licensed under Sale of Liquor Act at least once every 12 months.	Inspect every premise licensed under Sale of Liquor Act at least once every 12 months.	Inspect every premise licensed under Sale of Liquor Act at least once every 12 months.	Inspect every premise licensed under Sale of Liquor Act at least once every 12 months.

OUTCOME PROMOTED – A community that respects its environment

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Looking after our air, land and water resources	Litter complaint investigation/ resolution.	Complaint response time analysis report.	To respond to litter complaints within 1 working day.	To respond to litter complaints within 1 working day.	To respond to litter complaints within 1 working day.	To respond to litter complaints within 1 working day.
People using and enjoying our natural environment	Geothermal gas level monitoring service.	Complaint response time analysis report.	To respond to geothermal gas complaints within 1 working day.	To respond to geothermal gas complaints within 1 working day.	To respond to geothermal gas complaints within 1 working day.	To respond to geothermal gas complaints within 1 working day.
	Noise complaint investigation/ resolution.	NRB survey.	Respond to noise complaints within 2 hours.	Respond to noise complaints within 2 hours.	Respond to noise complaints within 2 hours.	Respond to noise complaints within 2 hours.

OUTCOME PROMOTED – A healthy community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Partnerships to promote healthy living	Health complaint investigation/ resolution.	Complaint response analysis report.	Respond to health complaints within 1.5 working days.	Respond to health complaints within 1.5 working days.	Respond to health complaints within 1.5 working days.	Respond to health complaints within 1.5 working days.
Improving health status for all	Food inspection/ registration of food premises	Premises inspection status report.	Register food premises.	Register food premises.	Register food premises.	Register food premises.

Assets used in Inspection Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Computer Hardware		125	74	50
Computer Software		4	4	-
Furniture & Fittings		93	93	-
Office Equipment		50	37	13
Plant & Machinery		172	117	55
		444	325	118

How the local authority will assess and manage changes in demand, consumption or change in level of service

This will be achieved through continued monitoring of the numbers of applications, complaints and enquiries received.

Anticipated capacity changes and whether they are the result of demand or service level changes

There will be no capacity changes involving assets.

How the provision of any additional capacity will be undertaken

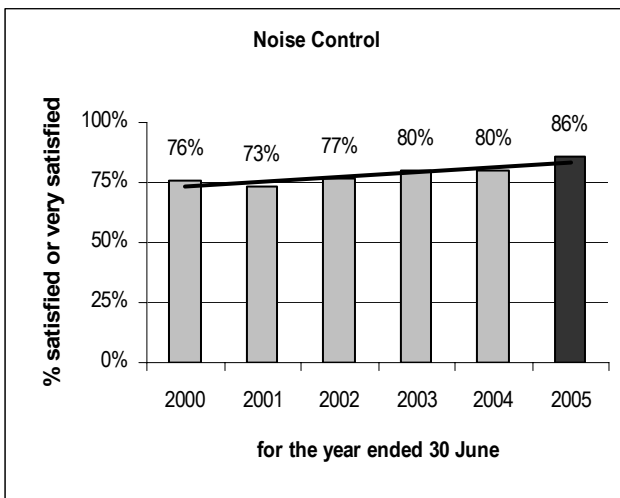
There are no assets in respect of which additional capacity might be required for this activity.

How maintenance, renewal and replacement will be undertaken.

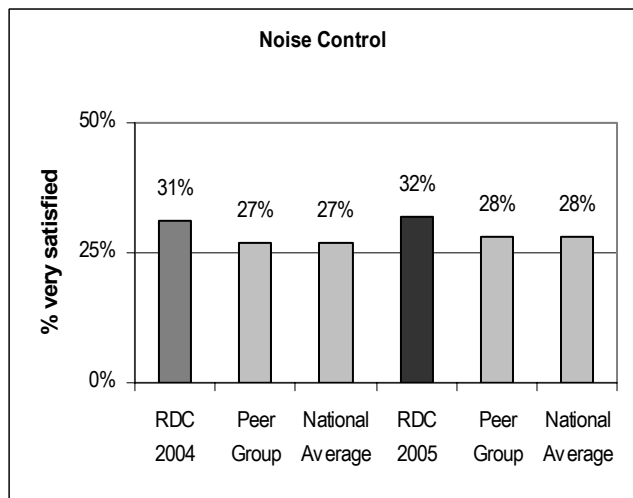
No assets are managed in the Inspection area.

Service assessment:

The two graphs below have been prepared from the annual Communitrack Survey conducted by National Research Bureau Ltd (NRB) Public Perception and Interpretations of Council Services and Representation Report.



This graph shows the percentage of survey respondents that are satisfied and very satisfied with this service over the last 6 years. There is a trend line which helps show the general direction of service satisfaction over time.



This graph shows the percentage of survey respondents that are "very" satisfied with this service over the last 2 years and compares it with our peer group and the national average.

Funding

This activity comprises seven sub-activities that are considered separately for funding. They are:

- a) General Inspection – Hazardous Substances
- b) General Inspection – Bylaws and Geothermal
- c) Environmental Health – Regulatory
- d) Environmental Health – Noise Control
- e) Environmental Health – Licensing
- f) General Inspection – Sale of Liquor

General Inspection - Hazardous Substances

Who benefits from the activity?

- The community as a whole benefits from safe, reliable infrastructure and resources and consistent Council procedures.
- Council's role for controlling hazardous substances is confined to public places, private dwellings and the provision of a 24 hour capability to respond to emergency call-outs by the Fire Service or Police involving hazardous substances.

What is the period of benefit?

- Benefits of regulation in general are ongoing even though the specific regulations may change over time.

Who creates need for the activity?

- The community as a whole creates the need for structure, consistency and certainty.
- The need to undertake the activity is created by legislation.

Funding Source

This activity essentially serves the community as a whole. Council cannot legally charge in relation to hazardous substances and other health issues.

General Inspection - Bylaws and Geothermal

Who benefits from the activity?

- The community as a whole benefits from safe, reliable infrastructure and resources and consistent Council procedures.

What is the period of benefit?

- Benefits of regulation in general are ongoing even though the specific regulations may change over time.

Who creates need for the activity?

- The need to undertake this activity derives from the community as a whole, particularly in regard to safety and health.

Funding source

It is noted that, whilst the bulk of the work is generated by complaints from individuals, the resolution of such complaints frequently results in benefits to the wider community. It is unrealistic to contemplate charging a fee for lodging a complaint, therefore user pays is not considered an option.

Environmental Health - Regulatory

Who benefits from the activity?

- The community as a whole benefits from safe, reliable infrastructure and resources and consistent Council procedures.

What is the period of benefit?

- Benefits of regulation in general are ongoing even though the specific regulations may change over time.

Who creates need for the activity?

- The need to undertake this activity derives from the community as a whole.
- The need to undertake this activity is created by legislation.

Funding source

This activity essentially serves the community as a whole. Council cannot legally charge in relation to noise complaint callouts, other health issues and general complaints.

Environmental Health - Noise Control

Who benefits from the activity?

- The community as a whole benefits from safe, reliable infrastructure and resources and consistent Council procedures.

What is the period of benefit?

- Benefits of regulation in general are ongoing even though the specific regulations may change over time.

Who creates need for the activity?

- The entire community creates the need for structure, consistency and certainty.

- The need to undertake the activity is created by legislation.

Funding source

This activity essentially serves the community as a whole. Council cannot legally charge in relation to noise complaint callouts, other health issues and general complaints.

Environmental Health - Licensing

Who benefits from the activity?

- The community as a whole benefits from safe, reliable infrastructure and resources and consistent Council procedures.
- Individuals and user groups are prime beneficiaries.

What is the period of benefit?

- Benefits of regulation in general are ongoing even though the specific regulations may change over time.

Who creates need for the activity?

- Need is created by entire community for structure, consistency and certainty.
- The need to undertake the activity is created by legislation and regulation.

Funding source

It is believed that the costs associated with the provision of this service should be recovered by way of user fees.

General Inspection - Sale Of Liquor

Who benefits from the activity?

- The benefit of this activity is received by the individuals being certificated or those applying for liquor licences for premises.
- The community as a whole also benefits from the knowledge that licensees are checked and vetted as being appropriate and competent persons to be involved in the sale of liquor and comply with the conditions of their licences.

What is the period of benefit?

- Benefits of regulation in general are ongoing even though the specific regulations may change over time.

Who creates need for the activity?

- The entire community creates the need for structure, consistency and certainty.
- The need to undertake the activity is created by legislation and regulation.

Funding source

The costs associated with the provision of this service are recovered by way of user fees. The levels of fees payable for licence applications is fixed by Government regulation and a portion of most fees is paid to the Liquor Licensing Authority.

Inspection financial summaries (forecast 2007-2016)

Description (thousands)	Last Year	Annual Plan										
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	1,664	1,377	1,456	1,483	1,520	1,541	1,553	1,589	1,619	1,636	1,661	1,677
Depreciation	29	34	37	39	37	31	29	29	26	28	29	26
Finance	1	1	0	0	1	1	1	1	1	1	1	1
Total costs	1,693	1,411	1,493	1,523	1,557	1,572	1,582	1,618	1,645	1,664	1,691	1,704
REVENUE												
Fees and charges	662	398	352	358	365	373	380	388	396	404	412	420
Total revenue	662	398	352	358	365	373	380	388	396	404	412	420
Net cost of service	1,031	1,013	1,142	1,165	1,191	1,200	1,202	1,230	1,249	1,261	1,279	1,285
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Other renewals	41	51	11	15	38	6	21	28	32	16	35	5
Total Capital	41	51	11	15	38	6	21	28	32	16	35	5
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	1,031	1,013	1,142	1,165	1,191	1,200	1,202	1,230	1,249	1,261	1,279	1,285
Funding	1,031	1,013	1,142	1,165	1,191	1,200	1,202	1,230	1,249	1,261	1,279	1,285
Less depreciation for Capital	-29	-34	-37	-39	-37	-31	-29	-29	-26	-28	-29	-26
Total Rates for/(from) Operations	1,002	979	1,105	1,125	1,155	1,168	1,173	1,201	1,223	1,233	1,250	1,258
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	29	34	37	39	37	31	29	29	26	28	29	26
Loans from/(to) Corporate Funds	1	-66	-26	-25	1	-25	-8	-1	6	-12	6	-21
Asset sales	11	84	0	0	0	0	0	0	0	0	0	0
Total capital	41	51	11	15	38	6	21	28	32	16	35	5

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Parking Enforcement

Overall aim of the activity

To provide an effective parking enforcement service within the CBD and peripheral areas to maximise availability of parking.

To check Warrants of Fitness to ensure safety of vehicles.

Activity purpose – why we provide the service

This activity is undertaken to ensure CBD retailing is provided with a regular turnover of parking spaces available for potential customers and to ensure safety of vehicles.

Enforcement is undertaken during the following hours:

Monday to Friday	9.00am to 5.00pm
Saturday	9.00am to 12.00 noon

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A safe and caring community.

- Safe homes and streets.
- Fewer road accidents.

A prosperous community:

- More investment in our district.
- More new business.

What we say we will do

OUTCOMES PROMOTED – A safe and caring community A prosperous community						
Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Safe homes and streets • Fewer road accidents • More investment in our district • More new business 	Enforce parking regime and vehicle roadworthiness.	1 in 7 parking spaces available.	Provide enforcement service 5½ days per week.	Provide enforcement service 5½ days per week.	Provide enforcement service 5½ days per week.	Provide enforcement service 5½ days per week.

Assets used in Parking Enforcement Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Computer Hardware		25	22	4
Computer Software		1	1	-
Furniture & Fittings		5	5	-
Parking		59	36	24
Plant & Machinery		9	4	5
		99	68	33

How the local authority will assess and manage changes in demand, consumption or change in level of service

This will be achieved through continued monitoring of the numbers of parking enforcement notices and infringement notices issued together with availability and use of parking spaces.

Anticipated capacity changes and whether they are the result of demand or service level changes

There will be no capacity changes involving assets.

How the provision of any additional capacity will be undertaken

There are no assets in respect of which additional capacity might be required for this activity.

How maintenance, renewal and replacement will be undertaken.

No assets are managed by this activity.

Service assessment:

The feedback from the annual Communitrack Survey conducted by National Research Bureau Ltd (NRB) Public Perception and Interpretations of Council Services and Representation Report relates to the physical layout of on-street parking, not enforcement.

Funding

Who benefits from the activity?

- The community as a whole benefits from accessibility of the city and ease of transportation throughout the city.

- Road users derived direct benefits, including improvements in road safety through enforcement in respect of infringements.
- Retailers derive direct business benefits.

What is the period of benefit?

- Benefits are ongoing as long as the infrastructure is maintained.

Who creates need for the activity?

- The community as a whole creates the need for an accessible urban environment where transport links are readily available for both business and public use.

Funding source

Individuals derive a direct benefit from this activity and costs can reasonably be recovered by user pays and enforcement for infringements.

Council desires to maintain the total parking activity as a stand alone, financially neutral service.

Parking Enforcement financial summaries (forecast 2007-2016)

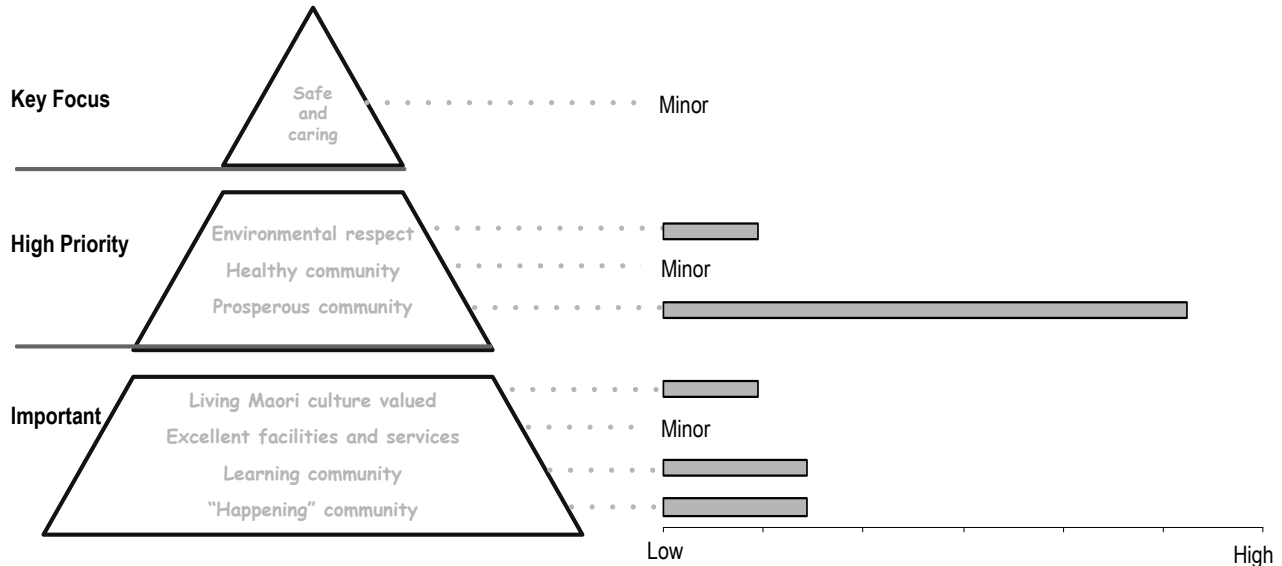
Description	Last Year (thousands) Actual	Annual Plan											
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	
DAY TO DAY OPERATIONS													
COST OF SERVICE STATEMENT													
OPERATING COSTS													
Direct costs	796	889	916	942	966	987	1,002	1,024	1,043	1,060	1,078	1,092	
Depreciation	10	14	13	16	17	17	11	12	11	14	18	18	
Total costs	806	903	928	958	983	1,005	1,014	1,036	1,054	1,074	1,095	1,110	
REVENUE													
Fees and charges	1,336	1,240	1,428	1,457	1,486	1,516	1,546	1,577	1,608	1,640	1,673	1,707	
Total revenue	1,336	1,240	1,428	1,457	1,486	1,516	1,546	1,577	1,608	1,640	1,673	1,707	
Net cost of service	-531	-337	-500	-499	-503	-511	-532	-541	-554	-567	-578	-597	
INVESTING IN THE FUTURE													
CAPITAL COSTS													
Other renewals	6	0	57	8	0	4	11	0	4	67	3	4	
Total Capital	6	0	57	8	0	4	11	0	4	67	3	4	
HOW WE PAY FOR THIS ACTIVITY													
OPERATIONAL FUNDING													
Net cost of service	-531	-337	-500	-499	-503	-511	-532	-541	-554	-567	-578	-597	
Funding	-531	-337	-500	-499	-503	-511	-532	-541	-554	-567	-578	-597	
Less depreciation for Capital	-10	-14	-13	-16	-17	-17	-11	-12	-11	-14	-18	-18	
Total Rates for/(from) Operations	-541	-351	-512	-515	-520	-528	-544	-553	-565	-580	-596	-615	
CAPITAL FUNDING													
Capital funded by:-													
Rates funding (depreciation equivalent)	10	14	13	16	17	17	11	12	11	14	18	18	
Loans from/(to) Corporate Funds	-4	-14	44	-8	-17	-13	-1	-12	-7	54	-15	-13	
Total capital	6	0	57	8	0	4	11	0	4	67	3	4	

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

ECONOMY GROUP

Contribution to Community Outcomes by services in Group



Overview of Group

This group is made up of the following activities of Council:

- Destination Rotorua Economic Development
- Destination Rotorua Tourism Marketing
- Tourism Rotorua Travel and Information

Rotorua District has a thriving tourism industry contributing to a strong economy supported by several other sectors. The Economy Group activities ensure that we maintain and grow the district's prosperity for the benefit of all.

- Implementation of the Rotorua BrightEconomy Project. This will provide guidance and direction for the concentration of Destination Rotorua Economic Development resources into the future. The resulting strategy will have some outcomes that will link with other areas of Council to ensure a united approach to the delivery of economic development services in Rotorua.
- Implementing the Rotorua Employment Skills Strategy.
- Implementing the Rotorua CBD Retail Strategy.
- Implementing the Film Volcanic Strategy.

Potential Significant Negative Effects

This group of activities has not identified any significant negative effects.

Destination Rotorua Tourism Marketing

Key strategic issues for the next ten years include:

- Continuing to seek and increase joint venture industry funding will assist in tactical campaigns in key markets.
- Responding to changing travel distribution patterns.
- **Development of the Australian market with a view to establishing trans-Tasman direct air services into Rotorua.**

Strategic Direction and Highlights

Destination Rotorua Economic Development

Key strategic issues for the next ten years include:

- Maintaining current level of service although how this is done may change following advice from the BrightEconomy Advisory Board

It is important that marketing activity in Australia is continued and increased so as to position Rotorua top of mind for both travel trade and consumer, so that when Trans Tasman air services become a reality, these services are well utilised and people will want to fly directly into Rotorua from East Coast Australia.

Marketing activity will also target Conference, Incentive and Event opportunities.

- **Resourcing and ability to joint venture support new Tourism New Zealand Strategic Plan initiatives.**
In order to maximise marketing and promotional spend in existing and emerging international markets, it is important to closely align our planning activities with Tourism New Zealand. This may take the form of specific tactical campaigns in certain markets, that may be aimed at the consumer. Such campaigns are invariably costly so it is important that DRTM is able to participate in such campaigns where appropriate.
- **Alignment and influence of Tourism New Zealand's off shore marketing campaigns.**
Linked in with the above, but taking a more proactive role in ensuring that Rotorua is perceived as having new and fresh product and that this communicated to Tourism New Zealand's offshore offices, so that more trade and media families are encouraged to visit Rotorua. DRTM will also be working to influence Tourism New Zealand to include a greater range of "refreshed" Rotorua imagery in their collateral.

Tourism Rotorua Travel and Information

- **Resourcing**
Visitor numbers are predicted to increase by an average 2.4% annually over the next 10 years. Capacity visitor numbers through the Travel Office (2004-05) were 900,000 which equates to approximately 30% of the total number of visitors to Rotorua. Given the visitor forecast numbers show a 17.8% increase over the next ten years, the Travel Office can expect approx 1.06 million visitors. This increase in visitor numbers will require additional staffing resources in order to service the demand by additional visitor requests.
- **E-commerce**
It is important the Travel Office fully embraces e-commerce developments by expanding its product range and booking opportunities through www.rotoruanz.com.

Destination Rotorua Tourism Marketing and Tourism Rotorua Travel and Information

These Activity Plans has been based on existing levels of service moderated to reflect growth in visitor numbers and economic value that is linked to the New Zealand Tourism Forecasts for Rotorua 2005-2011.

Year	International			Domestic			Total		
	Visits ('000s)	Nights ('000s)	Expenditure (\$NZm)	Visits ('000s)	Nights ('000s)	Expenditure (\$NZm)	Visits ('000s)	Nights ('000s)	Expenditure (\$NZm)
2004	843.3	1,337.5	212.5	2,130.6	2,137.8	227.9	2,973.8	3,475.3	440.4
2005f	872.8	1,342.8	215.7	2,110.3	2,087.7	231.7	2,983.2	3,430.5	447.4
2006f	917.2	1,400.0	229.8	2,130.8	2,107.9	240.0	3,048.0	3,507.8	469.8
2007f	962.4	1,460.6	244.8	2,194.6	2,171.8	253.7	3,156.9	3,632.3	498.5
2008f	1,010.3	1,524.8	261.1	2,271.1	2,248.3	269.5	3,281.5	3,773.2	530.5
2009f	1,060.5	1,594.3	278.5	2,292.9	2,270.6	279.2	3,353.4	3,864.9	557.7
2010f	1,113.3	1,665.5	297.2	2,314.6	2,292.9	289.3	3,427.8	3,958.4	586.5
2011f	1,168.7	1,739.0	316.9	2,335.9	2,314.9	299.6	3,504.6	4,054.0	616.5
Growth 2004-11									
Change	325.4	401.5	104.4	205.4	177.1	71.7	530.8	578.6	176.1
Growth	38.6%	30.0%	49.1%	9.6%	8.3%	31.5%	17.8%	16.7%	40.0%
Annual	4.8%	3.8%	5.9%	1.3%	1.1%	4.0%	2.4%	2.2%	4.9%

These forecasts are projected off the latest International Visitor Survey and Domestic Travel Surveys.

From these estimated figures, a gross increase of 17.8% (equivalent to 2.4% annually) in the number of visitors to Rotorua is predicted and a gross increase of 16.7% (equivalent to 2.2% annually) in the number of visitor nights is predicted.

Collectively all visitors to Rotorua are expected to increase their expenditure by 40% for this period (equivalent to 4.9% annually)

Asset Management Plans Information

The key assets used in this Activity Group are:

- Buildings

Further details are provided in each Activity section.

Summary of Group Net Cost of Service

Description (thousands)	Last Year	Annual Plan										
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Destination Rotorua Ec Dev	498	859	917	906	931	982	836	859	877	892	908	919
Desitination Rotorua Tourism Mktg	1,418	1,657	1,792	1,887	1,897	1,974	2,047	2,075	2,123	2,162	2,198	2,231
Tourism Rotorua Travel & Information	200	395	300	335	372	358	470	376	384	383	381	370
Total Economy	2,116	2,911	3,010	3,127	3,200	3,314	3,353	3,310	3,384	3,437	3,486	3,520

Statement of Infrastructure Assets

Asset Type (thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Buildings	26	1	25
Computer Hardware	317	255	62
Computer Software	48	47	1
Furniture & Fittings	86	24	62
Office Equipment	51	45	6
Plant & Machinery	92	23	69
	620	395	225

Activity Group Revenue Sources

Description (thousands)	Last Year Actual	Annual Plan										
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
OPERATIONAL FUNDING												
Funding/Rates	2,109	2,911	3,010	3,127	3,200	3,314	3,353	3,310	3,384	3,437	3,486	3,520
Less depreciation equivalent for capital	-52	-63	-64	-69	-75	-73	-73	-81	-81	-76	-75	-75
Total rates for operations	2,057	2,848	2,946	3,058	3,125	3,241	3,280	3,229	3,303	3,361	3,411	3,445
Subsidies and grants	167	160	190	192	193	165	166	168	169	170	171	172
Investment income	47	12	12	12	12	12	12	12	12	12	12	12
Fees and charges	1,898	1,789	1,989	2,058	2,076	2,160	2,214	2,270	2,328	2,387	2,448	2,511
Internal rate and water by meter	0											
Total operational funding	4,169	4,809	5,137	5,320	5,407	5,578	5,673	5,679	5,811	5,930	6,042	6,141
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	52	63	64	69	75	73	73	81	81	76	75	75
Loans	105	30	83	-7	-21	-5	-33	4	-13	-45	-10	35
Asset sales	7	0	0	0	0	0	0	0	0	0	0	0
Total capital	164	93	147	63	53	68	40	85	69	31	66	109

Minor roundings may occur in above totals.

Destination Rotorua Economic Development

Overall aim of the activity

Destination Rotorua Economic Development actively works alongside the wider Rotorua business and government community with the aim of creating an environment that encourages and stimulates economic growth.

Activity purpose – why we provide the service

Council provides this service as part of its role to provide community leadership and to meet ratepayers' expectations.

The operations of Destination Rotorua Economic Development are guided by the Rotorua BrightEconomy strategy, which is the Rotorua regional economic development strategy developed through a comprehensive programme of research and consultation with key Rotorua business people and organisations. The strategy was prepared to provide a framework from an economic perspective, to create future wealth and prosperity for the people of Rotorua.

The primary purpose of the activity is to facilitate and encourage sustainable economic development since this will lead to a prosperous Rotorua community. This activity stimulates sound investments, encourages and embraces economic growth, more employment opportunities, higher incomes and a greater lifestyle quality for residents.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A safe and caring community

- Aims to increase employment opportunities as a result of working with key sectors and enhancing business capability.

A prosperous community

Destination Rotorua Economic Development focuses on:

- Providing public access to timely, accurate and relevant Rotorua economic information.

- Facilitating private sector access to economic development initiatives, networks and activity within Rotorua.
- Marketing Rotorua as a great place to live, work, invest and do business nationally and internationally.
- Working with the key economic sector groups to develop an environment that will stimulate growth.
- Ensuring that the private sector has a key role in advising Council on business and economic development related issues.
- Working with local industry to minimise the impact of skill shortages on their business and the Rotorua economy.
- Facilitating the opening up of more business land in the Rotorua District.
- Building partnerships between key local, regional and central government agencies and the Rotorua business community.

A community that respects its environment

- Helps develop and promote sustainable business opportunities that benefit the economic, cultural and environmental aspects of the District.

A community with excellent facilities and services

- Develops networks and produces information to the business community.
- Works with key industry sectors to assess and develop key infrastructure needs in relation to providing a business growth environment.

A learning community

- Works with the local industry and education providers to try and minimise the impact of skill shortages on their businesses and the wider Rotorua community.

A community that values its living Maori culture

- Helps develop and promote business opportunities that benefit the cultural and environmental aspects of the District.
- Provides assistance to Maori economic development initiatives and networks.

A “happening” community

- Promoting and facilitating the Central North Island as a world class screen production location.
- Facilitation of the promotion and revitalisation of the Rotorua CBD.

What we say we will do

OUTCOME PROMOTED – A prosperous community						
Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • More investment in our district • More new business • Celebrating and promoting our districts unique qualities • Encouraging Growth • Encouraging development of Maori Land • Reducing unemployment rate • More employment opportunities 	Provide public access to timely, accurate and relevant Rotorua economic information.	Website statistics.	<ul style="list-style-type: none"> • Website visits to reach 10,000 per month by June 2007. 	<ul style="list-style-type: none"> • Website visits to reach 12,000 per month by June 2008. 	<ul style="list-style-type: none"> • Website visits to reach 15,000 per month by June 2009. 	<ul style="list-style-type: none"> • Website visits to reach 15,000 per month by June each year.
	Facilitate public access to economic development initiatives, networks and activity within Rotorua	<ul style="list-style-type: none"> • Inquiry database system. • BITC¹ database and tracking system. • Inquiry database and client management system. 	<ul style="list-style-type: none"> • Respond to 95% of business and relocation inquiries within 3 working days. • Attract and maintain 70 new clients into the BITC¹ program. • Attract \$100K business development funding into Rotorua companies from Government Business Development Programs. 	<ul style="list-style-type: none"> • Respond to 95% of business and relocation inquiries within 3 working days. • Attract and maintain 90 clients into the BITC¹ program. • Attract \$150K business development funding into Rotorua companies from Government Business Development Programs. 	<ul style="list-style-type: none"> • Respond to 95% of business and relocation inquiries within 3 working days. • Attract and maintain 120 clients into the BITC¹ program. • Attract \$150K business development funding into Rotorua companies from Government Business Development Programs. 	<ul style="list-style-type: none"> • Respond to 95% of business and relocation inquiries within 3 working days. • Attract and maintain 120 clients into the BITC¹ program. • Attract \$150K business development funding into Rotorua companies from Government Business Development Programs.
	Market Rotorua as a great place to live, work, invest and do business nationally and internationally.	<ul style="list-style-type: none"> • Website statistics. • Skilled migrant inquiry tracking database. • Inquiry database system. 	<ul style="list-style-type: none"> • Website visits to reach 10,000 per month by June 2007. • Generate 500 UK skilled migrant relocation inquiries – NZ Opportunities Expo 2006. • Generate 400 new Rotorua specific business and relocation inquiries by June 2007. 	<ul style="list-style-type: none"> • Website visits to reach 12,000 per month by June 2008. • Generate 600 UK skilled migrant relocation inquiries – NZ Opportunities Expo 2007. • Generate 500 new Rotorua specific business and relocation inquiries by June 2008. 	<ul style="list-style-type: none"> • Website visits to reach 15,000 per month by June 2009. • To be reassessed as to whether this is the most appropriate marketing activity. • Generate 500 new Rotorua specific business and relocation inquiries by June 2009. 	<ul style="list-style-type: none"> • Website visits to reach 15,000 per month by June each year. • To be reassessed as to whether this is the most appropriate marketing activity. • Generate 500 new Rotorua specific business and relocation inquiries by June each year.

OUTCOME PROMOTED – A prosperous community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
	Work with the local forest and wood processing industry to develop an environment that will stimulate and grow the sector.	<ul style="list-style-type: none"> NZTE² MR³ process. Amount of investor ready industrial land available. 	<ul style="list-style-type: none"> To facilitate successfully attracting \$1 million government investment to assist in developing a major industry initiative by 2007. To contribute to the opening up of 30 hectares of investor ready business land by June 2007. 	<ul style="list-style-type: none"> To facilitate successfully attracting \$300K private sector investment to assist in developing a major industry initiative by 2008. To contribute to the marketing of investor ready business land by June 2008. 	<ul style="list-style-type: none"> Reassess-ment of future targets required as initiative business plan developed. To contribute to the provision of future investor ready business land by June 2009. 	<ul style="list-style-type: none"> Reassess-ment of future targets required as initiative business plan developed. To contribute to the provision of future investor ready business land by June 2009.
	Advisory board to lead implementation of the BrightEconomy Strategy and advise council on business and economic development related issues.	<ul style="list-style-type: none"> BrightEconomy appointment and review panel board performance appraisal. Monitor BEAB⁴ Project achievement against strategy targets. 	<ul style="list-style-type: none"> To attract \$150K government and private sector funding to assist in implementing the Bright-Economy Strategy. To develop the BEAB⁴ focus work program for 2006/07. 	<ul style="list-style-type: none"> To attract \$150K government and private sector funding to assist in implementing the Bright-Economy Strategy. To implement 50% of the BEAB⁴ focus work program for 2007/08. 	<ul style="list-style-type: none"> To attract \$250K government and private sector funding to assist in implementing the Bright-Economy Strategy. To implement 75% of the BEAB⁴ focus work program for 2008/09. 	<ul style="list-style-type: none"> To attract \$250K government and private sector funding to assist in implementing the Bright-Economy Strategy. To implement 100% of the BEAB⁴ focus work program for 2009/10.

OUTCOME PROMOTED – A “happening” community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> Lots of events including sporting, cultural, festivals, arts. Leading edge activity events. Foster artistic expression, art, music, dancing, public performances and exhibitions. 	Promote and facilitate the Central North Island as a location for world class screen production.	Film volcanic screen production inquiry system.	To contribute to generating at least 30 screen production inquiries within the region by June 2007.	To contribute to generating at least 50 screen production inquiries within the region by June 2008.	To contribute to generating at least 50 screen production inquiries within the region by June 2009.	To contribute to generating at least 50 screen production inquiries within the region by June each year.

OUTCOME PROMOTED – A learning community						
Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> Learning activities accessible to everyone. Addressing skill shortages through the right training. Increasing participation in tertiary education. 	Work with the local industry to try and minimise the impact of skill shortages on their business and Rotorua through the Rotorua Employment Skills Project (RESP).	<ul style="list-style-type: none"> RESP* database system and action plans. Lion Foundation – Rotorua Trust Young Enterprise Scheme database system. 	<ul style="list-style-type: none"> Have 350 businesses involved in the Rotorua Employment Skills cluster program. Have 100 students involved in the Rotorua Young Enterprise Scheme. Attract \$120K external funding towards the implementation of the RESP⁵. 	<ul style="list-style-type: none"> Have 400 businesses involved in the Rotorua Employment Skills cluster program. Have 150 students involved in the Rotorua Young Enterprise Scheme. Attract \$120K external funding towards the implementation of the RESP⁵. 	<ul style="list-style-type: none"> Have 400 businesses involved in the Rotorua Employment Skills cluster program. Have 200 students involved in the Rotorua Young Enterprise Scheme. Attract \$120K external funding towards the implementation of the RESP⁵. 	<ul style="list-style-type: none"> Have 400 businesses involved in the Rotorua Employment Skills cluster program. Have 200 students involved in the Rotorua Young Enterprise Scheme. Attract \$120K external funding towards the implementation of the RESP⁵.

¹ BITC = Business Mentors NZ

² NZTE = New Zealand Trade and Enterprise

³ MRI = Major Regional Initiative

⁴ BEAB = BrightEconomy Advisory Board

⁵ RESP = Rotorua Employment Skills Project

Assets used in Destination Rotorua Economic Development Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Computer Hardware		24	15	9
Office Equipment		5	4	-
		29	19	9

How the local authority will assess and manage changes in demand, consumption or change in level of service

This will occur through continued monitoring of achievements measured against targets in the Destination Rotorua Economic Development activity and strategic plans.

Anticipated capacity changes and whether they are the result of demand or service level changes

There will be no changes involving assets.

How the provision of any additional capacity will be undertaken

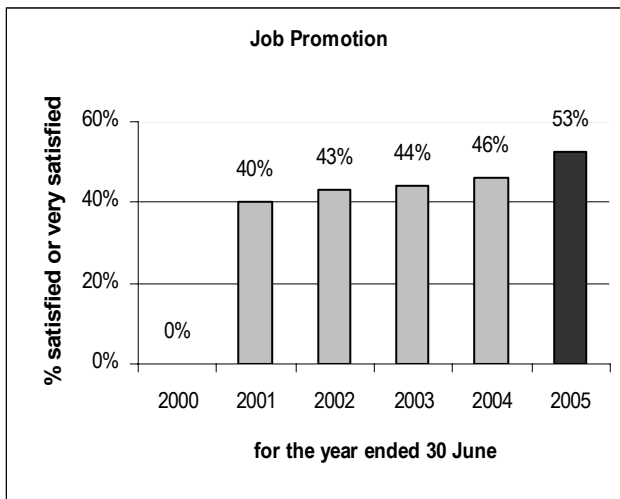
There are no assets in respect of which additional capacity might be required for this activity.

How maintenance, renewal and replacement will be undertaken.

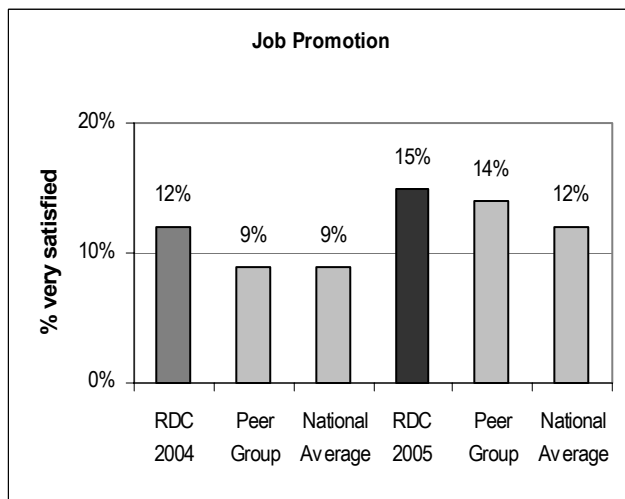
No assets are managed in the Destination Rotorua Economic Development area.

Service Assessment

The two graphs below have been prepared from the annual Communitrack Survey conducted by National Research Bureau Ltd (NRB) Public Perception and Interpretations of Council Services and Representation Report.



This graph shows the percentage of survey respondents that are satisfied and very satisfied with this service over the last 6 years. It is important to note that, of the respondents that had a view or knew about job promotion, 90% were very or fairly satisfied.



This graph shows the percentage of survey respondents that are "very" satisfied with this service over the last 2 years and compares it with our peer group and the national average.

Funding

Who benefits from the activity?

- The economy as a whole benefits from improved economic activity, promotion of destination, choice, employment opportunities and incomes.
- Individual businesses benefit directly from specific initiatives.

What is the period of benefit?

- Benefits are ongoing for the entire economy; this includes infrastructure development and the flow-on effects of marketing, promotion, and providing support to business initiatives.
- Some initiatives also provide short term benefits to groups.

Who creates need for the activity?

- The need to undertake this activity derives from the community as a whole from economic development.
- However the Business community plays a key role in influencing the specific areas of focus for the unit; in the main this will be communicated through the activity of the recently created BrightEconomy Advisory Board.

Funding source

It is considered that the benefits of expenditure on this activity address both private and especially public benefits. Individuals and groups derive benefits from the provision of information and assistance to individuals and businesses. However, this frequently leads to public/community benefits if acted upon successfully. These can be measured in terms of employment and social and business confidence levels.

Recovery of costs by direct charging is limited by the opportunities available.

Destination Rotorua Economic Development financial summaries (forecast 2007-2016)

Description (thousands)	Last Year Actual	Annual Plan										
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	662	1,013	1,113	1,103	1,131	1,154	1,009	1,033	1,053	1,068	1,085	1,098
Depreciation	4	5	6	5	5	4	4	5	5	5	5	5
Finance	0	0	0	0	0	0	0	0	0	0	0	0
Total costs	667	1,019	1,118	1,108	1,136	1,158	1,014	1,038	1,057	1,073	1,090	1,102
REVENUE												
Subsidies and grants	167	160	190	192	193	165	166	168	169	170	171	172
Fees and charges	1	0	11	11	11	11	11	11	11	11	11	11
Total revenue	168	160	201	203	204	176	177	179	180	181	182	183
Net cost of service	498	859	917	906	931	982	836	859	877	892	908	919
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Other renewals	6	8	4	5	4	4	5	4	4	5	4	4
Total Capital	6	8	4	5	4	4	5	4	4	5	4	4
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	498	859	917	906	931	982	836	859	877	892	908	919
Funding	498	859	917	906	931	982	836	859	877	892	908	919
Less depreciation for Capital	-4	-5	-6	-5	-5	-4	-4	-5	-5	-5	-5	-5
Total Rates for/(from) Operations	494	853	912	900	926	978	832	854	873	887	903	914
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	4	5	6	5	5	4	4	5	5	5	5	5
Loans from/(to) Corporate Funds	1	2	-2	-1	-1	0	0	-1	-1	0	-1	-1
Total capital	6	8	4	5	4	4	5	4	4	5	4	4

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Destination Rotorua Tourism Marketing

Overall aim of the activity

A visitor sector that is making a maximum contribution to Rotorua's economic, social, cultural and environmental well-being by continually promoting Rotorua as an exciting, vibrant and high quality destination to existing and new markets. A key focus is to encourage visitors to stay longer and spend more so that new money is brought into the local economy which in turn will create more jobs within the District.

Activity purpose – why we provide the service

The primary function of this department is focussed on promotional activity through the tourism industry networks, specifically targeting trade, media and consumer. This is carried out across the areas of international, domestic, retail and event marketing, as well as conference and incentive promotion.

An emerging function of this department is supporting the development of new product and infrastructure as well as the management of growing the visitor industry and therefore

contributing toward the Rotorua District Council Growth Strategy and prioritised Community Outcomes.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A prosperous community

- Celebrating and promoting our district's unique qualities
- More employment opportunities

A community that respects its environment

- Managing and protecting geothermal resources and springs, trout, lakes, forests and geysers
- People using and enjoying our natural environments

A community that values its living Maori culture

- Fostering Maori cultural activities and expression
- A community that recognises the value of partnerships including the Treaty of Waitangi

What we say we will do

OUTCOME PROMOTED – A prosperous community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Celebrating and promoting our district's unique qualities • More employment opportunities 	Marketing Rotorua as a destination to international, domestic and C & I markets	Support and backing of Marketing Plan by TAB	Produce and implement international marketing campaigns in Australia, Japan, Asia, India UK/ Europe, US in partnership with key stakeholders	Produce and implement international marketing campaigns in Australia, Japan, Asia, India UK/ Europe, US in partnership with key stakeholders	Produce and implement international marketing campaigns in Australia, Japan, Asia, India UK/ Europe, US in partnership with key stakeholders	Produce and implement international marketing campaigns in Australia, Japan, Asia, India UK/ Europe, US in partnership with key stakeholders
		Update to Finance and Strategic Planning Committee	Run extended low/shoulder season domestic promotional campaign	Run extended low/shoulder season domestic promotional campaign	Run extended low/shoulder season domestic promotional campaign	Run extended low/shoulder season domestic promotional campaign

OUTCOME PROMOTED – A prosperous community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> Celebrating and promoting our district's unique qualities More employment opportunities 	Marketing Rotorua as a destination to international, domestic and C & I markets	Analysis of the monthly commercial and private accommodation monitor.	Facilitate the attraction of 12 conferences per annum to Rotorua	Facilitate the attraction of 14 conferences per annum to Rotorua	Facilitate the attraction of 18 conferences per annum to Rotorua	Facilitate the attraction of 22 conferences per annum to Rotorua
		Analysis of monthly visitor arrival statistics	Contribute to 1.33 million visitors staying on average 2.3 nights and spending \$233 per day/person	Contribute to 1.36 million visitors staying on average 2.3 nights and spending \$239 per day/person	Contribute to 1.39 million visitors staying on average 2.3 nights and spending \$245 per day/person	Contribute to 1.42 million visitors staying on average 2.3 nights and spending \$252 per day/person

OUTCOME PROMOTED – A community that values its living Maori culture

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> Fostering Maori cultural activities and expression A community that recognises the value of partnerships including Treaty of Waitangi 	Maori cultural elements and the concept of Manaakitanga will underpin all marketing	Produce and distribute cultural heritage brochure	Marketing collateral includes increased Maori product - produce cultural heritage brochure	Marketing collateral includes increased Maori product - produce cultural heritage brochure	Marketing collateral includes increased Maori product - produce cultural heritage brochure	Marketing collateral includes increased Maori product - produce cultural heritage brochure

OUTCOME PROMOTED – A community that respects its environment

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> Managing and protecting geothermal resources and springs, trout, lakes, forests and geysers People using and enjoying our natural environments 	Market and promote major events taking place in Rotorua District.	Log of events	20 Events marketed and promoted per year	20 Events marketed and promoted per year	20 Events marketed and promoted per year	20 Events marketed and promoted per year

Assets used in Destination Rotorua Tourism Marketing Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Computer Hardware		121	101	20
Computer Software		5	5	1
Furniture & Fittings		54	17	37
Office Equipment		26	20	6
Plant & Machinery		10	5	4
		216	148	68

How the local authority will assess and manage changes in demand, consumption or change in level of service

Visitor number trends will be monitored on a monthly basis and close liaison with Tourism New Zealand maintained to ensure that accurate market intelligence is acted upon where necessary and tactical campaigns are modified or developed accordingly to meet changes in demand.

Anticipated capacity changes and whether they are the result of demand or service level changes

Impact of Trans Tasman air services, Rotorua Energy Events Centre, new accommodation, attractions and activities could lead to re assessment of current marketing activity and re evaluation of existing service levels.

How the provision of any additional capacity will be undertaken

No additional capacity is anticipated for this activity.

How maintenance, renewal and replacement will be undertaken.

No significant assets are associated with this activity.

Funding

Who benefits from the activity?

- Individual residents of Rotorua will benefit as they are living in a vibrant and diverse district resulting from visitors and the associated activities provided.
- Individual businesses will benefit directly from specific initiatives
- The economy as a whole benefits from improved economic activity and positive outlook/attitudes.

What is the period of benefit?

- Benefits are ongoing for the entire economy.

Who creates need for the activity?

- The economy as a whole creates the need for city marketing as a tool for regional promotion.
- Businesses create the need for exposure to wider markets.

Funding source

It is considered that the benefits of expenditure in this activity benefit the community as a whole by creating economic prosperity to the wider community, including employment opportunities. In addition, it benefits individual business owners and their employees by creating income opportunities.

Destination Rotorua Tourism Marketing financial summaries (forecast 2007-2016)

Description (thousands)	Last Year Actual	Annual Plan										
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	2,056	2,365	2,497	2,579	2,575	2,703	2,799	2,848	2,919	2,984	3,046	3,103
Depreciation	28	34	25	25	27	26	24	27	27	23	21	23
Finance	0	1	1	1	1	1	1	1	1	1	1	1
Total costs	2,085	2,400	2,523	2,605	2,602	2,730	2,825	2,875	2,946	3,009	3,068	3,126
REVENUE												
Fees and charges	667	742	731	718	706	756	778	800	823	846	870	895
Total revenue	667	742	731	718	706	756	778	800	823	846	870	895
Net cost of service	1,418	1,657	1,792	1,887	1,897	1,974	2,047	2,075	2,123	2,162	2,198	2,231
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Other renewals	18	17	27	27	6	27	10	24	27	10	6	47
Total Capital	18	17	27	27	6	27	10	24	27	10	6	47
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	1,418	1,657	1,792	1,887	1,897	1,974	2,047	2,075	2,123	2,162	2,198	2,231
Funding	1,418	1,657	1,792	1,887	1,897	1,974	2,047	2,075	2,123	2,162	2,198	2,231
Less depreciation for Capital	-28	-34	-25	-25	-27	-26	-24	-27	-27	-23	-21	-23
Total Rates for/(from) Operations	1,389	1,624	1,767	1,862	1,870	1,948	2,022	2,049	2,097	2,139	2,176	2,208
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	28	34	25	25	27	26	24	27	27	23	21	23
Loans from/(to) Corporate Funds	-10	-16	2	2	-21	1	-14	-2	1	-13	-15	25
Total capital	18	17	27	27	6	27	10	24	27	10	6	47

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Tourism Rotorua Travel and Information

Overall aim of the activity

First contact for information and bookings of things to see and do around Rotorua and the rest of New Zealand.

Activity purpose – why we provide the service

Council undertakes this activity to meet community expectations and to provide information and booking requirements for visitors to encourage them to stay longer and increase spending so that as many Rotorua businesses as possible, benefit from this activity.

The Tourism Rotorua Travel Office operates 364 days a year.

The office is active not only in information provision but also offers a comprehensive domestic travel reservation service available to local residents and visitors. Commercial returns are earned through commissions on sightseeing and travel sales.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A prosperous community

- Celebrating and promoting our district's unique qualities
- More employment opportunities

A community that respects if living Maori culture

- Fostering Maori cultural activities and expression
- A community that recognised the value of partnerships in Treaty of Waitangi

A community that respects its environment

- Managing and protecting geothermal resources and springs, trout, lakes, forests and geysers
- People using and enjoying our natural environments

What we say we will do

OUTCOME PROMOTED – A prosperous community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Celebrating and promoting our district's unique qualities • More employment opportunities 	Booking services are provided to visitors to Rotorua to encourage extended length of stay and visitor spend	Financial report of Travel Office	Achieve at least approx 920,000 visitors per annum through the travel office.	Achieve at least approx 940,000 visitors per annum through the travel office.	Achieve at least approx 960,000 visitors per annum through the travel office.	Achieve at least approx 960,000 visitors per annum through the travel office.

Assets used in Tourism Rotorua Travel and Information Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Buildings		26	1	25
Computer Hardware		172	139	34
Computer Software		42	42	-
Furniture & Fittings		32	7	25
Office Equipment		21	21	-
Plant & Machinery		82	18	64
		375	228	148

How the local authority will assess and manage changes in demand, consumption or change in level of service

Conduct annual customer satisfaction survey and respond accordingly to the results.

Anticipated capacity changes and whether they are the result of demand or service level changes

- Additional staffing resources
- Additional space requirements.

Both are a result of demand.

How the provision of any additional capacity will be undertaken

- Additional staffing resources employed
- Expansion of Travel Office into Restaurant area of travel building

How maintenance, renewal and replacement will be undertaken.

Council's property asset manager constructs maintenance, renewal, replacement schedules with work being carried out in consultation with the Travel Office Manager.

Funding

Who benefits from the activity?

- The community as a whole benefits from improved economic activity and positive outlook/attitudes.
- Individual businesses benefit directly from specific initiatives.
- Visitors to Rotorua benefit from this service
- Residents of Rotorua benefit from this service through the provision of information

What is the period of benefit?

- Benefits are ongoing for the entire economy.

Who creates need for the activity?

- The economy as a whole creates the need for city marketing as a tool for regional promotion.
- Businesses create the need for exposure to wider markets.
- Visitors both domestic and international to the Rotorua District create the need for the service.

Funding source

- It is considered this activity primarily benefits those who use its services. These beneficiaries are visitors to the Centre who obtain information and the tourism operators whose services are sold to the tourist.
- The service also benefits the district as a whole by way of positive effects on the local economy created by the spending of tourists and visitors. Further, the activity compliments Tourism Marketing and the community benefits of that activity.

Tourism Rotorua Travel and Information financial summaries (forecast 2007-2016)

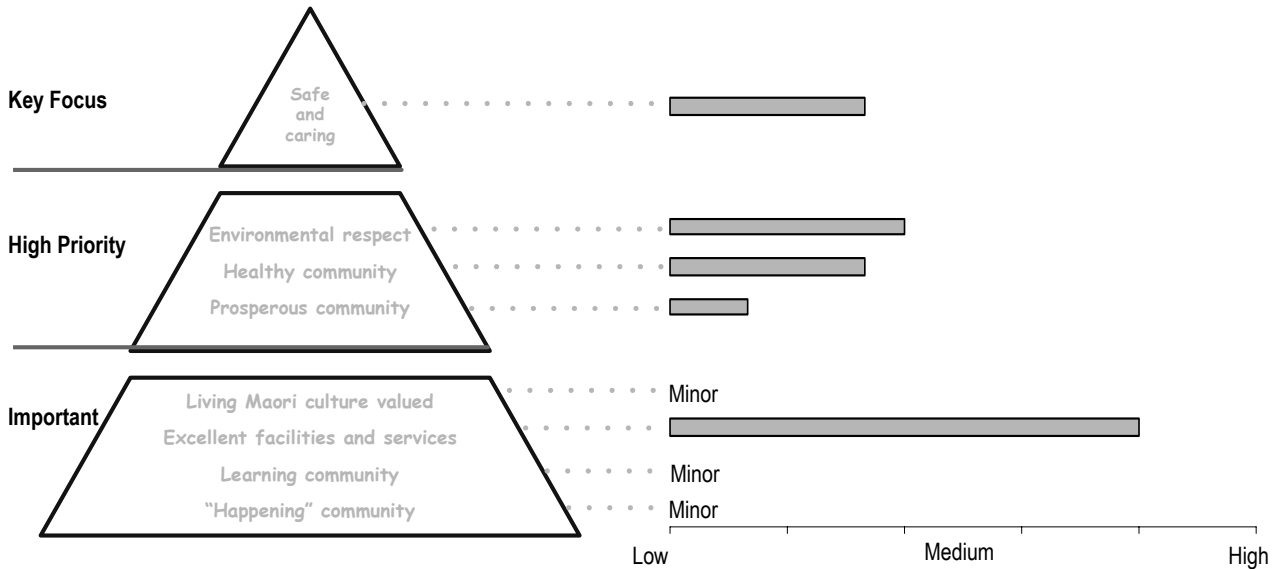
Description	Last Year	Annual Plan										
(thousands)	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	1,451	1,429	1,524	1,635	1,698	1,717	1,860	1,794	1,836	1,874	1,907	1,937
Depreciation	26	24	33	39	43	43	45	50	50	48	49	47
Finance	0	1	2	2	3	3	3	3	3	3	3	3
Total costs	1,477	1,454	1,559	1,676	1,744	1,763	1,908	1,847	1,889	1,925	1,959	1,986
REVENUE												
Investment income	47	12	12	12	12	12	12	12	12	12	12	12
Fees and charges	1,230	1,047	1,247	1,329	1,360	1,393	1,425	1,459	1,494	1,529	1,566	1,605
Total revenue	1,277	1,059	1,259	1,341	1,372	1,405	1,437	1,471	1,506	1,541	1,578	1,617
Net cost of service	200	395	300	335	372	358	470	376	384	383	381	370
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Buildings Upgrade												
Level of Service Charge/ Backlog	118	26	81	0	0	0	0	0	0	0	0	0
Other renewals	22	42	35	31	44	37	26	57	38	16	56	58
Total Capital	140	68	116	31	44	37	26	57	38	16	56	58
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	200	395	300	335	372	358	470	376	384	383	381	370
Funding	200	395	300	335	372	358	470	376	384	383	381	370
Less depreciation for Capital	-26	-24	-33	-39	-43	-43	-45	-50	-50	-48	-49	-47
Total Rates for/(from) Operations	174	371	267	296	329	315	426	326	333	335	332	323
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	19	24	33	39	43	43	45	50	50	48	49	47
Loans from/(to) Corporate Funds	114	44	83	-8	1	-6	-19	8	-13	-32	7	11
Asset sales	7	0	0	0	0	0	0	0	0	0	0	0
Total capital	140	68	116	31	44	37	26	57	38	16	56	58

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

INFRASTRUCTURAL GROUP

Contribution to Community Outcomes by services in Group



Overview of Group

This group is made up of the following activities of Council:

- Engineering Compliance
- Land Drainage
- Rotorua Regional Airport
- Rural Fire
- Transport
- Transport (Road Safety)
- Transport (State Highway Management)
- Waste Management
- Wastewater
- Water

The Infrastructural Group activities included provide many of the traditional key services associated with councils such as water, sewerage, roads and refuse collection in this area Council owns and manages many large and complex assets on behalf of the community.

Potential Significant Negative Effects

Land Drainage

- Negative environmental effects generated from this activity include stormwater reticulation impacting on the quality of the lakes. A detailed assessment of this has been completed. See "Rotorua City Urban Stormwater Quality and Prediction of Environmental Impacts" – NIWA.
- Ongoing monitoring programmes monitor contaminant loads and efficiency of management regimes.

Rotorua Regional Airport

Concerns have been raised regarding noise from airport activities, however it is anticipated that these can be mitigated.

Rural Fire

No significant negative effects have been identified in relation to this activity.

Transport

Transport can impact negatively, for example air and water pollution, noise, glare and vibration. It is proposed that the land use components, noise, glare etc are handled by way of an environmental effects zone through the District Plan. Off-site effects are managed by way of operational formal consent and capital development techniques.

Transport (State Highway Management)

The activity in itself creates no significant negative effects, however, work streams stemming from this activity can and these are mitigated or avoided using consent, environmental enhancement and consultation processes.

Waste Management

Waste has a negative effect on the environment and management is aimed at reducing that waste. The balance between affordability and funding is key in that high costs lead to illegal dumping. This is an ongoing issue.

Water

No significant negative effects have been identified in relation to this activity.

Strategic Direction and Highlights

Engineering Compliance

- The service will be expanded to include closer control on discharges to the community stormwater network.
- From 2006/07 a new Development Contribution Policy to transparently reflect the cost of development.
- Development and growth in the District will drive growth in this activity.
- Controlling discharges to the community drainage network is a key factor in improving the quality of our lake waters.

Land Drainage

- The major strategic issue will be development of a local stormwater strategy in accordance with the recently completed Regional Stormwater Strategy. This document requires Council to prepare catchment wide consent applications for key catchments.
- The continuation of the capital upgrade programme to address backlog in the urban network is included in the Ten Year Plan.
- No significant changes to levels of service.
- Little scope for changing level of demand without significant expenditure.

Rotorua Regional Airport

The major strategic issue is development of the airport to facilitate trans-Tasman flight operations. The strategy envisages the runway at the Rotorua Airport being lengthened and strengthened, as well as overall development of the facilities at the airport.

Development of the trans-Tasman flight operations links with the development of the Energy Events Centre in that a major market for the centre is the Tasman market.

Key strategic issues for the next ten years include:

- Lengthening both ends of the runway, to create a 2km long runway
- Strengthening the runway to enable it to handle the increased loadings of the trans-Tasman aircraft
- Extension of the passenger terminal, to include the facilities required in order to handle international passengers in secure lounges

Several planning processes are currently underway in order to permit the extension works to proceed, namely:

- Notices of requirement to designate the flight paths of the extended runway
- District Plan change to incorporate Air-Noise Boundaries – to increase the certainty for those living around the airport

External issues which will impact on the airport include the proposed and designated Rotorua Eastern Arterial. There is an agreement between RDC and Transit NZ on how the two operations can co-exist.

It is proposed to spend approximately \$25m in the next 3 - 5 years in order to expand the capacity of the airport in order to

handle trans-Tasman flights to be funded from airport revenue. It should be noted that, if for some reason trans-Tasman services do not commence, Rotorua Regional Airport Ltd will continue to operate the airport for domestic services. There will be ongoing mitigation costs in each following year within the period of this Ten Year Plan.

The works are as below:

1. Northern Starter

Construction of a 150m long extension of pavement to the northern end of the runway, 30m wide full strength. Provision will be made for future widening to 45m. This extension would be used only by planes taking off towards the south. It would also give a minor improvement [20m] of braking distance for planes landing from the south.

The design and tender documents are complete, and all consents have been obtained. This capital work has commenced.

2. Lengthen Southern Runway

This project is to construct a 487m long extension of pavement to the southern end of the runway, 30m wide full strength. Provision will be made for future widening to 45m.

The 487m is made up of a 220m extension of the runway - available for use in both directions, a 145m braking distance for planes landing from the north, and a 122m extension for planes taking off towards the north.

The investigation and design for this project are yet to be done, and all consents are still outstanding.

Estimated Cost, including fees, \$13.3m.

The combined effect of constructing both the Northern Starter and Southern Runway Extension is to produce a nominal 2km runway available both directions.

3. Strengthen Original Runway

The strengths of the current airside pavements have been assessed by consultants in relation to the likely loadings from trans-Tasman aeroplanes.

For comparison the current Boeing 737-300s flying into Rotorua weigh approximately 50t while the trans-Tasman Boeing 737-800s and Airbus A320s weigh approximately 75t.

Of the current airside pavements, which will be required to carry the heavier loads, the northern 900m of the existing runway will need to be overlaid to carry the heavier loads.

The proposal is to overlay with a nominal 150mm Asphaltic Concrete layer.

The investigation and design for this project are yet to be done.

4. Mitigation

A contingency allowance to cover general mitigation works.

Estimated cost, \$1.04m.

5. Wetland

The Lengthen Southern Runway project will include destruction of a degraded wetland, in similar fashion to the previous 250m Southern Extension.

It is anticipated that a condition of the Resource Consent, to cover the earthworks to undertake the project, will be a requirement to construct an equivalent area of new wetland or mitigate double the area of destroyed wetland.

An allowance has been made for the estimated cost of complying with the anticipated condition.

Estimated cost, including fees, \$200k.

6. Terminal

To cater for both arriving and departing passengers, both domestically and internationally, it is proposed to extend and upgrade the existing Secure Lounge.

The preliminary proposal is to extend the current lounge by adding 620square metres of floor space. An internal layout has been produced for approval by Council, MAF, Aviation Security and Customs.

The proposal includes air conditioning the full extended space, plus an overall consistent interior standard finish.

Estimated cost, including fees, \$1m.

7. Security

This project is to install additional security requirements within the proposed extended secure lounge and elsewhere.

Estimated cost, \$380k.

8. Noise Management

To construct the Southern Extension, the District Plan will be changed to alter the Land Zoning from 'Airport Protection' to 'Airport' - which will allow the extension as a Permitted Activity.

As part of the Plan Change, Air-Noise Contours and rules will be introduced to give certainty for development to both the Airport and surrounding land owners.

The introduction of the Air-Noise Rules will include a mitigation component of buying a number of houses close to the development and installing noise mitigation treatment into others.

An allowance has been made for a combination of purchase and noise mitigation over an ongoing period into the future. It is anticipated that some houses will be purchased and developed, and a number will be noise mitigated and re-sold for other more compatible purposes.

Estimated Cost in the first three years, \$1.77m.

Rural Fire

There is currently a national review of the provision of fire and other emergency services being carried out by the Department of Internal Affairs and this will dictate any changes to the future levels of service.

Key strategic issues for the next ten years include:

- Ongoing renewal of fire equipment.
- Replacement fire engine for Lake Okareka in next 5 years.
- National review of provision of fire services .
- Recruitment and retention of volunteers.

Transport

The Transport Activity Plan is in line with the requirements of the Land Transport Management Act 2003 which requires the development of a "balanced" Land Transport Programme. This means that the programme involves getting the mix right in terms of infrastructure development, alternative modes of transport, access and safety. To achieve this, the major strategic issue is the development of the Rotorua Transport Plan which shows how the various programmes comply with the Act and interact with each other. For implementation the major strategic documents will be:

- Rotorua Urban Transportation Study 2003 - complete
- Safety Management Systems - complete
- Bike Rotorua
- Road/Rail Strategic Assessment
- (Passenger Transport Infrastructure) - in preparation
- Travel Demand Management - developed 2006/07

From these high level documents a number of major projects have been allowed for in the Ten Year Plan.

Road Upgrades

- Victoria Street Expressway
- Ti Street Deviation
- Lake Road 4 Laning
- Malfroy/Ranolf Roundabout
- Eastern Arterial
- Ngongotaha/Fairy Springs Road 4 Laning

Passenger Transport

- New Transportation Centre

Travel Demand Management

- Travel Demand Management Plan

Cycleways

- Ngongotaha to CBD

No significant changes in Levels of Service are anticipated, however there will be backlog and / or excess capacity in some areas.

There will be ongoing focus on:

- ride quality
- economic development
- surface water discharge to the environment
- safety

Transport (Road Safety)

Key strategic issues for the next ten years include:

- Delivery of Council's Road Safety Strategy, particularly the education initiatives is key to achieving a lower crash rate on the District's roads. The crash trend is a reducing one and this activity area will aim to continue this by delivering projects and interaction with the community in conjunction with engineering and enforcement works.
- Delivery of Council's cycling improvements and encouragement programmes. Given the future of oil and likely changes in travel modes, either by choice or necessity, alternative forms of transport will be needed. Council intends to plan and implement over the coming 10 years an integrated cycle network. This work will partially fulfil the District and regions LTMA legislation requirements which are essential for sustainable growth. Council is presently focusing on inter modal travel, travel demand management opportunities, packaging of projects and greater co-ordination across the District and more widely as part of regional initiatives. This activity area will play a greater role as a linkage for this progress in the coming years.
- Ongoing external partnerships and collaborative initiatives including: Drivewise, Police, Land Transport NZ, ACC, Toi Te Ora, Transit NZ, EBOP and Environment Waikato.
- Responding to state sector review of transport and resultant changes of Central Government roles and agencies in this area.
- Ongoing devolution of services to Local Government level and changes in funding criteria over the next year.
- Giving effect to the cycling policy review. This will present a significant change in emphasis for this mode of travel in the city. The policy outlines a number of key performance indicators and targets for the coming years.

Transport (State Highway Management)

The management and administration of the physical highway network within the District is undertaken by Council. This is a unique situation. Council works within the Transit NZ management structure to deliver this output.

Council has delegated authority for operational management of the State Highway network. This includes capital and maintenance works. For this, Council is paid an administration fee but works are funded entirely from the Transit NZ budget.

Presently the transport sector is being reshaped as a result of the Central Government's "Transport Sector Review". This activity area is involved indirectly given its involvement with Transit NZ.

The District will need significant highway improvements within the 10 year period. These include 4-laning projects and motorway construction. It is considered Council will be at the forefront of planning and delivery of these needs although this is dependant on national funding constraints and priorities.

The activity will likely expand and contract in terms of output and staffing in line with maintenance and project work over this period.

Key strategic issues for the next ten years include:

- Roles and functions in crown agencies (and this activity area) remain uncertain into the future. Additionally, funding streams and prioritisation both regionally and nationally are being heavily restructured and continue to evolve. The activity provides Council with an input and a view of the regional and national land transport function from both a highway and local road viewpoint, thereby covering the complete network. The current highway level of service and capital/safety project advances are governed nationally by the Transit NZ authority. While Council can advocate for Rotorua, final decisions are made by that agency. Council has significant partnerships with key agencies, including Transit NZ, Land Transport NZ and Police. Additionally, transport and planning initiatives and joint work streams are being undertaken with the regional authorities and neighbouring territorial authorities. It should be noted the district is within two regional council areas.
- A significant number of large highway projects (infrastructure) exist into the future for the district. These include:
 - the eastern motorway
 - Ngongotaha Road 4-laning
 Additionally, a range of lesser improvements has been identified. Given the income for the activity is derived from Works expenditure, this will vary during the course of the Ten Year Plan.
- All projects and associated investigations, designs and consent processes are included into the national highway planning regime. While Council will potentially deliver some or all of these, they will be funded externally and be at the discretion of the Transit authority. Therefore individual projects and timelines have not been included at this time.

Waste Management

Key strategic issues for the next ten years include:

- Giving effect to the NZ Waste Strategy through Rotorua District Council's Waste Management Strategy.
- Changes in demand, particularly in the rural areas.
- Maintaining anticipated asset capacity at all times.
- Development of alternative sites/methods of waste disposal. The current charging regime allows for at least partial funding of alternative facilities in the 20 to 30 year timeframe. Specific programmes include the Cleaner Production Programme undertaken with financial support from Environment BOP. This involves working direct with individual businesses to reduce waste.
- The rights to recover gas from the landfill have been assigned to a private company. Over time, however, there is a direct return to Council, outside the current Ten Year Plan.
- Provision of a transfer station at Rotoiti.

- Cleaner Production Programme (part financed by Environment BOP).

Wastewater

The Wastewater Activity Plan is in line with the requirements of the Resource Management Act, Local Government Act and Health Act.

The activity involves the provision of collection, treatment and disposal of wastewater including the related operation and maintenance activities.

Several major strategic documents have been prepared to address long term issues related to the activity. These include:

- Rotorua Basin Wastewater Strategic Plan - draft
- Strategy for the Lakes of Rotorua District - complete
- Lake Rotorua/Rotoiti Action Plan - complete
- Lake Okareka Catchment Management Action Plan - complete
- Rotorua District Council Assessment of Water and Sanitary Services - complete

The draft Rotorua Basin Wastewater Strategic Plan identifies around \$45 million of capital expenditure over a 50 year period. Of this approximately \$21 million is included in this Ten Year Plan, the remainder is for projects that would take place after 2016.

From the high level documents a number of major projects have been allowed for in the Ten Year Plan:

- \$22.43 million over 2004/2005, 2005/2006 and 2006/2007 for Mourea/Okawa Bay and Brunswick Park sewage collection and transfer to the Waste Water Treatment Plant.
- \$16.57 million over 2004/2005 to 2008/2009 for Okere Falls/Otaramarae/Whangamarino sewerage collection.
- \$11.15 million from 2004/2005 to 2007/2008 for Okareka Sewage Scheme.
- \$11.15 million from 2005/2006 to 2009/2010 for a sewerage scheme at Gisborne Point/ Hinehopu.
- \$17.32 million from 2009/2010 to 2012/2013 for a sewerage scheme at Tarawera.
- \$16.3 million from 2006/2007 to 2010/2011 for a sewerage scheme at Hamurana.
- \$14.4 million from 2010/2011 to 2013/2014 for a sewerage scheme at Rotoma.
- \$2.84 million from 2005/2006 to 2009/2010 for the sewerage of un-serviced parts within the Urban Sewerage Area.
- \$6.13 million for upgrade of the Wastewater Treatment Plant from 2004/2005 to 2015/2016.
- \$3.62 million for upgrade of the Land Treatment System from 2006/2007 to 2013/2014.
- \$12.8 million for upgrade of the Urban Sewer Reticulation Network from 2004/2005 to 2015/2016.

The funding of the above listed schemes includes subsidies from the Ministry of Health through the sanitary works subsidy scheme and from Environment Bay of Plenty – financial assistance for a territorial local authority promoted sewerage scheme.

The Ministry of Health has given final approval to Mourea/Okawa Bay. Applications for the other communities are currently being considered.

In addition, public health protection from reticulated sewerage schemes there will also be additional advantages in contributing towards lakes water quality improvement.

Environment Bay of Plenty has signified commitment to provide subsidy to all the proposed schemes except Lake Okareka. Final approval and amount will be determined after the final application.

The improvement of water quality from several lakes will involve converting existing individual on site wastewater treatment and disposal system servicing lakeside communities to water borne wastewater collection treatment and disposal system. Provision has been made for the implementation of several lakeside communities sewerage schemes for the next ten years.

Council is obliged to comply with Environment Bay of Plenty Regional rules and consent conditions in relations to the discharge of nutrients to water. Nutrients such as phosphorous and nitrogen are the single biggest contributor to poor Trophic Level Index (TLI) ratings which are a key measure of water quality.

The table below shows anticipated reductions in nutrients into the district's lakes as a result of Rotorua District Council's commitment to reticulated sewerage schemes to replace septic tanks:

	Nutrient loading from existing on-site sewage disposal (tonnes per year by scheme)		% Reduction of current loading from proposed schemes	
	Nitrogen	Phosphorus	Nitrogen	Phosphorus
Lake Rotorua				
Scheme				
Rotokawa/Brunswick	5.7	0.25	95%	100%
Hamurana/Awahou	5.7	0.25	95%	100%
Rural	0	0	0%	0%
Total tonnes/yr	11.4 tonnes/yr of nitrogen 0.5 tonnes/yr of phosphorus			
Lake Rotoiti				
Scheme				
Mourea/Okawa Bay	1.79	0.12	96.8%	100%
Okere Falls/Otaramarae	2.48	0.15	96.8%	100%
Gisborne Pt/Hinehopu	2.13	0.15	85%	100%
Rural	0	0	0%	0%
Total tonnes/yr	6.4 tonnes/yr of nitrogen 0.42 tonnes/yr phosphorus			
Lake Rotoma				
Scheme				
Rotoma	4.93	0.05	85%	100%
Rural	0	0	0%	0%
Total tonnes/yr	5.8 tonnes/yr of nitrogen 0.05 tonnes/yr of phosphorus			

	Nutrient loading from existing on-site sewage disposal (tonnes per year by scheme)		% Reduction of current loading from proposed schemes	
	Nitrogen	Phosphorus	Nitrogen	Phosphorus
Lake Okareka				
Scheme				
Okareka	2.4	0.02	100%	100%
Rural	0	0	0%	0%
Total tonnes/yr	2.4 tonnes/yr of nitrogen 0.02 tonnes/yr of phosphorus			
Lake Tarawera				
Scheme				
Tarawera	3.61	0.2	100%	100%
Rural	0	0	0%	0%
Total tonnes/yr	3.61 tonnes/yr of nitrogen 0.2 tonnes/yr of phosphorus			

NB: Assumes all sewage treatment includes land disposal

For more information on lakes water quality and TLIs, readers should refer to Environment Bay of Plenty's Long Term Council Community Plan and other resources

Additional capacity required resulting from growth of service areas will be provided by planned upgrades of existing assets.

Water

Increasing development and difficulty in obtaining larger water allocations from existing sources has required that a strategic plan for sustainable water sources and a servicing network be prepared. This is likely to identify significant capital works which have been included in the Ten Year Plan. These include new source development, large trunk delivery mains to developing areas and additional storage reservoirs.

Health legislation changes will also bring requirements for additional water treatment for most supplies, and also require a higher level of Public Health Gradings. These will necessitate increased monitoring and better management of backflow risks, and are included in the Ten Year Plan.

Key strategic issues for the next ten years include:

- A strategic plan for sustainable water sources for the District - \$3.10 million from 2007 to 2014.
- Requirement to service areas where development/growth is expected - \$12.88 million from 2007 to 2014.

- Treatment and monitoring improvements to comply with new legislation and the Drinking Water Standards NZ 2005:
 - Urban \$2.46 million from 2007 to 2012
 - Rural \$1.28 million (\$745,000 for Reporoa) from 2007 to 2008
- Installation of backflow prevention devices - \$2.19 million from 2007 to 2009.
- Additional reservoir storage for the urban area - \$634,000 in 2007.
- Upgrade of mains for Reporoa to address backlog – approximately \$200,000.

Growth components of the above projects are to be funded by Development Contributions.

Council is currently developing a comprehensive water strategy that will look beyond the horizon of the Ten Year Plan to 2050. As the strategy is developed, it may identify future projects beyond 2016 that are not included in this plan.

Asset Management Plans Information

The key assets used in this Activity Group are:

- Buildings
- Wastewater Treatment Plant
- Land
- Roading
- Stormwater drainage
- Landfill
- Street Signals, Signs, Lighting
- Bridges
- City Focus
- Footpaths
- Water works
- Wastewater Reticulation
- Airport
- Footpaths (Engineering)
- Runway – Airport
- Engineering
- Waste Management Rural Bin Sites
- Wastewater Treatment Plant
- Water Works

Further details are provided in each Activity section.

Summary of Group Net Cost of Service

Description (thousands)	Last Year	Annual Plan										
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Engineering Compliance	-468	-344	-307	-327	-340	-466	-941	-968	-1,000	-970	-940	-921
Land Drainage	2,408	2,656	2,684	2,909	3,071	3,124	3,190	3,330	3,358	3,361	3,354	3,373
Roading-Subsidised	1,023	1,406	619	-62	148	-761	-864	-734	640	-204	-4,423	-7,254
Roading-Works Gen & Unsub	5,475	6,336	7,102	7,626	8,144	8,152	8,323	8,957	9,055	9,051	9,360	9,180
Road Safety	74	70	82	84	85	86	87	89	91	92	94	94
Rotorua Regional Airport	28	732	-3,015	-9,842	-5,518	37	159	-80	-408	-604	-691	-877
Rural Fire	136	139	146	149	152	152	159	170	171	171	172	172
State Highway Management	4	1	1	2	3	3	-1	0	0	-2	-2	-3
Refuse Collection	-71	44	17	3	-15	-43	-68	-86	-110	-135	-156	-188
Waste Management	1,205	1,270	1,119	1,154	1,188	1,210	1,228	1,260	1,283	1,302	1,325	1,339
Landfill	-157	-126	130	79	344	873	974	378	-538	-532	-500	-663
Wastewater	-88	-2,281	-4,306	-7,332	-5,341	-5,817	-5,945	-1,341	-9,338	-3,315	-608	-1,491
Water	-337	-117	-79	-658	-786	-404	-680	-716	-827	-1,190	-1,245	-1,504
Total Infrastructure	9,232	9,783	4,193	-6,216	1,134	6,146	5,623	10,260	2,378	7,027	5,740	1,258

Statement of Infrastructure Assets

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Airport		997	61	936
Bridges		13,117	230	12,887
Buildings		9,465	266	9,199
Computer Hardware		737	566	171
Computer Software		436	404	32
Database		327	166	161
Engineering		136	-	136
Footpaths		24,652	456	24,196
Furniture & Fittings		138	132	6
Land		11,923	-	11,923
Landfill		2,528	536	1,992
Office Equipment		390	222	168
Plant & Machinery		733	507	226
Roading		218,666	4,152	214,514
Runway (Airport)		12,980	251	12,729
Stormwater Drainage		57,518	1,007	56,511
T Street Signals, Signs, Lights, M		3,823	215	3,608
Vehicle		279	185	94
Waste Management Rural Bin Sites		756	13	743
Wastewater Reticulation		114,113	2,530	111,583
Wastewater Treatment Plant		41,735	1,640	40,095
Water Works		73,186	2,098	71,088
		588,635	15,637	572,998

Activity Group Revenue Sources

Description (thousands)	Last Year Actual	Annual Plan										
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
OPERATIONAL FUNDING												
Targeted Rates	13,333	14,044	15,919	18,393	20,460	21,625	22,987	24,099	24,812	26,188	27,186	27,832
Funding/Rates	9,716	12,175	14,263	13,864	14,470	15,346	15,278	15,112	14,286	13,925	13,733	12,730
Less depreciation equivalent for capital	-9,843	-10,680	13,799	13,992	15,651	16,553	17,162	17,974	17,676	17,991	19,316	19,125
Add back half share roading depreciation	1,884	2,008	2,497	2,547	2,741	2,736	2,793	3,063	3,104	3,111	3,362	3,267
Total rates for operations	15,089	17,547	18,881	20,812	22,021	23,154	23,896	24,300	24,525	25,233	24,964	24,704
Subsidies and grants	2,969	3,212	2,982	2,988	2,979	3,097	3,138	3,201	3,326	3,353	3,342	3,472
Investment income	28	38	14	-2	-13	-11	-8	-2	6	15	27	41
Fees and charges	3,275	4,172	4,591	4,794	5,463	6,171	6,768	7,123	7,648	7,838	8,228	8,555
Internal rate and water by meter	-105	-110	-111	-114	-119	-123	-129	-132	-136	-141	-144	-148
Total operational funding	21,257	24,860	26,358	28,479	30,331	32,289	33,664	34,489	35,370	36,297	36,417	36,624
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	9,843	10,680	13,799	13,992	15,651	16,553	17,162	17,974	17,676	17,991	19,316	19,125
Loans	19,963	16,268	9,932	10,352	18,375	14,405	4,397	-199	6,323	3,337	-1,265	177
Capital Grants	2,368	4,401	12,401	22,207	15,487	10,854	10,761	5,464	12,128	6,344	7,225	10,121
Development contributions	0	0	166	420	590	1,082	1,687	2,453	2,884	3,665	4,130	4,618
Advances net	4,429	0	0	0	0	0	0	0	0	0	0	0
Cash carried forward	1,889	0	0	0	0	0	0	0	0	0	0	0
Roading half depreciation funded by grants	-1,884	-2,008	-2,497	-2,547	-2,741	-2,736	-2,793	-3,063	-3,104	-3,111	-3,362	-3,267
Shares	2,639	0	0	0	0	0	0	0	0	0	0	0
Total capital	35,469	29,340	33,801	44,424	47,361	40,157	31,213	22,629	35,908	28,226	26,044	30,774

Minor roundings may occur in above totals.

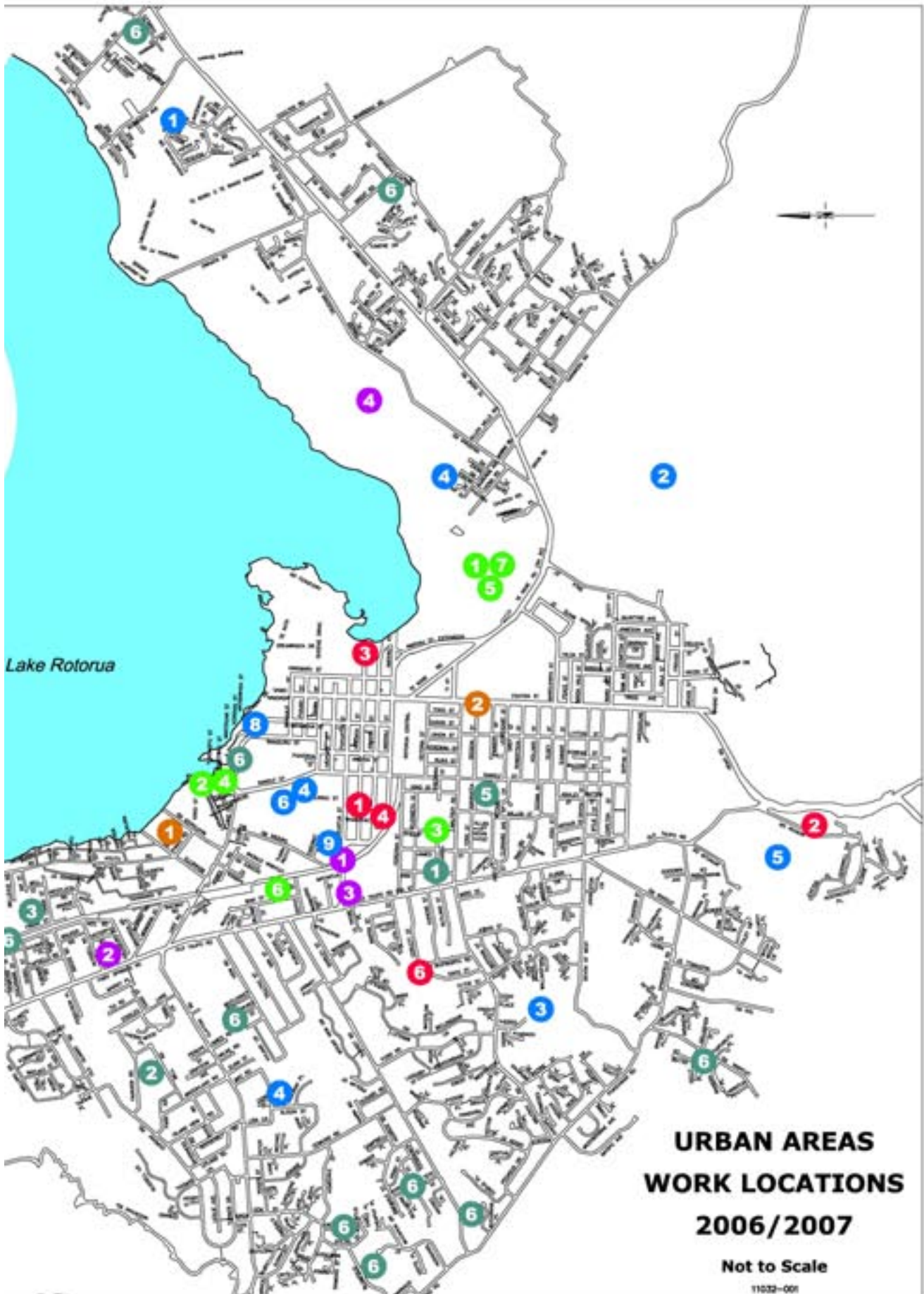
Infrastructural Works Programme

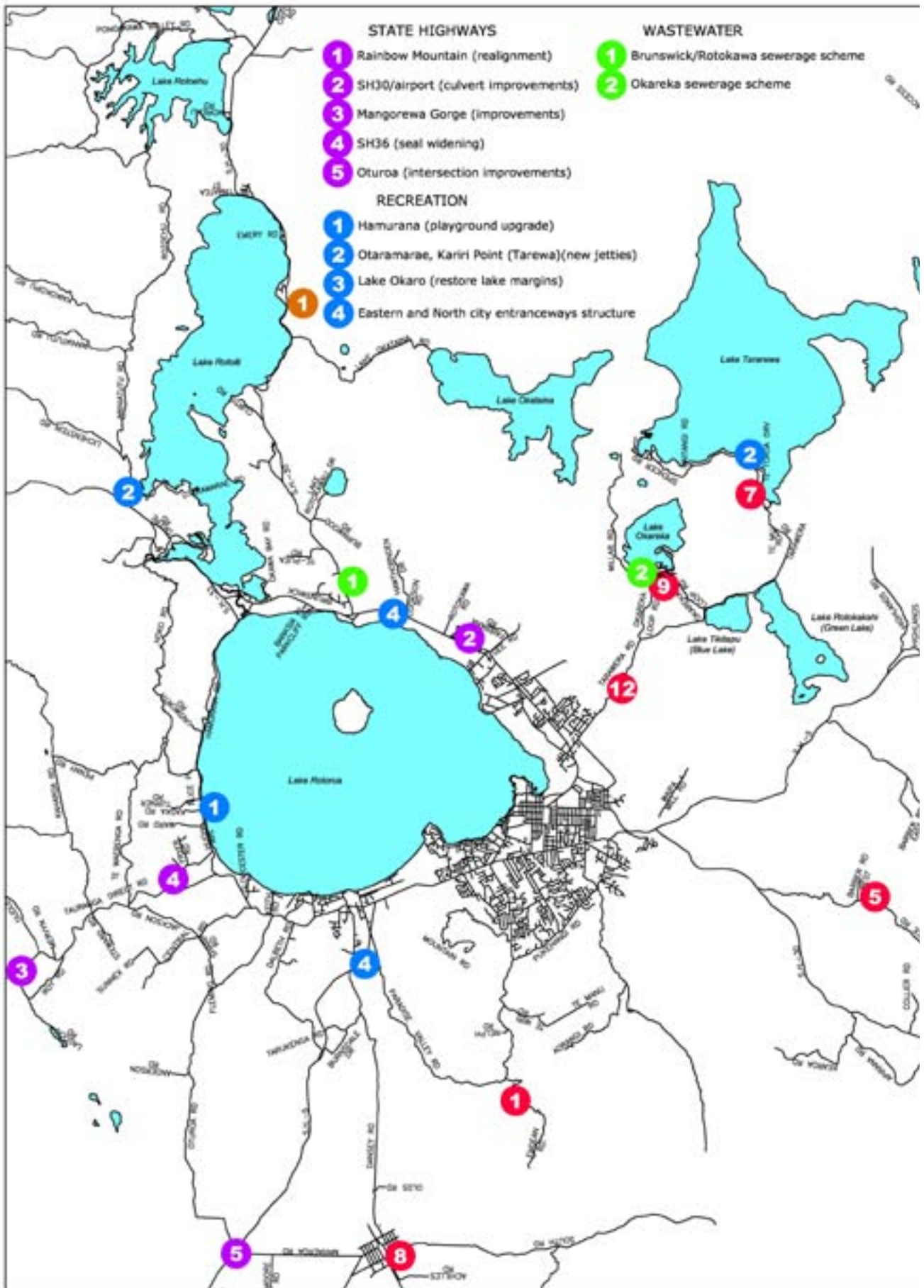
The following plans show the locations of infrastructural works programmed for the first year of the Ten Year Plan 2006/2007 as described in the Infrastructural Activity Group and individual activity plans.

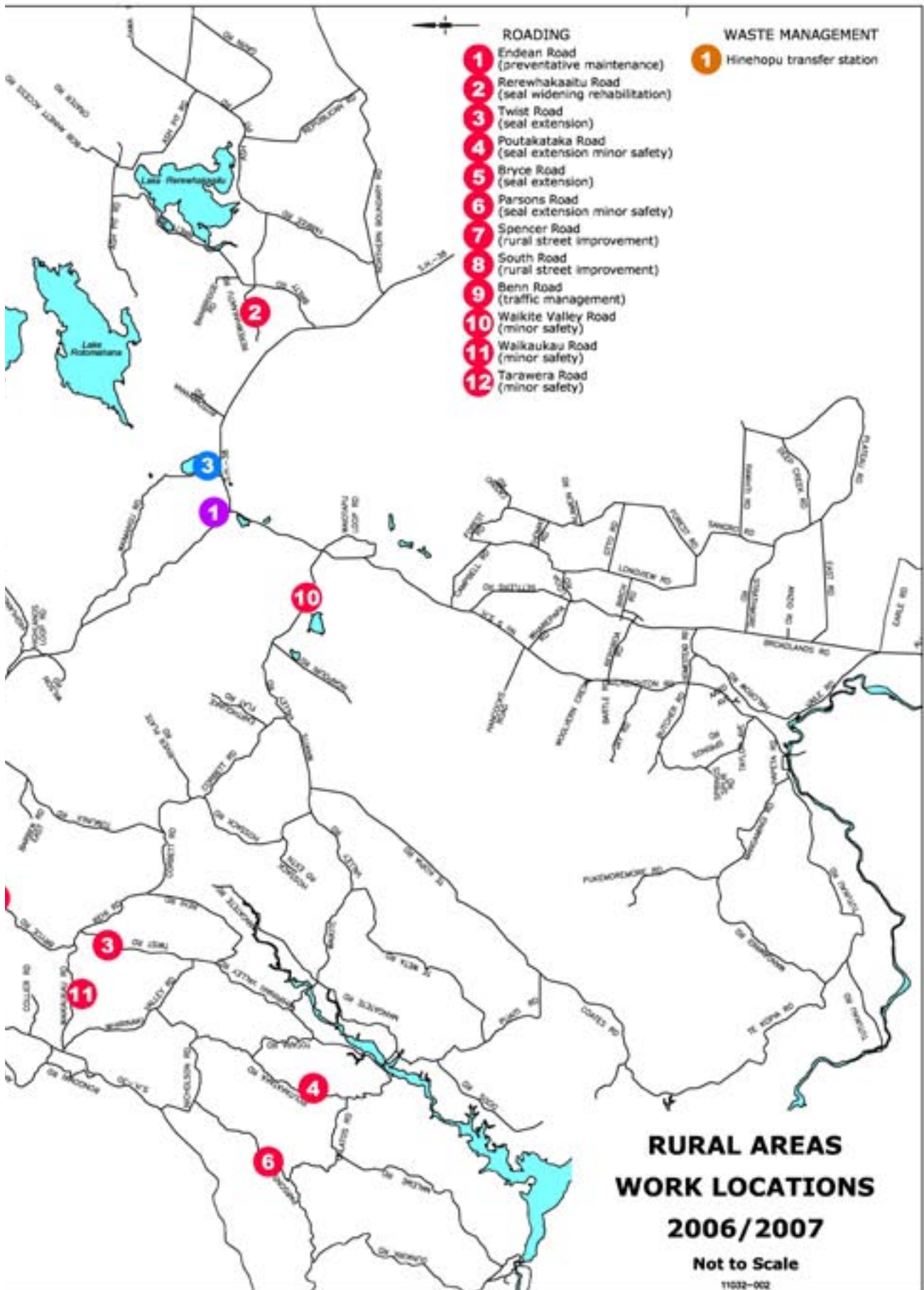
Annual Plans for 2007/2008 and 2008/2009 will have updates on these works programmes. The two maps indicate the general locations of works in the urban and rural parts of the district.











Engineering Compliance

Overall aim of the activity

To ensure all Council works comply with Engineering Standards (RCEIS) and Trade Waste Discharge Policies.

Activity purpose – why we provide the service

The Council has a legislative responsibility to control the quality of works undertaken and/or vested in Council, and to control discharges to the community drains.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A community that respects its environment

- Looking after our air, land and water resources
- Waste reduction

A community with excellent facilities and services

- Good, safe, maintained services and roads
- Good quality infrastructure for the future

What we say we will do

OUTCOME PROMOTED – A community that respects its environment

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Looking after our air, land and water resources • Waste reduction 	Manage and control discharges to the community waste systems, to protect the systems and environment.	Pollution Control Database.	<ul style="list-style-type: none"> • Reduce the impact of illegal discharges by ensuring that 40% of consented trade waste premises are audited annually. • 90% of complaints are responded to within two hours. 	<ul style="list-style-type: none"> • Reduce the impact of illegal discharges by ensuring that 40% of consented trade waste premises are audited annually. • 90% of complaints are responded to within two hours. 	<ul style="list-style-type: none"> • Reduce the impact of illegal discharges by ensuring that 40% of consented trade waste premises are audited annually. • 90% of complaints are responded to within two hours. 	<ul style="list-style-type: none"> • Reduce the impact of illegal discharges by ensuring that 40% of consented trade waste premises are audited annually. • 90% of complaints are responded to within two hours.

OUTCOME PROMOTED – A community with excellent facilities and services

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Good, safe, maintained services and roads • Good quality infrastructure for the future 	Ensuring the quality of infrastructural assets.	Compliance reporting.	Vested infrastructural assets comply with RCEIS.	Vested infrastructural assets comply with RCEIS.	Vested infrastructural assets comply with RCEIS.	Vested infrastructural assets comply with RCEIS.

Assets used in Engineering Compliance Activity

Asset Type	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Computer Hardware	559	415	144
Computer Software	282	253	29
Database	109	60	49
Furniture & Fittings	105	99	5
Office Equipment	329	161	168
Plant & Machinery	118	77	40
	1,502	1,065	435

How the local authority will assess and manage changes in demand, consumption or change in level of service

- The demand is largely driven by customer activity, together with the need to audit for compliance with Consents and the RCEIS
- The level of staffing is reviewed on an ongoing basis, and is adjusted to fit with the overall workload

Anticipated capacity changes and whether they are the result of demand or service level changes

Capacity changes are driven by customer activity and the need for audits.

How the provision of any additional capacity will be undertaken

The level of staffing is reviewed on an ongoing basis, and is adjusted to fit with the overall workload.

How maintenance, renewal and replacement will be undertaken.

No significant assets are associated with this activity.

Funding

This activity comprises two sub-activities that are considered separately for funding. They are:

- Development Engineering; and
- Trade Waste.

Who benefits from the activity?

The community as a whole benefits from:

- Development engineering by ensuring compliance with consent conditions and the requirements of the RCEIS.
- Collection and management of trade waste.
- A clean environment.

What is the period of benefit?

- Benefits are intergenerational and ongoing as long as the services are maintained.

Who creates need for the activity?

- The need to undertake the development engineering activity is created by the community as a whole.
- The need to undertake the trade waste activity derives from those who create trade waste.

Development Engineering

Funding source

The costs of development engineering cannot readily be identified to and collected from individuals and groups.

Trade Waste

Funding source

The costs of trade waste are caused by individuals, groups, businesses and organisations, and are recovered from them.

Engineering Compliance financial summaries (forecast 2007-2016)

Description	Last Year	Annual Plan										
(thousands)	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	236	148	120	96	85	137	-289	-296	-315	-224	49	77
Depreciation	115	147	174	189	201	197	176	185	201	184	195	211
Finance	3	3	4	5	5	5	5	5	5	5	5	5
Total costs	354	298	297	290	291	338	-108	-107	-109	-36	248	294
REVENUE												
Fees and charges	822	643	605	617	630	804	832	861	892	933	1188	1214
Total revenue	822	643	605	617	630	804	832	861	892	933	1188	1214
Net cost of service	-468	-344	-307	-328	-340	-465	-941	-969	-1000	-970	-940	-921
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Renewals	0	35	20	0	0	0	0	0	0	0	0	0
Other renewals	96	186	161	100	259	166	101	262	146	138	276	136
Total Capital	96	221	181	100	259	166	101	262	146	138	276	136
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	-468	-344	-307	-328	-340	-465	-941	-969	-1000	-970	-940	-921
Funding	-468	-344	-307	-328	-340	-465	-941	-969	-1000	-970	-940	-921
Less depreciation for Capital	-115	-147	-174	-189	-201	-197	-176	-185	-201	-184	-195	-211
Total Rates for/(from) Operations	-583	-492	-481	-516	-541	-663	-1116	-1153	-1201	-1154	-1134	-1132
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	115	147	174	189	201	197	176	185	201	184	195	211
Loans from/(yo) Corporate Funds	-19	74	8	-89	58	-31	-75	79	-55	-46	80	-76
Total capital	96	221	181	100	259	166	101	262	146	138	276	136

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Land Drainage

Overall aim of the activity

To protect property from flood damage and provide protection for the District's Lakes, rivers and streams.

Activity purpose – why we provide the service

Council has a responsibility under the Health Act where directed by the Chief Medical Officer of Health to provide drainage works to ensure a healthy community. Council therefore proactively provides this service. There is also a community expectation of provision of stormwater and drainage services that provides for a low level of risk and efficient drainage of surface water.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A community that respects its environment

- Improved Lake Water Quality

A community with excellent facilities and services

- Good quality Infrastructure for future

What we say we will do

OUTCOME PROMOTED – A community that respects its environment

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Improved lake water quality	Provision of a stormwater network to minimise the impact on the environment.	<ul style="list-style-type: none"> • Environment Waikato • EBOP • Compliance reports 	Contribution to improved lake water quality by complying with discharge consents.	Contribution to improved lake water quality by complying with discharge consents.	Contribution to improved lake water quality by complying with discharge consents.	Contribution to improved lake water quality by complying with discharge consents.

OUTCOME PROMOTED – A community with excellent facilities and services

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Good quality infrastructure for future	To minimise the impact of flooding to property.	Annual flooding report.	No habitable building inundated in a 50 year return period event.	No habitable building inundated in a 50 year return period event.	No habitable building inundated in a 50 year return period event.	No habitable building inundated in a 50 year return period event.

Assets used in Land Drainage Activity

Asset Type	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Computer Software	25	25	-
Database	24	14	10
Furniture & Fittings	12	12	-
Land	1,010	-	1,010
Office Equipment	11	11	-
Plant & Machinery	15	15	-
Stormwater Drainage	57,438	1,007	56,431
	58,535	1,084	57,451

How the local authority will assess and manage changes in demand, consumption or change in level of service

Demand is governed by development with a constant LOS. It is intended that the Development Contribution Policy will address the growth issue. To date this has been implemented on an ad hoc basis under the District Plan. Projects included in the LTCCP largely address backlog with a small growth component.

Anticipated capacity changes and whether they are the result of demand or service level changes

Capacity changes are the result of increased development.

How the provision of any additional capacity will be undertaken

An upgrade plan is in place to address backlog. It has been prepared on a priority basis, i.e. areas where dwellings are more vulnerable have been addressed first.

How maintenance, renewal and replacement will be undertaken.

A specific renewal, replacement programme has been developed for the stormwater assets based on the factors which influence the remaining economic life of the asset concerned. Developing such a methodology where remaining asset life could be determined was based on the database of information held on the assets along with condition monitoring procedures, e.g. CCTV surveys.

Factors influencing service life are:

- Geothermal Fields
- Soil Conditions
- Depth

Funding

Who benefits from the activity?

- The community as a whole benefits from safe and efficient discharge of stormwater.
- Owners of property more prone to effects of stormwater also gain a particular benefit.

What is the period of benefit?

- Benefits are ongoing as long as the infrastructure is maintained.

Who creates need for the activity?

- The community as a whole creates the need for a safe urban environment where stormwater discharges are adequately dealt with.
- Property owners directly affected by stormwater create a need for infrastructure to maintain adequate protection.

Funding source

This activity benefits:

- Both existing and future owners and occupiers of properties.
- Owners and occupiers who are connected to the system and those who are not connected but are within the catchment.
- The community as a whole by reducing the risk to public health resulting from storm events.
- It is considered all residents live within a catchment so benefit to greater or lesser extent.

This activity is currently funded by general rates after allowing for some development contributions. It is proposed that development contributions be used more in future. This however is subject to specific analysis per development, as the capital programme in this LTCCP addresses backlog only.

Land Drainage financial summaries (forecast 2007-2016)

Description	Last Year	Annual Plan										
(thousands)	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	1,173	1,192	1,264	1,304	1,338	1,355	1,380	1,418	1,444	1,461	1,485	1,501
Depreciation	1,086	1,098	1,015	1,025	1,088	1,097	1,108	1,183	1,193	1,200	1,283	1,290
Finance	237	471	512	694	762	795	835	873	874	862	756	759
Total costs	2,496	2,761	2,791	3,022	3,188	3,247	3,323	3,475	3,510	3,523	3,524	3,550
REVENUE												
Fees and charges	89	100	100	102	104	106	108	110	113	115	117	120
Capital grants and contributions		5	7	10	13	17	25	34	39	47	53	57
Total revenue	89	105	107	112	117	123	133	144	152	162	170	177
Net cost of service	2,408	2,656	2,684	2,909	3,071	3,124	3,190	3,330	3,358	3,361	3,354	3,373
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Stormwater Renewals												
Renewal	549	329	479	344	358	372	385	398	410	421	432	442
City Stormwater Upgrades												
Provision for Growth	454	626	496	470	489	508	526	543	560	575	588	603
Total Capital	1,003	955	975	814	847	880	912	941	970	996	1,020	1,045
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	2,408	2,656	2,684	2,909	3,071	3,124	3,190	3,330	3,358	3,361	3,354	3,373
Plus Capital Grants and Contributions	0	5	7	10	13	17	25	34	39	47	53	57
Funding	2,408	2,661	2,691	2,920	3,084	3,141	3,215	3,364	3,398	3,408	3,407	3,430
Less depreciation for Capital	-1,086	-1,098	-1,015	-1,025	-1,088	-1,097	-1,108	-1,183	-1,193	-1,200	-1,283	-1,290
Total Rates for/(from) Operations	1,322	1,563	1,676	1,895	1,996	2,044	2,107	2,181	2,205	2,208	2,124	2,141
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	1,086	1,098	1,015	1,025	1,088	1,097	1,108	1,183	1,193	1,200	1,283	1,290
Loans from/(to) Corporate Funds	-83	-148	-47	-221	-254	-234	-221	-276	-262	-252	-316	-303
Capital Grants	0	5	5	5	5	5	5	6	6	6	6	6
Development contributions	0	0	2	5	8	12	19	28	34	42	47	51
Total capital	1,003	955	975	814	847	880	912	941	970	996	1,020	1,045

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Rotorua Regional Airport

Overall aim of the activity

To provide an Airport that optimises the social and economic benefits to the community shareholder.

The Activity Plan for the operating company [RRAL] is summarised in the Statement of Intent which is contained within the LTCCP documentation.

Activity purpose – why we provide the service

The Council, representing the wider community, is taking a leadership role to develop and manage the Rotorua Regional Airport for the overall benefit of the Rotorua and wider Bay of Plenty catchment community.

Rotorua District Council owns the assets at the Rotorua Regional Airport, and leases them to an operating company Rotorua Regional Airport Ltd [RRAL] – a Council-Controlled Trading Organisation in accordance with the Local Government Act 2002.

This Activity Plan is focussed on the optimal management of the assets for the overall benefit of the community through their utilisation by the operating company.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A prosperous community

- more employment opportunities
- encouraging growth

A community with excellent facilities and services

- good, safe, maintained services and roads
- great Airport

What we say we will do

OUTCOME PROMOTED – A community with excellent facilities and services

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Good, safe, maintained services and roads • A great airport 	Safe and efficient infrastructure supporting air transport	Annual Airways Corporation Audit.	Infrastructure available 100% of the time subject to weather	Infrastructure available 100% of the time subject to weather	Infrastructure available 100% of the time subject to weather	Infrastructure available 100% of the time subject to weather

Assets used in Rotorua Regional Airport Activity

Asset Type	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Airport	997	61	936
Buildings	6,216	110	6,106
Land	4,365	-	4,365
Transport	1,708	26	1,682
Runway	12,980	252	12,729
	26,266	449	25,818

How the local authority will assess and manage changes in demand, consumption or change in level of service

An assessment has been made, via external Consultants, of the future demand for air services, particularly trans-Tasman – at Rotorua Regional Airport.

The changes in demand will be managed by capital expansion works as necessary.

Anticipated capacity changes and whether they are the result of demand or service level changes

The capacity changes will be driven by increasing demand for air services into the Rotorua Regional Airport, particularly trans-Tasman air services.

How the provision of any additional capacity will be undertaken

The capital improvement works will be undertaken as programmed to achieve the economic benefits as soon as possible.

How maintenance, renewal and replacement will be undertaken.

A specific renewal or replacement programme has been developed for the assets based on the factors which influence the remaining economic life of the asset concerned. Developing such a methodology where remaining asset life could be determined was based on the database of information held on the assets along with condition monitoring procedures and assessment of risk.

For more defined information on the renewal and replacement programme refer to the Asset Management Plan.

Funding

Who benefits from the activity?

- The community as a whole benefits from:
 - An efficient air service.
 - Increased employment opportunities and increased economic growth.
- Passengers in particular benefit from an efficient service.
- Visitors and tourists benefit from ready access to Rotorua and its attractions.

What is the period of benefit?

- Benefits are ongoing as long as the Airport continues in its current location.

Who creates need for the activity?

- Users of air transport create the need for a safe and efficient infrastructure for supporting air transport.
- Legislation creates the need for safe and efficient services.

Rotorua Regional Airport Ltd financial summaries (forecast 2007-2016)

Description	Last Year (thousands)	Annual Plan										
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	0	57	97	88	129	89	90	100	96	96	128	128
Depreciation	0	580	557	590	791	1,065	1,195	1,286	1,299	1,313	1,406	1,428
Finance	28	1,048	1,260	1,043	920	1,314	1,593	1,564	1,500	1,418	1,324	1,239
Total costs	28	1,685	1,914	1,722	1,841	2,468	2,878	2,950	2,895	2,828	2,859	2,795
REVENUE												
Fees and charges	0	953	1,429	1,788	2,075	2,431	2,719	3,030	3,303	3,431	3,550	3,673
Capital grants and contributions	0	0	3,500	9,776	5,284	0	0	0	0	0	0	0
Total revenue	0	953	4,929	11,564	7,358	2,431	2,719	3,030	3,303	3,431	3,550	3,673
Net cost of service	28	732	-3,015	-9,842	-5,518	37	159	-80	-408	-604	-691	-877
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Southern Extension												
Level of Service Change	0	0	130	1,025	5,248	7,605	0	0	0	0	0	0
Security Fencing												
Level of Service Change	367	170	0	0	0	0	0	0	0	0	0	0
Strengthen Aprons												
Level of Service Change	98	93	0	0	0	0	0	0	0	0	0	0
Strengthen Original runway												
Level of Service Change	0	0	0	0	3,415	1,208	0	0	0	0	0	0

Description (thousands)	Last Year	Annual Plan											
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	
New Aprons/Taxiway													
Level of Service Change	122	0	0	0	0	0	0	0	0	0	0	0	0
Runway													
Renewal	0	32	46	41	43	199	45	46	47	48	49	691	
Other Improvements (Non Trans-Tasman)													
Level of Service Change	0	0	93	104	42	43	44	45	46	47	48	48	
Wetlands Mitigation													
Level of Service Change	1	167	40	1,276	0	0	0	0	0	0	0	0	
New Terminal Stage 1													
Level of Service Change	0	405	80	0	0	0	0	0	0	0	0	0	
Secure Lounge Extension													
Level of Service Change	0	100	1,070	0	0	0	0	0	0	0	0	0	
Security Secure Lounge													
Level of Service Change	0	0	0	154	190	54	0	0	0	0	0	0	
Road & Carpark													
Level of Service Change	1	60	49	4	0	0	0	0	0	0	0	0	
Moving Lessees													
Level of Service Change	0	80	80	0	0	0	0	0	0	0	0	0	
Stat. Planning Trans Tasman Development													
Level of Service Change	17	325	120	108	0	0	0	0	0	0	0	0	
Northern Starter													
Level of Service Change	0	110	2,000	0	0	0	0	0	0	0	0	0	
Property Purchases													
Level of Service Change	0	779	400	515	814	542	886	453	461	469	476	483	
Other Costs/Consultants													
Level of Service Change	210	0	0	0	0	0	0	0	0	0	0	0	
Asset Transfer Ex Airport													
Level of Service Change	18,813	0	0	0	0	0	0	0	0	0	0	0	
Total Capital	19,630	2,321	4,108	3,227	9,752	9,651	976	544	555	564	573	1,222	

HOW WE PAY FOR THIS ACTIVITY

OPERATIONAL FUNDING

Net cost of service	28	732	-3,015	-9,842	-5,518	37	159	-80	-408	-604	-691	-877
Plus Capital Grants and Contributions			3,500	9,776	5,284							
Funding	28	732	485	-66	-234	37	159	-80	-408	-604	-691	-877
Less depreciation for Capital		-580	-557	-590	-791	-1,065	-1,195	-1,286	-1,299	-1,313	-1,406	-1,428
Total Rates for/(from) Operations	28	152	-72	-657	-1,025	-1,028	-1,036	-1,366	-1,707	-1,916	-2,097	-2,305

CAPITAL FUNDING

Capital funded by:-												
Rates funding (depreciation equivalent)		580	557	590	791	1,065	1,195	1,286	1,299	1,313	1,406	1,428
Loans from/(to) Corporate Funds	14,451	1,741	51	-7,139	3,677	8,586	-219	-742	-745	-749	-833	-206
Capital Grants			3,500	9,776	5,284							
Advances net	4,429											
Cash carried forward	1,889											
Shares	2,639											
Total capital	19,630	2,321	4,108	3,227	9,752	9,651	976	544	555	564	573	1,222

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Rural Fire

Overall aim of the activity

Work in partnership with the rural communities to provide protection for people, property and the environment from the hazards of fire and other emergencies.

Activity purpose – why we provide the service

Council provides this service in order to meet legislative requirements under the Forest and Rural Fires Act and community expectations. The Rotorua District Council Rural Fire Authority covers over 120,000 hectares of rural land.

Rotorua District has established 3 Volunteer Rural Fire Forces that are located within rural communities in the District. These volunteer forces are well trained and resourced to enable them to effectively respond to and manage various fire and other emergency incidents that occur within their callout areas. Along with these community

initiatives, RDC has a well trained and equipped first response unit, within its business unit, Castlecorp.

A large number of people volunteer their time to ensure that their community, and our district, remains “a safe and caring community”.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

Safe and caring community

- Safe homes and streets
- Organisations working together on agreed priorities
- Providing safe public places

What we say we will do

OUTCOME PROMOTED – A safe and caring community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Safe homes and streets • Organisations working together on agreed priorities • Providing safe public places 	Protection for people, property and the environment from the hazards of fire	Updated and certified annual fire plan available.	Prevention suppression and control of fires in the rural area by updating annual fire plan by 1 October.	Prevention suppression and control of fires in the rural area by updating annual fire plan by 1 October.	Prevention suppression and control of fires in the rural area by updating annual fire plan by 1 October.	Prevention suppression and control of fires in the rural area by updating annual fire plan by 1 October.

Assets used in Rural Fire Activity

Asset Type	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Buildings	173	4	169
Plant & Machinery	118	33	86
Vehicle	203	121	82
	494	158	337

How the local authority will assess and manage changes in demand, consumption or change in level of service

The Rotorua District Rural Fire Plan sets out how Rotorua District Council implements its policies and procedures to fulfil its statutory obligations and responsibilities to manage the risk of rural fires that may occur. It also sets out to ensure that the community based response, combined with

contracted services can continue to take appropriate measures to mitigate the risks posed by fire.

The 2005 Forest and Rural Fires Regulations specify the requirements of Rural Fire Plans. This Fire Plan is written in accordance with those regulations. Reference is made throughout this Plan to indicate how the requirements of the Regulations are met.

The New Zealand Fire Service does not have any fire brigades located within the area under the jurisdiction of Rotorua District Council Rural Fire Authority. Therefore, where considered appropriate, Voluntary Rural Fire Forces have been established to enable local communities to respond to and assist at emergency events while waiting for arrival of Emergency Services.

This Rural Fire Plan sets out the policies and procedures that the Council has developed to enable it to effectively and efficiently undertake its statutory rural fire obligations, roles, and responsibilities.

This plan is structured around the four components of emergency management being:

- Reduction
- Readiness
- Response, and
- Recovery

Anticipated capacity changes and whether they are the result of demand or service level changes

There are no capacity changes.

How the provision of any additional capacity will be undertaken

No additional capacity is anticipated for this activity.

How maintenance, renewal and replacement will be undertaken.

Through monitoring of asset replacement schedule.

Funding

Who benefits from the activity?

- The community as a whole benefits from assurance that a plan for response and management is in place in the event of rural fire emergency.

What is the period of benefit?

- Benefits are ongoing in terms of peace of mind for residents, although direct benefits are short term in the event of a fire.

Who creates need for the activity?

- Legislation creates the need for the activity.
- Local communities, forest owners, and other groups also create the need for the activity.

Rural Fire financial summaries (forecast 2007-2016)

Description (thousands)	Last Year	Annual Plan										
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	126	108	116	119	121	122	126	131	133	133	133	134
Depreciation	36	34	33	32	33	32	35	41	40	40	42	41
Finance	1	3	3	4	4	4	5	5	5	5	4	4
Total costs	163	145	152	155	158	158	165	176	178	178	179	179
REVENUE												
Subsidies and grants	27	5	5	5	5	5	6	6	6	6	6	6
Fees and charges	0	1	1	1	1	1	1	1	1	1	1	1
Total revenue	27	6	6	6	6	6	6	6	7	7	7	7
Net cost of service	136	139	146	149	152	152	159	170	171	171	172	172
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Volunteer Rural Fire Forces (VRFF)												
Renewal	4	36	21	21	22	22	100	23	24	24	25	25
Total Capital	4	36	21	21	22	22	100	23	24	24	25	25
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	136	139	146	149	152	152	159	170	171	171	172	172
Funding	136	139	146	149	152	152	159	170	171	171	172	172
Less depreciation for Capital	-36	-34	-33	-32	-33	-32	-35	-41	-40	-40	-42	-41
Total Rates for/(from) Operations	100	105	113	117	119	120	124	129	131	131	130	132
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	36	34	33	32	33	32	35	41	40	40	42	41
Loans from/(to) Corporate Funds	-32	1	-12	-10	-11	-10	66	-17	-16	-16	-17	-16
Total capital	4	36	21	21	22	22	100	23	24	24	25	25

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Transport

Overall aim of the activity

To plan, develop and maintain an integrated, safe, responsive and sustainable Land Transport Network in accordance with the principles of the Land Transport Management Act 2003.

Activity purpose – why we provide the service

- Management of the transport network is undertaken as a statutory requirement of the Local Government and Land Transport Management Acts.
- The transport network also provides a corridor for the installation and management of utility services inclusive of telecommunications, power services, water sewerage and stormwater under a range of legislation covering utilities.
- The transport activity will not be inconsistent with the Regional Land Transport Strategy, the National Energy Efficiency and Conservation Strategy and the Road Safety Strategy 2010.
- There is also community and commercial expectation of a safe and efficient transport network for the transport of people, goods and services.
- This activity includes footpath and verge maintenance and construction in both the urban and rural areas along with the undertaking of non-subsidised transport improvement works, such as extension of seal in the rural area and the provision of kerbing, channelling and footpath construction in urban and rural areas.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A safe and caring community

- Fewer road crashes

A community that respects its environment

- Look after our land, air and water resources

A community with excellent facilities and services

- Easy to get from place to place
- Good safe maintained services and roads

A prosperous community

- Encouraging growth
- More investment in our District

Comment on significant changes in 10 year Levels of Service

No significant changes in Levels of Service however there will be backlog and / or excess capacity in some areas

- travel delay and congestion
- air quality

Other key areas will be kept relatively constant viz.

- ride quality
- economic development
- surface water discharge to the environment
- safety

What we say we will do

OUTCOME PROMOTED – A safe and caring community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Fewer road crashes	Provision of a transport network that meets nationally accepted safety standards.	<ul style="list-style-type: none"> A database of accident blackspots prioritised annually through the minor safety programme Triennial Transit audits. Scrim testing for skid resistance Geometric design standards. 	Contribute to fewer road crashes by: <ul style="list-style-type: none"> Annually re-assess accident blackspots and propose solutions for following year. Roads maintained to LTNZ standards. 95% of arterial network compliant. Design of all new works meet standard. 	Contribute to fewer road crashes by: <ul style="list-style-type: none"> Annually re-assess accident blackspots and propose solutions for following year. Roads maintained to LTNZ standards. 95% of arterial network compliant. Design of all new works meet standard. 	Contribute to fewer road crashes by: <ul style="list-style-type: none"> Annually re-assess accident blackspots and propose solutions for following year. Roads maintained to LTNZ standards. 95% of arterial network compliant. Design of all new works meet standard. 	Contribute to fewer road crashes by: <ul style="list-style-type: none"> Annually re-assess accident blackspots and propose solutions for following year. Roads maintained to LTNZ standards. 95% of arterial network compliant. Design of all new works meet standard.

OUTCOME PROMOTED – A community that respects its environment

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Looking after our land, air and water resources	Minimise the impact of the transport network on the environment.	EBOP and EW show no non-compliance. Compliance reports.	<ul style="list-style-type: none"> Compliance with Air Discharge Standards. Compliance with water discharge consents. 	<ul style="list-style-type: none"> Compliance with Air Discharge Standards. Compliance with water discharge consents. 	<ul style="list-style-type: none"> Compliance with Air Discharge Standards. Compliance with water discharge consents. 	<ul style="list-style-type: none"> Compliance with Air Discharge Standards. Compliance with water discharge consents.

OUTCOME PROMOTED – A community with excellent facilities and services

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Easy to get from place to place • Good, safe, maintained services and roads 	Provision of maintenance of a transport network that is easy to get around and does not result in driver frustration	LOS D ¹ at peak times and LOS C ² at off-peak times.	Minimise travel delay and congestion by maintaining LOS for 95% of the network.	Minimise travel delay and congestion by maintaining LOS for 95% of the network.	Minimise travel delay and congestion by maintaining LOS for 95% of the network.	Minimise travel delay and congestion by maintaining LOS for 95% of the network.
		National benchmarking surveys.	Ride quality in top 50% of national benchmarking survey.	Ride quality in top 50% of national benchmarking survey.	Ride quality in top 50% of national benchmarking survey.	Ride quality in top 50% of national benchmarking survey.

¹ LOS D is close to the limit of stable flow and approaching unstable flow. All drivers are severely restricted in their freedom to select their desired speed and manoeuvre within the traffic stream. The general level of comfort and convenience is poor and small increases in traffic flow will generally cause operational problems. LOS D is acceptable for short periods of high demand, such a peak commuting periods but is unlikely to be acceptable for long periods.

² LOS C is in the zone of stable flow but most drivers are restricted to some extent in their freedom to select their desired speed and manoeuvre within the traffic stream. The general level of comfort and convenience declines noticeably at this level.

Assets used in Transport Activity

Asset Type	(thousands)	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Bridges		13,117	230	12,887
Buildings		265	49	216
Footpaths (Eng)		24,652	456	24,196
Land		1,352	-	1,352
Office Equipment		21	21	-
Plant & Machinery		47	20	27
Roading		216,814	4,105	212,709
Stormwater Drainage		80	-	80
Street Signals, Signs, Lights		3,823	215	3,608
Vehicle		76	63	13
Wastewater Reticulation		419	5	414
		260,666	5,164	255,502

How the local authority will assess and manage changes in demand, consumption or change in level of service

Techniques used to manage usage of RDC transport assets include:

- traffic bylaws (restricting traffic use, use of air brakes, speed etc)
- geometrics (restricting speed, access by large vehicles etc)
- signals and controls (i.e. medians restricting movement)
- CBD development (promoting pedestrian ways, relocated parking areas etc)

Growth in traffic demand due to population and commercial / industrial development over the next 20 years is generally not expected to cause particular problems on the local network except at isolated locations and along some arterial roads

approaching Rotorua city which are expected to suffer from increasing congestion e.g. Lake Road.

The 2003 Rotorua Urban Transportation Study shows predicted traffic demands up to 2021.

Future demand management strategies have been based on the traffic model. This exercise has led to:

- Development of long term strategies for managing and developing the road network
- Identification of new road links
- Recommended future land use policies and redefinition of the road hierarchy
- Enhancing the use of public transport

The future parking demand in areas other than the Rotorua CBD will not be of significance to warrant specific demand

management measures. Parking demand in the CBD will be addressed as part of an overall traffic management strategy.

Anticipated capacity changes and whether they are the result of demand or service level changes

Capacity changes are a result of growth and new or re-location of industry / development.

How the provision of any additional capacity will be undertaken

Additional capacity is provided according to key strategy documents.

- Rotorua Urban Transportation Study
- Road / Rail Strategic Assessment
- Various Regional Strategy Studies
- Travel Demand Management Strategy (to be completed)

How maintenance, renewal and replacement programmes are determined

Detailed maintenance and renewal programme and methodologies are adopted for the individual assets e.g. pavement, bridges, footpaths, structures, signs, roading etc. They are generally based on standard lives but specific inspections determine annual renewal programmes.

Funding

This activity comprises two sub-activities that are considered separately for funding. They are:

- Transport Unsubsidised and Works General
- Transport Subsidised

Who benefits from the activity?

- The community as a whole benefits from accessibility of city and ease of transportation throughout the city and district.
- Road users gain a specific benefit.
- Users of parking facilities gain a specific benefit.
- Owners of properties adjacent to or connected to the network, and commercial operators derive a benefit, depending on the network.
- Visitors to the district also benefit.
- Developers gain specific benefits.

What is the period of benefit?

- Benefits are ongoing as long as infrastructure is maintained.

Who creates need for the activity?

- The community as a whole creates the need for an accessible urban environment where transport links are readily available for both business and public use. Growth also creates the need for expansion and upgrading of the network.
- Transport operators and businesses derive a benefit from being able to carry out their activities.

Transport Unsubsidised and Works General

Funding source

This sub-activity essentially serves the community as a whole. Council cannot practically recover costs for this activity.

Transport Unsubsidised and Works General financial summaries (forecast 2007-2016)

Description	Last Year	Annual Plan										
(thousands)	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	1,339	1,350	1,592	1,644	1,608	1,589	1,571	1,593	1,604	1,611	1,629	1,632
Depreciation	4,002	4,043	5,010	5,116	5,513	5,508	5,628	6,175	6,263	6,285	6,798	6,611
Finance	911	1,672	1,168	1,552	1,700	1,778	1,869	1,960	1,978	1,965	1,763	1,784
Total costs	6,251	7,066	7,770	8,313	8,821	8,875	9,069	9,728	9,845	9,861	10,189	10,028
REVENUE												
Subsidies and grants	661	660	660	673	660	701	715	729	743	758	774	789
Fees and charges	76	5	5	5	5	5	5	6	6	6	6	6
Capital grants and contributions	40	65	3	8	12	16	27	37	41	46	50	53
Total revenue	776	730	669	687	677	722	747	771	790	810	829	848
Net cost of service	5,475	6,336	7,102	7,626	8,144	8,152	8,323	8,957	9,055	9,051	9,360	9,180
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Contributions to Development												
Provision for Growth	68	0	50	51	52	54	55	56	57	57	58	59
Footpath Renewals												
Renewal	102	90	124	128	132	135	138	142	145	148	150	153

Description (thousands)	Last Year	Annual Plan											
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	
Kerb & Channel Renewals													
Renewal	26	48	48	50	51	53	54	55	57	58	59	60	
Land Acquisition													
Backlog	55	48	48	49	50	51	53	54	55	56	57	57	
Maori Road & Unformed Road Lin													
Backlog	157	80	80	82	85	87	89	91	92	94	95	97	
Minor Safety Improvements													
Backlog	31	30	30	31	32	33	34	35	36	37	37	38	
Parks Roading Renewals													
Renewal	0	0	35	72	107	0	0	0	0	0	0	0	
Rural Seal Extension													
Backlog	861	840	1,110	977	1,008	1,038	1,066	1,092	1,116	1,139	1,159	1,180	
Rural Street Improvements													
Backlog	477	352	360	372	384	395	406	416	425	433	441	449	
Seal Widening													
Backlog	218	300	0	0	0	0	0	0	0	0	0	0	
Security Lighting													
Backlog	0	30	0	0	0	0	0	0	0	0	0	0	
Tyron Street Upgrade													
Backlog	612	0	0	0	0	0	0	0	0	0	0	0	
Urban Street Improvements													
Backlog	557	453	480	290	139	143	147	150	154	157	159	162	
Urban Streetlight Undergrounding													
Backlog	36	65	0	0	0	0	0	0	0	0	0	0	
Waikite Valley Pools Entranceway													
Backlog	108	0	0	0	0	0	0	0	0	0	0	0	
Western Heights Shopping Centre													
Backlog	0	0	0	424	0	0	0	0	0	0	0	0	
Total Capital	3,309	2,335	2,364	2,526	2,040	1,988	2,041	2,091	2,136	2,178	2,216	2,255	

HOW WE PAY FOR THIS ACTIVITY

OPERATIONAL FUNDING

Net cost of service	5,475	6,336	7,102	7,626	8,144	8,152	8,323	8,957	9,055	9,051	9,360	9,180
Plus Capital Grants and Contributions	40	65	3	8	12	16	27	37	41	46	50	53
Funding	5,515	6,401	7,105	7,634	8,155	8,169	8,349	8,994	9,096	9,097	9,409	9,233
Less depreciation for Capital	-4,002	-4,043	-5,010	-5,116	-5,513	-5,508	-5,628	-6,175	-6,263	-6,285	-6,798	-6,611
Add back half share roading depreciation	1,884	2,008	2,497	2,547	2,741	2,736	2,793	3,063	3,104	3,111	3,362	3,267
Total Rates for/(from) Operations	3,397	4,366	4,592	5,065	5,384	5,397	5,514	5,882	5,936	5,923	5,974	5,889

CAPITAL FUNDING

Capital funded by:-

Rates funding (depreciation equivalent)	4,002	4,043	5,010	5,116	5,513	5,508	5,628	6,175	6,263	6,285	6,798	6,611
Loans from/(to) Corporate Funds	1,151	235	-153	-51	-742	-800	-821	-1,058	-1,064	-1,042	-1,269	-1,142
Capital Grants	40	65	0	0	0	0	0	0	0	0	0	0
Development contributions	0	0	3	8	12	16	27	37	41	46	50	53
Roading half depreciation funded by grants	-1,884	-2,008	-2,497	-2,547	-2,741	-2,736	-2,793	-3,063	-3,104	-3,111	-3,362	-3,267
Total capital	3,309	2,335	2,364	2,526	2,040	1,988	2,041	2,091	2,136	2,178	2,216	2,255

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Transport Subsidised

Funding source

From 2006/07 Land Transport NZ pays 46% of roading maintenance costs and 56% of capital upgrade costs from transport and petrol taxes collected. The financial assistance rate (FAR) is set by LTNZ policy. The local share for capital work can be met by a combination of development contributions and general rates.

Transport Subsidised financial summaries (forecast 2007-2016)

Description	Last Year	Annual Plan										
(thousands)	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	4,866	5,036	5,194	5,307	5,420	5,574	5,697	5,850	6,052	6,118	6,066	6,298
Depreciation	12	21	12	12	13	13	12	14	7	2	0	0
Finance	0	1	1	1	1	1	1	1	1	1	1	1
Total costs	4,879	5,058	5,207	5,320	5,434	5,588	5,709	5,864	6,060	6,120	6,067	6,300
REVENUE												
Subsidies and grants	2,157	2,455	2,247	2,237	2,240	2,316	2,340	2,387	2,497	2,506	2,479	2,592
Fees and charges	14	3	3	3	3	3	3	3	3	3	4	4
Capital grants and contributions	1,686	1,194	2,338	3,142	3,043	4,030	4,230	4,208	2,920	3,815	8,007	10,957
Total revenue	3,856	3,652	4,588	5,382	5,286	6,349	6,573	6,598	5,420	6,324	10,490	13,553
Net cost of service	1,023	1,406	619	-62	148	-761	-864	-734	640	-204	-4,423	-7,254
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Bus Shelter Renewals												
Renewal	2	59	65	67	69	70	72	74	75	76	77	79
Bus Shelter New												
Backlog	47	0	0	0	0	0	0	0	0	0	0	0
Culvert Renewals												
Renewal	67	28	50	52	53	55	56	58	59	60	61	62
Cycleway Construction												
Backlog	0	10	20	21	21	22	23	23	24	24	25	25
Kerb & Channel Renewals												
Renewal	69	0	0	0	0	0	0	0	0	0	0	0
Major Drainage Control												
Backlog	70	80	0	34	35	36	37	38	39	40	40	46
Minor Safety Projects												
Backlog	604	550	630	620	640	659	677	694	709	723	736	749
Preventative Maintenance												
Backlog	0	0	194	69	71	74	76	77	79	81	82	84
Project Investigation/Planning												
Provision for Growth	64	50	50	52	53	55	56	58	59	60	61	62
Rehabilitation Renewals												
Renewal	959	672	700	776	800	824	846	867	886	904	920	937
Road Reconstruction (Works)												
Provision for Growth	40	0	0	0	0	0	0	0	0	0	0	0
Malfroy / Ranolf Roundabout												
Provision for Growth	0	0	0	1,086	0	0	0	0	0	0	0	0
Ti St Deviation												
Provision for Growth	0	0	0	0	0	0	1,128	2,312	0	0	0	0

Description	Last Year	Annual Plan											
	(thousands)	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Lake Road - 4 Laning													
Provision for Growth	0	0	0	0	1,067	2,196	1,128	0	0	0	0	0	0
Victoria St													
Provision for Growth	0	0	0	0	0	0	0	0	0	0	6,133	12,487	
Road Reseals													
Renewal	1,824	1,636	2,233	2,621	2,264	2,790	2,650	2,200	2,012	2,240	3,685	2,159	
Seal Widening													
Backlog	0	0	540	558	576	593	609	624	638	651	662	674	
Traffic Lights													
Renewal	0	0	0	0	0	0	79	0	0	0	0	0	
Transit Designation													
Renewal	0	50	100	51	0	0	0	0	0	0	0	0	
Transportation Centre													
Provision for Growth	0	0	0	0	0	0	0	0	0	1,205	1,227	1,249	
Urban Streetlight Renewals													
Renewal	146	150	150	155	160	165	169	173	177	181	184	187	
Total Capital	3,892	3,285	4,732	6,163	5,812	7,538	7,605	7,197	4,756	6,244	13,894	18,800	

HOW WE PAY FOR THIS ACTIVITY

OPERATIONAL FUNDING

Net cost of service	1,023	1,406	619	-62	148	-761	-864	-734	640	-204	-4,423	-7,254
Plus Capital Grants and Contributions	1,686	1,194	2,338	3,142	3,043	4,030	4,230	4,208	2,920	3,815	8,007	10,957
Funding	2,709	2,600	2,958	3,080	3,191	3,269	3,366	3,474	3,560	3,611	3,585	3,704
Less depreciation for Capital	-12	-21	-12	-12	-13	-13	-12	-14	-7	-2	0	0
Total Rates for/(from) Operations	2,696	2,579	2,945	3,067	3,178	3,256	3,354	3,460	3,553	3,609	3,584	3,703

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Significant proposals, plans, processes, projects

- Victoria Street Expressway - \$22 million (\$7 million outside Ten Year Plan)
- Lake Road 4-Laning - \$4 million
- Malfroy / Ranolf Roundabout - \$1 million
- Eastern Arterial - \$55 million (funded by Transit NZ)
- Ngongotaha / Fairy Springs Road 4-Laning (funded by Transit NZ)
- Ti Street deviation - \$3 million
- Implementation of Cycleway Policy - \$20,000 per annum
- Transportation Centre - \$3 million
- Travel demand management - \$40,000 per annum

Other commentary on financials

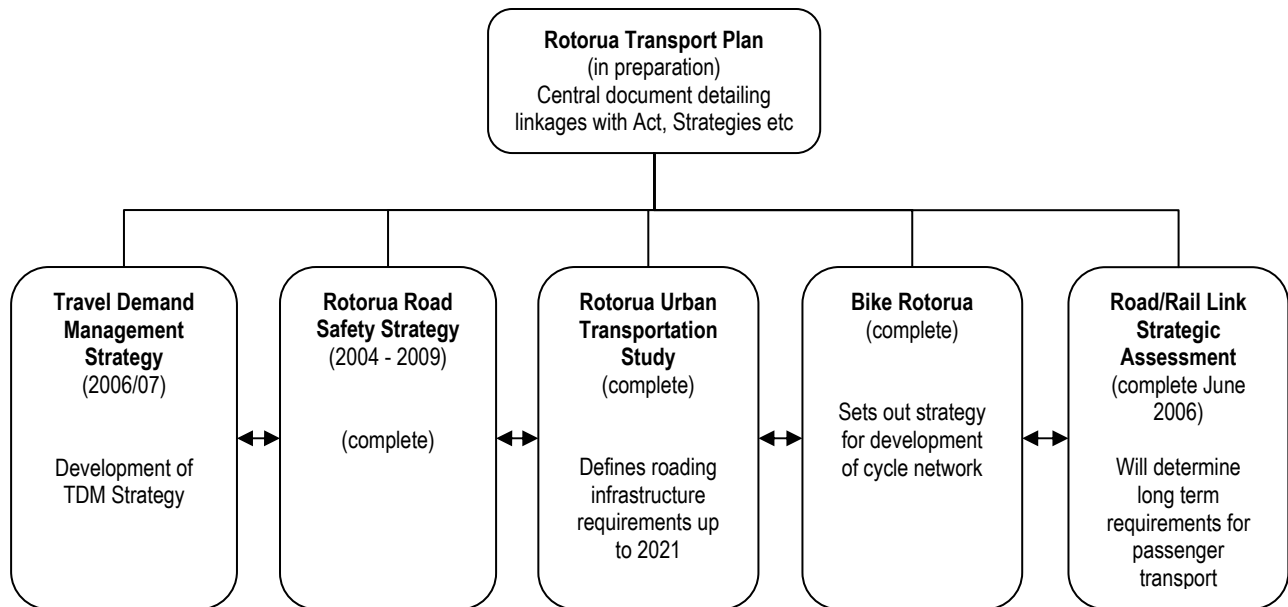
Land Transport Programme (LTP)

A LTP shall be prepared under the Land Transport Management Act (2003) by Council as a Road Controlling Authority. The LTP must incorporate the objectives of the Act:

- Assists economic development; and
- Assists safety and personal security; and
- Improves access and mobility; and
- Protects and promotes public health; and
- Ensures environmental sustainability

and be consistent with the Regional Land Transport Strategy, the National Energy Efficiency and Conservation Strategy, the Road Safety Strategy 2010, and the NZ Transport Strategy.

To achieve this integrated approach to development of an LTP, Council is preparing or has prepared the following Documents:



The LTP for 2006/07 contains:

Provision for those items as part of completed strategies

- Road Infrastructure
 - Lake Road 4-Laning
 - Victoria Street Expressway
 - Malfroy / Ranolf Roundabout
 - Ti Street Deviation
- Cycleway Implementation - Ngongotaha to CBD

and provision for those items possible out of uncompleted strategies

- Passenger Transport
 - Transport Centre
- Travel Demand Management
 - Travel Plans

The maintenance component of the LTP is direct from the Asset Management Plan

Please refer to Land Transport Strategy for further details of programme and linkages to Central, Regional and Local Strategies and Legislation.

Transport (Road Safety)

Overall aim of the activity

To reduce the incidence and severity of crashes in the District through advocacy, encouragement and providing education initiatives.

Activity purpose – why we provide the service

This activity is in response to community expectations and the need for Council to provide a leadership and co-ordination role. In addition to Council's own funds, the Crown provides funds for a number of Road Safety initiatives that can be brought to the District if Council acts in this role. This activity is split into two interrelated areas.

- 1) This activity provides for the delivery, co-ordination and facilitation of road safety programmes and initiatives.
 - Council has a District Road Safety Strategy. This outlines the key issues / problems in terms of road safety locally. This includes Central Government Agencies, Regional Authorities and Community Groups.
 - Council employs a fulltime Road Safety Co-ordinator to co-ordinate, facilitate and manage local efforts to address identified road safety issues / problems in the areas of education and encouragement. Additionally 30% of an officer's time is committed in a supervisory capacity.

Examples of programmes in operation are Safe with Age, Safe Cycling, Speed, Kidz "n" Cars and Walking School Bus.

- Council's Safety Management System (or SMS) is maintained within this activity. A SMS outlines the engineering focus on safety.

- Each year specific Land Transport resources for the District are agreed between Land Transport NZ; Police and Council. This activity area oversees and manages this delivery.

Council is committed to achieving the goals in the National 2010 Strategy and the District Strategy reflects this – incorporating the 3E's of Road Safety, (Education, Engineering and Enforcement), at a local level.

- 2) Council has a Cycleway Policy. This activity area acts as the "champion" for this document.

The Policy sets the framework for future cycling needs locally in terms of current national strategy, standards and encouragement initiatives.

The Cycling Policy has the intention of increasing the level of cycling through increased infrastructure, encouragement and better integration with other modes of transport including public transport.

It has direct links with the District Road Safety Strategy above and the Rotorua Transportation Plan (under development).

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A safe and caring community

- Fewer road crashes
- Providing safe public places

A healthy community

- Improving health status
- Increasing recreational opportunities

What we say we will do

OUTCOMES PROMOTED - A safe and caring community - A healthy community						
Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Fewer road crashes. • Providing safe public places. 	Develop, co-ordinate and facilitate Road Safety programmes.	Equal or lower crash rates of peer districts as shown in LTNZ annual reports.	Contribute to fewer road crashes by providing education programmes.	Contribute to fewer road crashes by providing education programmes.	Contribute to fewer road crashes by providing education programmes.	Contribute to fewer road crashes by providing education programmes.

OUTCOMES PROMOTED
- A safe and caring community
- A healthy community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> Improving health status Increasing recreational opportunities 	Plan & direct programmes and encourage walking and cycling and integration with other modes.	5 yearly counts at key sites as per strategy	Increased numbers walking and cycling compared with previous count.	Increased numbers walking and cycling compared with previous count.	Increased numbers walking and cycling compared with previous count.	Increased numbers walking and cycling compared with previous count.

Assets used in Transport (Road Safety) Activity

Asset Type	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Computer Hardware	2	-	2
	2	-	2

How the local authority will assess and manage changes in demand, consumption or change in level of service

Changes in demand will be determined from interaction with community groups, Council's committee, public responses and Central Government strategy and data. Delivery mechanisms are reviewed regularly and can be adapted.

Anticipated capacity changes and whether they are the result of demand or service level changes

It is likely any increase in demand or service level changes will be driven by the community itself or from a Central Government directive (and funding source). This will likely mean the delivery or management structure can deliver changes as per "options for providing this service" noted earlier.

How the provision of any additional capacity will be undertaken

As above, this is likely via, outsourcing programmes, funding direct into the community or combined with other providers.

How maintenance, renewal and replacement will be undertaken.

As per corporate policies.

Funding

Who benefits from the activity?

- The community as a whole benefits from:
 - Accessibility of the city and ease of transportation throughout the city and District.
 - Increasing the safety of all road users.
- Road users gain specific benefits.

What is the period of benefit?

- Benefits will be ongoing and be intergenerational.

Who creates need for the activity?

- The need is created by Council taking on community leadership and responsibility to try to reduce the effects of road crashes on personal lives in terms of death and injury for those directly involved and wider with family and work.
- Users for provision of facilities, encouragement and education to increase walking and cycling as more active modes of transport for Health and sustainability.
- Road users create the need for the activity by way of education to increase safety.
- Road users also create the benefit by way of provision of facilities, encouragement and education to increase walking and cycling as active modes of transport for health and sustainability.

Funding source

Some funding comes from Land Transport NZ. The balance needs to be funded by the community. An estimated Crown income is included beyond Year 1 as Crown funding is decided on a year by year basis, but historically greater than shown.

Transport (Road Safety) financial summaries (forecast 2007-2016)

Description (thousands)	Last Year	Annual Plan										
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	174	161	151	155	158	161	164	167	170	173	176	178
Depreciation	0	0	1	1	1	1	1	1	1	1	1	1
Total costs	174	161	152	156	159	162	165	168	171	174	177	179
REVENUE												
Subsidies and grants	100	92	70	72	74	76	78	79	81	82	83	85
Total revenue	100	92	70	72	74	76	78	79	81	82	83	85
Net cost of service	74	70	82	84	85	86	87	89	91	92	94	94
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Other renewals	0	2	0	0	2	0	0	2	0	0	2	0
Total Capital	0	2	0	0	2	0	0	2	0	0	2	0
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	74	70	82	84	85	86	87	89	91	92	94	94
Funding	74	70	82	84	85	86	87	89	91	92	94	94
Less depreciation for Capital	0	0	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1
Total Rates for/(from) Operations	74	69	81	83	84	86	86	88	90	91	93	93
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	0	0	1	1	1	1	1	1	1	1	1	1
Loans from/(to) Corporate Funds	0	2	-1	-1	1	-1	-1	1	-1	-1	1	-1
Total capital	0	2	0	0	2	0	0	2	0	0	2	0

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Transport (State Highway Administration)

Overall aim of the activity

To plan, develop and maintain the district State Highway system as the asset manager in a way that contributes to an integrated, safe and responsive transport network.

Activity purpose – why we provide the service

The management and administration of the physical highway network within the district is undertaken by Council. This is a unique situation, normally this would be by Transit NZ, the crown highway agency. Council has been delegated the role of Asset Manager. This allows a co-ordinated overview of roading and transport modes to be undertaken. While still working within the national Transit NZ system for funding and policy, the delegation allows for the integration, development and promotion of Rotorua projects and maintenance needs across the road transport network.

This activity area provides both leadership and management capability for the Asset Manager role. Additionally the area provides a wider relationship for planning interaction both

locally and regionally for different modes and the land transport network.

Much of the output of this function (highway asset management) is undertaken by external parties by way of professional services contracts with Council. Council receives an income stream for providing this service based on the value of all works expenditure.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A safe and caring community

- Fewer road crashes.

A community with excellent facilities and services

- Good safe maintained services and roads.
- Good quality infrastructure for future.

What we say we will do

OUTCOME PROMOTED – A safe and caring community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Fewer road crashes	Plan, develop and advocate for safer district SH network.	Fewer road crashes by:				
		A database of current crash spots is maintained and prioritised annually for the minor safety works programme.	Identifying, prioritising and programming black spots rectification.	Identifying, prioritising and programming black spots rectification.	Identifying, prioritising and programming black spots rectification.	Identifying, prioritising and programming black spots rectification.
		Development and acceptance of a highway Annual Plan to Transit standard each year.	Maintaining roads to national standards.	Maintaining roads to national standards.	Maintaining roads to national standards.	Maintaining roads to national standards.
		Scrim testing to ensure network meets national skid resistance level.	Ensuring good stopping distances.	Ensuring good stopping distances.	Ensuring good stopping distances.	Ensuring good stopping distances.
		Design of new works in accordance with current geometric design standards.	Designing any new works for safety.	Designing any new works for safety.	Designing any new works for safety.	Designing any new works for safety.

OUTCOME PROMOTED – A community with excellent facilities and services

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Good, safe maintained services and roads. • Good quality infrastructure for future. 	Manage and administer the district SH network.	Annual benchmarking (Transit NZ).	Advance and manage the network locally within the national/local policy framework of Transit NZ and Council.	Advance and manage the network locally within the national/local policy framework of Transit NZ and Council.	Advance and manage the network locally within the national/local policy framework of Transit NZ and Council.	Advance and manage the network locally within the national/local policy framework of Transit NZ and Council.

Assets used in Transport (State Highway Management) Activity

Asset Type	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Computer Hardware	17	16	1
	17	16	1

How the local authority will assess and manage changes in demand, consumption or change in level of service

Level set nationally by Transit NZ.

Anticipated capacity changes and whether they are the result of demand or service level changes

Network is managed by a national priority setting process.

How the provision of any additional capacity will be undertaken

Network is managed by a national priority setting process.

How maintenance, renewal and replacement will be undertaken.

Network is managed by a national priority setting process.

Funding
Who benefits from the activity?

- The community as a whole benefits from accessibility of the city and ease of transportation of goods, services and people throughout the city and district.
- Road users benefit directly.

What is the period of benefit?

- Benefits are ongoing while maintenance of the infrastructure is adequate.

Who creates need for the activity?

- The community as a whole creates the need for a sustainable, accessible and planned transport network.

Transport (State Highway Management) financial summaries (forecast 2007-2016)

Description (thousands)	Last Year Actual	Annual Plan										
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	117	119	119	122	229	234	127	130	132	133	136	137
Depreciation	2	1	1	1	1	1	1	1	1	1	2	2
Finance	0	0	0	0	0	0	0	0	0	0	0	0
Total costs	119	120	120	123	231	235	128	131	134	135	137	139
REVENUE												
Fees and charges	115	119	119	121	228	232	129	131	134	137	139	142
Total revenue	115	119	119	121	228	232	129	131	134	137	139	142
Net cost of service	4	1	1	2	3	3	-1	0	0	-2	-2	-3
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Other renewals	0	0	4	0	0	4	0	0	4	0	0	4
Total Capital	0	0	4	0	0	4	0	0	4	0	0	4
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	4	1	1	2	3	3	-1	0	0	-2	-2	-3
Funding	4	1	1	2	3	3	-1	0	0	-2	-2	-3
Less depreciation for Capital	-2	-1	-1	-1	-1	-1	-1	-1	-1	-1	-2	-2
Total Rates for/(from) Operations	3	0	0	1	2	1	-2	-2	-2	-3	-4	-5
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	2	1	1	1	1	1	1	1	1	1	2	2
Loans from/(to) Corporate Funds	-2	-1	3	-1	-1	3	-1	-1	3	-1	-2	2
Total capital	0	0	4	0	0	4	0	0	4	0	0	4

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Waste Management

Overall aim of the activity

To manage the collection, re-use and disposal of waste in an environmentally sustainable manner.

Activity purpose – why we provide the service

The activity covers refuse collection, recycling, landfill and all aspects of waste management. The activity is undertaken to provide a District wide integrated approach to waste management, to protect public health and provide cost effective disposal facilities. There is also a public expectation that Council provide such services.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A community that respects its environment

- Waste reduction
- Looking after our air, land and water resource

A community with excellent facilities and services

- Good quality infrastructure for future

What we say we will do

OUTCOME PROMOTED – A community that respects its environment

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Waste reduction • Looking after our air, land and water resource 	Managing the collection, re-use and disposal of waste to always have landfill capacity available.	Annual waste statistics.	Decrease in landfilled waste.	Decrease in landfilled waste.	Decrease in landfilled waste.	Decrease in landfilled waste.
		EBOP compliance reports.	Compliance with consent conditions.	Compliance with consent conditions.	Compliance with consent conditions.	Compliance with consent conditions.

OUTCOME PROMOTED – A community with excellent facilities and services

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
Good quality infrastructure for future	Provision of collection, disposal and recycling facilities.	Monthly capacity surveys.	Always have landfill capacity available.	Always have landfill capacity available.	Always have landfill capacity available.	Always have landfill capacity available.
		Surveys.	95% of population within 13kms of recycling facilities.	95% of population within 13kms of recycling facilities.	95% of population within 13kms of recycling facilities.	95% of population within 13kms of recycling facilities.
		Contractor records.	To complete weekly refuse collection as scheduled.	To complete weekly refuse collection as scheduled.	To complete weekly refuse collection as scheduled.	To complete weekly refuse collection as scheduled.

Assets used in Waste Management Activity

Asset Type	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Buildings	215	11	204
Computer Hardware	12	11	2
Computer Software	2	2	-
Engineering	136	-	136
Land	419	-	419
Roading	144	21	123
Landfill	2,528	537	1,992
Office Equipment	1	1	-
Plant & Machinery	12	6	6
Waste Management Rural Bin Sites	756	13	743
	4,225	602	3,625

How the local authority will assess and manage changes in demand, consumption or change in level of service

Factors which are influencing demand on these services include:

- Environmental pressure to reduce packaging and waste
- Public attitudes to litter and the environment
- A shift from landfilling to recycling

Council, in line with the NZ Waste Strategy, has Waste Minimisation programmes, which are having beneficial effects on the demand for Waste services. A pro-active campaign of public education by Council, as well as other interested parties, is also limiting the demand on the services.

There are a number of new technologies being investigated for the collection, and particularly disposal of Solid Waste. These include such processes as high temperature incineration, pyrolysis, composting and even simply transferring waste to another region or district.

For a number of reasons, it is not anticipated that such a process will be viable on a large scale for Rotorua in the foreseeable future, and therefore landfilling will continue to be the primary means of disposal.

While collection vehicles and machinery will continue to be refined, it is not anticipated that this will make any significant differences to the present refuse and litter collection systems.

Anticipated capacity changes and whether they are the result of demand or service level changes

Capacity changes are the result of demand. The Waste Strategy is aimed at reducing demand in order that capacity is extended in time.

How the provision of any additional capacity will be undertaken

- There is a landfill development strategy in place
- For collection services contractual requirements cater for change in capacity

How maintenance, renewal and replacement will be undertaken.

Renewal of transfer stations is based on standard component lives. All are relatively new and do not impact on the Ten Year Plan.

Landfill space is the critical renewal component. It has a life dependent on the rate of filling. Depreciation is calculated from the historical filling rate. Other components e.g. roads, pipes etc are calculated from standard lives.

Funding

This activity comprises three sub-activities that are considered separately for funding. They are:

- Refuse Collection
- Waste Management
- Landfill

Who benefits from the activity?

- The community as a whole, including future generations, benefit from:
 - The safe and efficient disposal of solid waste.
 - Maintaining a clean and healthy environment, removing hazardous wastes, and protecting standards of health and safety.
- Households and business premises benefit from refuse collection and recycling.

What is the period of benefit?

- Benefits are intergenerational and ongoing as long as the infrastructure and service are maintained.

Who creates need for the activity?

- The need to undertake this activity is created by the community as a whole.
- The need to undertake this activity derives from individuals, groups, households, and businesses that create solid waste.

Refuse Collection

Funding source

This activity benefits residential properties and businesses by removing solid waste. The service does not cover all

properties. Those that are not serviced have to make their own provision at their own cost. It is practical to identify and direct charge properties that receive the benefit. Council therefore recovers this cost by way of targeted rate.

Refuse Collection financial summaries (forecast 2007-2016)

Description	Last Year	Annual Plan										
(thousands)	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	1,547	1,620	1,881	1,946	2,007	2,061	2,108	2,161	2,208	2,253	2,298	2,337
Total costs	1,547	1,620	1,881	1,946	2,007	2,061	2,108	2,161	2,208	2,253	2,298	2,337
REVENUE												
Targeted rates	1,379	1,351	1,631	1,705	1,780	1,854	1,918	1,979	2,039	2,096	2,148	2,201
Investment income	11	15	3	3	3	5	9	14	20	28	38	49
Fees and charges	227	210	230	234	239	244	249	254	259	264	269	275
Total revenue	1,617	1,576	1,864	1,943	2,022	2,103	2,175	2,247	2,318	2,388	2,454	2,524
Net cost of service	-71	44	17	3	-15	-43	-67	-86	-109	-135	-156	-187
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	-71	44	17	3	-15	-43	-67	-86	-109	-135	-156	-187
Funding	-71	44	17	3	-15	-43	-67	-86	-109	-135	-156	-187
Total Rates for/(from) Operations	-71	44	17	3	-15	-43	-67	-86	-109	-135	-156	-187

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Waste Management

Funding source

This activity benefits both the community as a whole and individuals and groups in the community.

Whilst litter is typically deposited by the public, it is primarily generated from packaging originating from commercial

premises. These owners and operators receive a primary benefit from litter clearance.

Since the service is available to the community as a whole, inclusive of external visitors, and there are no practical mechanisms to identify individual contributors, the cost is recovered mainly from general rates.

Waste Management financial summaries (forecast 2007-2016)

Description	Last Year	Annual Plan										
(thousands)	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	1,236	1,241	1,088	1,117	1,148	1,170	1,192	1,222	1,245	1,265	1,288	1,303
Depreciation	17	22	21	23	24	24	20	21	21	21	22	21
Finance	4	7	10	14	15	16	16	17	17	17	15	15
Total costs	1,256	1,270	1,119	1,154	1,188	1,210	1,228	1,260	1,283	1,302	1,325	1,339
REVENUE												
Fees and charges	51	0	0	0	0	0	0	0	0	0	0	0
Total revenue	51	0	0	0	0	0	0	0	0	0	0	0
Net cost of service	1,205	1,270	1,119	1,154	1,188	1,210	1,228	1,260	1,283	1,302	1,325	1,339
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Rural Transfer Station Develop												
Backlog	5	230	300	0	0	0	0	0	0	0	0	0
Total Capital	5	230	300	0	0	0	0	0	0	0	0	0
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	1,205	1,270	1,119	1,154	1,188	1,210	1,228	1,260	1,283	1,302	1,325	1,339
Funding	1,205	1,270	1,119	1,154	1,188	1,210	1,228	1,260	1,283	1,302	1,325	1,339
Less depreciation for Capital	-17	-22	-21	-23	-24	-24	-20	-21	-21	-21	-22	-21
Total Rates for/(from) Operations	1,188	1,248	1,098	1,131	1,163	1,185	1,209	1,239	1,262	1,282	1,303	1,318
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	17	22	21	23	24	24	20	21	21	21	22	21
Loans from/(to) Corporate Funds	-12	208	279	-23	-24	-24	-20	-21	-21	-21	-22	-21
Total capital	5	230	300	0	0	0	0	0	0	0	0	0

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Landfill

Funding source

The main benefits derive to individuals and businesses who use the landfill to dispose of solid waste. This also benefits the community as a whole.

Costs can reasonably be recovered by direct charges to users of the landfill in line with the NZ Waste Strategy.

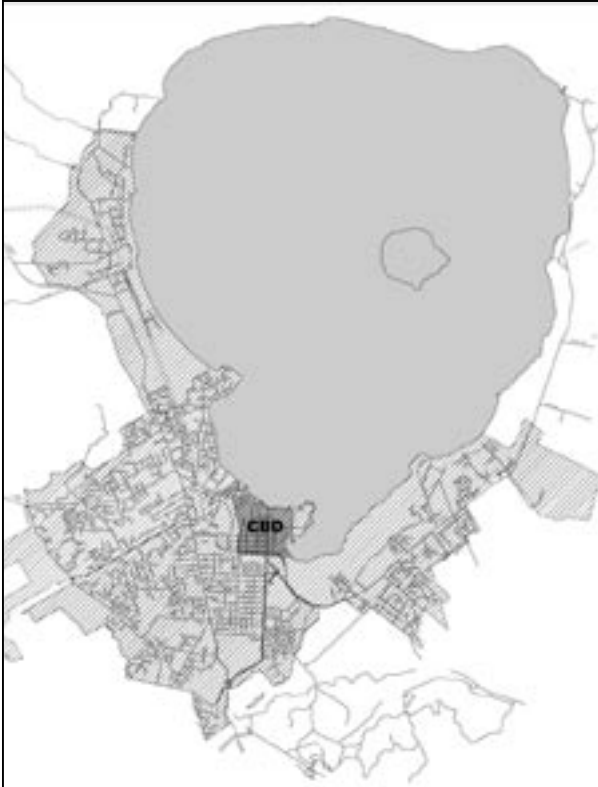
Landfill financial summaries (forecast 2007-2016)

Description (thousands)	Last Year	Annual Plan										
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	797	962	1,279	1,331	1,380	1,424	1,912	1,971	2,018	2,065	2,113	2,139
Depreciation	574	760	651	494	851	1,446	1,462	836	113	111	105	63
Finance	27	0	28	83	142	154	124	97	65	26	18	35
Total costs	1,397	1,723	1,957	1,908	2,374	3,024	3,498	2,903	2,195	2,202	2,236	2,237
REVENUE												
Subsidies and grants	25	0	0	0	0	0	0	0	0	0	0	0
Investment income	0	14	0	0	0	0	0	0	0	0	0	0
Fees and charges	1,530	1,835	1,828	1,829	2,030	2,151	2,524	2,525	2,733	2,734	2,736	2,900
Total revenue	1,555	1,849	1,828	1,829	2,030	2,151	2,524	2,525	2,733	2,734	2,736	2,900
Net cost of service	-157	-126	130	79	344	873	974	378	-538	-532	-500	-663
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Landfill Capital Development												
Renewal	49	710	1,300	1,344	1,387	66	56	58	59	60	920	937
Stage V Development												
Other renewals	0	2	0	0	2	0	0	2	0	0	2	0
Total Capital	49	712	1,300	1,344	1,389	66	56	60	59	60	922	937
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	-157	-126	130	79	344	873	974	378	-538	-532	-500	-663
Funding	-157	-126	130	79	344	873	974	378	-538	-532	-500	-663
Less depreciation for Capital	-574	-760	-651	-494	-851	-1,446	-1,462	-836	-113	-111	-105	-63
Total Rates for/(from) Operations	-731	-887	-521	-415	-507	-573	-488	-457	-650	-643	-605	-726
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	574	760	651	494	851	1,446	1,462	836	113	111	105	63
Loans from/(to) Corporate Funds	-524	-48	649	850	538	-1,380	-1,406	-776	-54	-51	817	874
Total capital	49	712	1,300	1,344	1,389	66	56	60	59	60	922	937

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Rotorua Urban Refuse Collection Area



Rotorua District Council Drawing Number 10196-002

Description of Area

The Urban area of Rotorua City, including the Eastern and Ngongotaha areas, as shown on RDC Plan No.10196 - 002. Refer also to District Plan Maps 6 – 46, 104, 105, 107 and 108.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Urban Refuse collection area.

Refuse Containers:	Every property will receive twice yearly, a delivery of 26 "official" Council rubbish bags. Properties within the area defined as "CBD" receive 52 bags twice yearly. Additional "official" bags may be purchased from various outlets.
Refuse Collection:	A once-weekly collection of "official" bags only will be made from the road frontage of each serviced property. A twice-weekly collection is made in the CBD. Collection will be made on advertised days prior to 4.30pm.

Supply Funding

The Rotorua Refuse Collection System is self-funding, with costs and revenues for both Urban and Rural collections identified separately within a single stand-alone refuse account.

Related Documents

Legislation

Local Government Act 2002, Local Government (Rating) Act 2002, Health Act 1956.

Rotorua Rural Refuse Collection Area



Rotorua District Council Drawing Number 11135-001

Description of Area

Various rural areas within the Rotorua District with frontages to roads upon which refuse collection is carried out as shown on RDC plan no. 10196 – 001. Refer also to District Plan maps 101, 102, 104, 105, 106, 108, 111, 114 and 117.

Levels of Service

The following levels of service are those, which Council will endeavour to maintain within the Urban Refuse collection area.

Refuse Containers:	Every property will receive twice yearly, a delivery of 26 "official" Council rubbish bags. Additional "official" bags may be purchased from various outlets.
Refuse Collection:	A once-weekly collection of "official" bags only will be made from the road frontage of each serviced property. Collection will be made on advertised days prior to 4.30pm.

Supply Funding

The Rotorua Refuse Collection System is self-funding, with costs and revenues for both Urban and Rural collections identified separately within a single stand-alone refuse account.

Related Documents

Legislation

Local Government Act 2002, Local Government (Rating) Act 2002, Health Act 1956.

Wastewater

Overall aim of the activity

To provide for existing and future generations an environmentally safe and efficient collection, treatment and disposal of water borne waste and by products in a sustainable operation to safe guard the environment and public health.

Activity purpose – why we provide the service

The services under the wastewater activity areas are provided because the community expects Council to make provision for the removal of sewage and liquid trade wastes from communities, to enhance public health and minimise the impact of communities on the environment. The provision of the service is covered by several Council policies.

Legislations such as the Local Government Act, Resource Management Act and Health Act also requires Council to provide this service.

Several plans and strategies are in place that reflects the long term programme for the provision of this service.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A healthy community

- Improving health status for all

A community that respects its environment

- Looking after our air, land , water resources
- Improved lake water quality.

A community with excellent facilities and services

- Good safe maintained services and roads
- Good quality infrastructure for the future

What we say we will do

OUTCOME PROMOTED – A healthy community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Improve health status for all. 	Provision of an efficient collection treatment and disposal system for community wastewater from service areas.	Monitoring data using logs from the SCADA system.	<ul style="list-style-type: none"> • Continuous (24/7) operation of the wastewater service (flush and gone) • Zero sewage overflows under normal operation conditions 	<ul style="list-style-type: none"> • Continuous (24/7) operation of the wastewater service (flush and gone) • Zero sewage overflows under normal operation conditions 	<ul style="list-style-type: none"> • Continuous (24/7) operation of the wastewater service (flush and gone) • Zero sewage overflows under normal operation conditions 	<ul style="list-style-type: none"> • Continuous (24/7) operation of the wastewater service (flush and gone) • Zero sewage overflows under normal operation conditions

OUTCOME PROMOTED – A community that respects its environment

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Looking after our air, land and water resources. • Improved Lake Water quality. 	Implementation and management of schemes to minimise impact on the environment.	Annual compliance report from Regional Council.	<ul style="list-style-type: none"> • Compliance with air discharge requirement • Compliance with water discharge standards 	<ul style="list-style-type: none"> • Compliance with air discharge requirement • Compliance with water discharge standards 	<ul style="list-style-type: none"> • Compliance with air discharge requirement • Compliance with water discharge standards 	<ul style="list-style-type: none"> • Compliance with air discharge requirement • Compliance with water discharge standards

OUTCOME PROMOTED – A community with excellent facilities and services

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Good safe maintained services and roads • Good quality infrastructure for the future 	Planning provision and maintenance of appropriate network and treatment facilities.	Project and contract progress reports to Council regarding renewal and improvement programme	Continuous (24/7) operation of the wastewater services for existing and future generations (Flush and gone)	Continuous (24/7) operation of the wastewater services for existing and future generations (Flush and gone)	Continuous (24/7) operation of the wastewater services for existing and future generations (Flush and gone)	Continuous (24/7) operation of the wastewater services for existing and future generations (Flush and gone)

Assets used in Wastewater Activity

Asset Type	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Buildings	2,239	78	2,160
Computer Hardware	139	117	22
Computer Software	88	85	3
Database	175	88	87
Furniture & Fittings	21	21	1
Land	1,994	-	1,994
Office Equipment	28	27	1
Plant & Machinery	328	300	27
Wastewater Reticulation	113,694	2,524	111,170
Wastewater Treatment Plant	41,735	1,640	40,095
	160,441	4,880	155,560

How the local authority will assess and manage changes in demand, consumption or change in level of service

The Rotorua Basin Wastewater Strategic Plan will assess the long term wastewater infrastructure requirement of the Rotorua Basin resulting from growth. Feasibility investigations of several lakeside sewerage schemes will assess the requirements of the lakeside communities while the Water and Sanitary Assessments undertook the general requirement of the whole district.

Anticipated capacity changes and whether they are the result of demand or service level changes

The capacity changes are predominantly influenced by growth.

How the provision of any additional capacity will be undertaken

The upgrade of the wastewater collection, treatment and disposal system will be undertaken under a programmed upgrade identified in the Wastewater Strategy to cater for growth and comply with resource consent conditions.

How maintenance, renewal and replacement will be undertaken.

Maintenance of the wastewater asset is undertaken in-house.

Renewal and replacement of the reticulation system is undertaken under a Sewer Rehabilitation Programme.

Funding**Who benefits from the activity?**

- The community as a whole including domestic, commercial, institutional and industrial premises connected to the public wastewater reticulation system.
- Visitors to the District.
- Developers gain specific benefits.

What is the period of benefit?

- Benefits are intergenerational and ongoing as long as the infrastructure is maintained and the service continued.

Who creates need for the activity?

- The community as a whole creates the need for environmentally safe and efficient treatment and disposal of wastewater.
- The need to undertake this activity is also created by legislation.
- The need to undertake this activity derives from households and businesses.

Wastewater financial summaries (forecast 2007-2016)

Description (thousands)	Last Year	Annual Plan										
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	5,083	5,409	5,739	6,117	6,241	6,569	6,939	7,044	7,276	7,582	7,632	7,818
Depreciation	2,734	2,733	4,337	4,463	4,928	4,996	5,382	5,896	6,115	6,393	6,842	6,824
Finance	203	752	763	1,311	2,106	2,729	3,049	3,184	3,460	3,893	3,924	3,622
Total costs	8,020	8,894	10,838	11,891	13,275	14,294	15,370	16,124	16,851	17,868	18,399	18,264
REVENUE												
Targeted rates	7,136	7,756	8,814	10,426	11,627	12,403	13,426	14,211	14,599	15,555	16,269	16,624
Fees and charges	330	282	250	20	20	21	21	22	22	23	23	24
Capital grants and contributions	642	3,137	6,079	8,778	6,970	7,687	7,868	3,232	11,568	5,605	2,714	3,108
Total revenue	8,108	11,175	15,144	19,223	18,617	20,111	21,315	17,465	26,189	21,182	19,007	19,756
Net cost of service	-88	-2,281	-4,306	-7,332	-5,341	-5,817	-5,945	-1,341	-9,338	-3,315	-608	-1,491
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Lake Tarawera Sewerage												
Backlog/Growth	0	0	0	0	0	227	353	2,433	13,421	0	0	0
Hamurana Sewerage												
Backlog/Growth	0	0	200	628	436	4,538	9,707	0	0	0	0	0
Hinehopu Sewerage												
Backlog/Growth	0	200	650	1,569	4,964	3,347	0	0	0	0	0	0
Okareka Sewerage												
Backlog/Growth	40	445	2,400	7,824	0	0	0	0	0	0	0	0
Rotoma Sewerage												
Backlog/Growth	0	0	0	0	0	0	235	608	6,272	6,512	0	0
Capital Overheads												
Growth/Backlog	8	24	183	394	232	481	625	355	847	432	0	0
Septic Tank Reticulation												
Growth/Backlog	0	524	53	1,739	592	361	0	0	0	0	0	0
Sewer Renewals												
Renewal	125	545	2,062	1,125	874	1,538	1,002	1,238	589	670	1,681	835
Pump Stations Renewals												
Renewal	170	789	728	676	309	279	216	265	345	165	156	202
Treatment Plant Renewals												
Renewal	804	1,063	1,168	207	2,722	455	483	258	473	1,874	232	491
Land Treatment Renewals												
Renewal	129	277	207	27	824	117	215	4	0	3,063	45	161
Land Treatment Improvements												
Provision for Growth	0	0	100	209	567	590	612	633	652	258	0	0
Pump Station Capital Improveme												
Growth/Backlog	0	0	50	157	545	851	882	912	502	516	7	0
WWTP Upgrade												
Backlog/Growth	1,841	500	158	707	853	901	499	0	66	756	900	927
Reticulation Extension												
Growth/Backlog	52	110	218	419	1,373	1,427	1,510	1,661	1,688	1,428	1,521	1,474
PipeLine Reimbursement												
Renewal	-1,528	0	0	0	0	0	0	0	0	0	0	0
Eastern Trunk Line												
Growth/Backlog	48	6,350	40	1,255	2,662	567	0	0	0	0	0	0
Share Wastewater Treatment Plant Upgrade												
Growth/Backlog	1,528	0	0	0	0	0	0	0	0	0	0	0

Description (thousands)	Last Year	Annual Plan											
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	
Brunswick/Rotokawa Sewerage													
Growth/Backlog	31	3,265	6,063	3,138	0	0	0	0	0	0	0	0	0
Mourea Sewerage													
Backlog/Growth	2,656	-215	0	0	0	0	0	0	0	0	0	0	0
Okawa Bay Sewerage													
Backlog	5	475	0	0	0	0	0	0	0	0	0	0	0
Okere Falls/Otaramarae Sewerage													
Backlog/Growth	17	376	100	2,929	6,611	1,362	0	0	0	0	0	0	0
Capital Overheads													
Growth/Backlog	162	535	396	288	399	114	0	0	0	0	0	0	0
Other renewals	5	7	14	7	9	6	16	9	6	7	19	6	
Total Capital	6,092	15,270	14,790	23,298	23,974	17,161	16,355	8,377	24,861	15,681	4,560	4,097	

HOW WE PAY FOR THIS ACTIVITY

OPERATIONAL FUNDING

Net cost of service	-88	-2,281	-4,306	-7,332	-5,341	-5,817	-5,945	-1,341	-9,338	-3,315	-608	-1,491
Plus Capital Grants and Contributions	642	3,137	6,079	8,778	6,970	7,687	7,868	3,232	11,568	5,605	2,714	3,108
Funding	554	856	1,774	1,446	1,629	1,870	1,923	1,891	2,230	2,290	2,107	1,617
Less depreciation for Capital	-2,734	-2,733	-4,337	-4,463	-4,928	-4,996	-5,382	-5,896	-6,115	-6,393	-6,842	-6,824
Total Rates for/(from) Operations	-2,180	-1,878	-2,563	-3,017	-3,300	-3,126	-3,459	-4,005	-3,885	-4,103	-4,736	-5,207

CAPITAL FUNDING

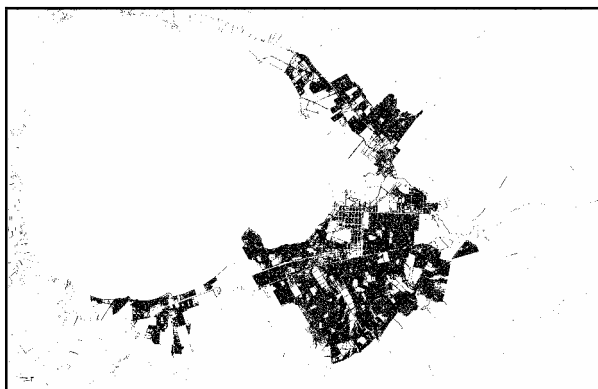
Capital funded by:-													
Rates funding (depreciation equivalent)	2,734	2,733	4,337	4,463	4,928	4,996	5,382	5,896	6,115	6,393	6,842	6,824	
Loans from/(to) Corporate Funds	2,716	9,400	4,373	10,057	12,075	4,478	3,105	-750	7,178	3,684	-4,997	-5,835	
Capital Grants	642	3,137	6,011	8,603	6,715	7,080	6,948	1,831	9,846	3,256	0	0	
Development contributions	0	0	68	174	255	607	920	1,401	1,721	2,349	2,714	3,108	
Total capital	6,092	15,270	14,790	23,298	23,974	17,161	16,355	8,377	24,861	15,681	4,560	4,097	

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Rotorua Urban Sewerage Scheme

Approximately 20,000 lateral pipes connect drains at the property boundary to a network of 370km of pipes. These pipes and 53 pump stations convey the wastewater to the Treatment Plant.



Rotorua District Council Plan Number 11163, Sheet 2

Description of Area

The Urban area of Rotorua City, including the Eastern Suburbs and Ngongotaha areas, as shown on RDC Plan No 11163, Sheet 2. Refer also to District Plan Maps 7 – 43, 104, 105, 107 & 108.

History

Parts of Rotorua City have been served by a public sewerage system since 1892. This has been extended a number of times since then. Following the construction of the first Wastewater Treatment Plant, full reticulation was extended to all of the city, plus Eastern Suburbs and Ngongotaha in 1980.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Wastewater Service Area. Every serviceable property is entitled to a single 100 mm diameter wastewater connection to the boundary of the property. Council will maintain the sewer system in a state that will enable domestic type sewage to be carried away and treated by the system without blockages.

Note: Serviceable properties are those properties with some part of the land within 30 metres or the building within 60 metres of a public sewer main and are capable of being effectively connected, either directly or through a private drain. These properties, if not connected to the public sewer, are required to pay an availability charge.

There are several areas within Rotorua Urban where service is not available. Council has budgeted to progressively service these areas over eight years from 2005/06.

Effluent Quality

Council will treat all sewage discharged into its system in accordance with its Resource Consents.

Funding

The Rotorua Urban Waste Water Scheme has historically been self-funding, with all costs and revenues identified in a separate stand-alone account. Council is currently proposing a new funding policy to take into account proposed rural waste water schemes. The principles of this are as outlined below.

Capital Works

The proposed new schemes to the east of Rotorua City (Brunswick, Rotokawa, Mourea, Okawa Bay, Okere, Otaramarae, Whangamarino) and Okareka will share the cost of the Rotorua Waste Water Treatment Plant upgrade (capacity component) with the Rotorua Urban Scheme. Other funding sources for the capital costs of these schemes are: Ministry of Health Grants, Environment BOP Grants, and a total of \$2.0 million from General Rates. The remainder of costs will be recovered from ratepayers within each scheme area.

Operating Expenditure

Operating costs incurred in all sewerage schemes discharging to the Urban Waste Water Treatment Plant will be combined in the Rotorua Basin Waste Water Account from 2005/06. These schemes are Rotorua Urban, Eastern Area, Mourea and Okawa Bay. Other scheme operation costs will need specific consideration once more details of the capital and operating costs are known.

Financial/Technical Planning

Key documents ensuring sound management of the Wastewater System are the Annual Business Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents

Legislation

Local Government Act 2002, Local Government (Rating) Act 2002, Health Act 1956.
Water Services and Trade Wastes Bylaw 2004.

RDC Files

85 08 010, 85 08 130

Other Sewerage Schemes History

In response to concern over the health of Rotorua’s lakes and the effect of lakeside settlements, Council in 2004 commenced the establishment of rural sewerage schemes to remove effluent input into the lakes.

Approval has been given to commence design development and construction of four new areas, known as Mourea, Okawa Bay, Brunswick and Rotokawa Sewerage Areas. Investigation is being undertaken into treatment options for Okere, Otaramarae and Whangamarino Sewerage Areas, and funding has been earmarked for proposed Okareka, Tarawera, Gisborne Point/Hinehopu, Hamurana and Rotoma Sewerage Areas.

Rotokawa Area Sewerage Scheme



Rotorua District Council Plan Number 11163, Sheet 13

Description of Area

A rural area to the east of Rotorua City, generally from the Airport to the SH 30/SH 33 intersection as shown on RDC Plan No.11163, Sheet 13. Refer also to District Plan Maps 44-51.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Wastewater Service Area.

Every serviceable property is entitled to a single 100 mm diameter wastewater connection to the boundary of the property. Council will maintain the sewer system in a state that will enable domestic type sewage to be carried away and treated by the system without blockages.

Note: Serviceable properties are those properties with some part of the land within 30 metres or the building within 60 metres of a public sewer main and are capable of being effectively connected, either directly or through a private drain. These properties, if not connected to the public sewer, are required to pay an availability charge.

Effluent Quality

Council will treat all sewage discharged into its system in accordance with its Resource Consents.

Funding

The Rotorua Urban Waste Water Scheme has historically been self-funding, with all costs and revenues identified in a separate stand-alone account. Council is currently proposing a new funding policy to take into account proposed rural waste water schemes. The principles of this are as outlined below.

Capital Works

The capital costs of the proposed schemes to the east of the city which will be connected to the Urban Waste Water Treatment Plant (Mourea, Okawa Bay, Brunswick and Rotokawa) will be subsidised 50% by the Ministry of Health. The remainder of costs will be funded by a combination of Environment BOP, grants, commercial users contributions, Rotorua District Council general rates, and individual ratepayers’ contributions. Funding sources and proportions for the other proposed schemes are still under consideration.

These amounts for the Rotokawa area scheme are as shown below:

Total Scheme Cost	\$9,609,708
Ministry of Health	-4,377,227
Environment BOP	-1,104,457
RDC General	-258,000
Development Contribution	-3,566,299
Cost to be recovered from Ratepayers	\$303,725

Operating Expenditure

Operating costs incurred in all sewerage schemes discharging to the Urban Waste Water Treatment Plant will be combined in the Rotorua Basin Waste Water Account from 2005/06. These schemes are Rotorua Urban, Mourea, Okawa Bay, Brunswick and Rotokawa. Other scheme operation costs will need specific consideration once more details of the capital and operating costs are known.

Financial/Technical Planning

Key documents ensuring sound management of the Wastewater System are the Annual Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents

Legislation

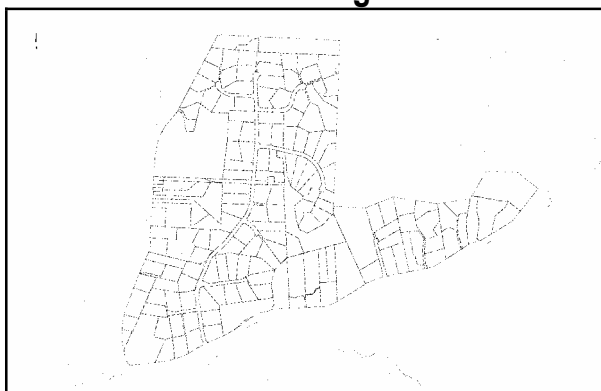
Local Government Act 2002, Local Government (Rating) Act 2002, Health Act 1956.

Water Services and Trade Wastes Bylaw 2004.

RDC Files

85 08 010, 85 08 130

Brunswick Area Sewerage Scheme



Rotorua District Council Plan Number 11163, Sheet 3

Description of Area

A rural area to the east of Rotorua City, generally from the junction of SH 30 and SH 33 to Banksia Place as shown on RDC Plan No.11163, Sheet 3. Refer also to District Plan Maps 44-51.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Wastewater Service Area. Every serviceable property is entitled to a single 100 mm diameter wastewater connection to the boundary of the property. Council will maintain the sewer system in a state that will enable domestic type sewage to be carried away and treated by the system without blockages.

Note: Serviceable properties are those properties with some part of the land within 30 metres or the building within 60 metres of a public sewer main and are capable of being effectively connected, either directly or through a private drain. These properties, if not connected to the public sewer, are required to pay an availability charge.

Effluent Quality

Council will treat all sewage discharged into its system in accordance with its Resource Consents.

Funding

The Rotorua Urban Waste Water Scheme has historically been self-funding, with all costs and revenues identified in a separate stand-alone account. Council is currently proposing a new funding policy to take into account proposed rural waste water schemes. The principles of this are as outlined below.

Capital Works

The capital costs of the proposed schemes to the east of the city which will be connected to the Urban Waste Water Treatment Plant (Mourea, Okawa Bay, Brunswick and Rotokawa) will be subsidised 50% by the Ministry of Health. The remainder of costs will be funded by a combination of Environment BOP, grants, commercial users contributions, Rotorua District Council general rates, and individual ratepayers' contributions. Funding sources and proportions for the other proposed schemes are still under consideration.

These amounts for the Brunswick area scheme are as shown below:

Total Scheme Cost	\$8,585,134
Ministry of Health	-4,143,033
Development Contributions	-2,180,850
RDC General	-337,500
Cost to be recovered from Ratepayers	\$1,923,751

Operating Expenditure

Operating costs incurred in all sewerage schemes discharging to the Urban Waste Water Treatment Plant will be combined in the Rotorua Basin Waste Water Account from 2005/06. These schemes are Rotorua Urban, Mourea, Okawa Bay, Brunswick and Rotokawa. Other scheme operation costs will need specific consideration once more details of the capital and operating costs are known.

Financial/Technical Planning

Key documents ensuring sound management of the Wastewater System are the Annual Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents:

Legislation

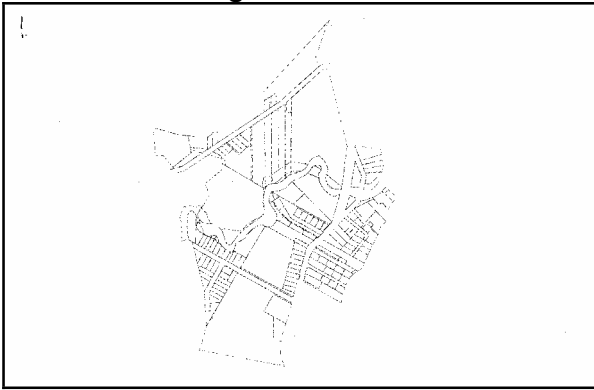
Local Government Act 2002, Local Government (Rating) Act 2002, Health Act 1956.

Water Services and Trade Wastes Bylaw 2004.

RDC Files

85 08 010, 85 08 130

Mourea Sewerage Scheme



Rotorua District Council Plan Number 11163, Sheet 4

Description of Area

An area enclosing the lakeside community of Mourea, as shown on RDC Plan No.11163, Sheet 4. Refer also to District Plan Maps 51 and 54.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Wastewater Service Area. Every serviceable property is entitled to a single 100 mm diameter wastewater connection to the boundary of the property. Council will maintain the sewer system in a state that will enable domestic type sewage to be carried away and treated by the system without blockages.

Note: Serviceable properties are those properties with some part of the land within 30 metres or the building within 60 metres of a public sewer main and are capable of being effectively connected, either directly or through a private drain. These properties, if not connected to the public sewer, are required to pay an availability charge.

Effluent Quality

Council will treat all sewage discharged into its system in accordance with its Resource Consents.

Funding

The Rotorua Urban Waste Water Scheme has historically been self-funding, with all costs and revenues identified in a separate stand-alone account. Council is currently proposing a new funding policy to take into account proposed rural waste water schemes. The principles of this are as outlined below.

Capital Works

The capital costs of the proposed schemes to the east of the city which will be connected to the Urban Waste Water Treatment Plant (Mourea, Okawa Bay, Brunswick and Rotokawa) will be subsidised 50% by the Ministry of Health. The remainder of costs will be funded by a combination of Environment BOP, grants, commercial users contributions, Rotorua District Council general rates, and individual ratepayers' contributions. Funding sources and proportions for the other proposed schemes are still under consideration.

These amounts for the Mourea scheme are as shown below:

Total Scheme Cost	\$3,263,607
Ministry of Health	-1,534,536
Environment BOP	-493,370
RDC General	-219,000
Development Contribution	-454,695
Cost to be recovered from Ratepayers	\$562,005

Operating Expenditure

Operating costs incurred in all sewerage schemes discharging to the Urban Waste Water Treatment Plant will be combined in the Rotorua Basin Waste Water Account from 2005/06. These schemes are Rotorua Urban, Mourea, Okawa Bay, Brunswick and Rotokawa. Other scheme operation costs will need specific consideration once more details of the capital and operating costs are known.

Financial/Technical Planning

Key documents ensuring sound management of the Wastewater System are the Annual Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents

Legislation

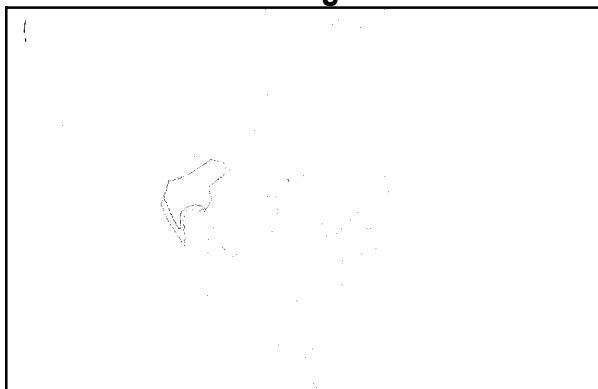
Local Government Act 2002, Local Government (Rating) Act 2002, Health Act 1956.

Water Services and Trade Wastes Bylaw 2004.

RDC Files

85 08 010, 85 08 130

Marama Point Sewerage Scheme



Rotorua District Council Plan Number 11163, Sheet 14

Description of Area

An area enclosing the Marama Point area, as shown on RDC Plan No.11163, Sheet 14. Refer also to District Plan Maps 51 and 54.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Wastewater Service Area. Every serviceable property is entitled to a single 100 mm diameter wastewater connection to the boundary of the property. Council will maintain the sewer system in a state that will enable domestic type sewage to be carried away and treated by the system without blockages.

Note: Serviceable properties are those properties with some part of the land within 30 metres or the building within 60 metres of a public sewer main and are capable of being effectively connected, either directly or through a private drain. These properties, if not connected to the public sewer, are required to pay an availability charge.

Effluent Quality

Council will treat all sewage discharged into its system in accordance with its Resource Consents.

Funding

The Rotorua Urban Waste Water Scheme has historically been self-funding, with all costs and revenues identified in a separate stand-alone account. Council is currently proposing a new funding policy to take into account proposed rural waste water schemes. The principles of this are as outlined below.

Capital Works

The capital costs of the proposed schemes to the east of the city which will be connected to the Urban Waste Water Treatment Plant (Mourea, Okawa Bay, Brunswick and Rotokawa) will be subsidised 50% by the Ministry of Health. The remainder of costs will be funded by a combination of Environment BOP, grants, commercial users contributions, Rotorua District Council general rates, and individual ratepayers' contributions. Funding sources and proportions for the other proposed schemes are still under consideration.

These amounts for the Mourea scheme are as shown below:

Total Scheme Cost	\$1,101,997
Ministry of Health	-518,155
Environment BOP	-166,593
Advance Payment	-56,277
RDC General	-117,000
Development Contribution	-
Cost to be recovered from Ratepayers	\$243,973

Operating Expenditure

Operating costs incurred in all sewerage schemes discharging to the Urban Waste Water Treatment Plant will be combined in the Rotorua Basin Waste Water Account from 2005/06. These schemes are Rotorua Urban, Mourea, Okawa Bay, Brunswick and Rotokawa. Other scheme operation costs will need specific consideration once more details of the capital and operating costs are known.

Financial/Technical Planning

Key documents ensuring sound management of the Wastewater System are the Annual Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents

Legislation

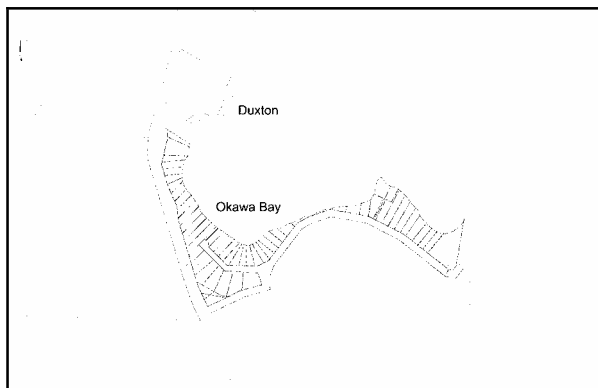
Local Government Act 2002, Local Government (Rating) Act 2002, Health Act 1956.

Water Services and Trade Wastes Bylaw 2004.

RDC Files

85 08 010, 85 08 130

Okawa Bay Sewerage Scheme / Duxton Hotel



Rotorua District Council Plan Number 11163, Sheet 5

Description of Area

An area enclosing the lakeside community of Okawa Bay, as shown on RDC Plan No.11163, Sheet 5. Refer also to District Plan Maps 51 and 54.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Wastewater Service Area. Every serviceable property is entitled to a single 100 mm diameter wastewater connection to the boundary of the property. Council will maintain the sewer system in a state that will enable domestic type sewage to be carried away and treated by the system without blockages.

Note: Serviceable properties are those properties with some part of the land within 30 metres or the building within 60 metres of a public sewer main and are capable of being effectively connected, either directly or through a private drain. These properties, if not connected to the public sewer, are required to pay an availability charge.

Effluent Quality

Council will treat all sewage discharged into its system in accordance with its Resource Consents.

Funding

The Rotorua Urban Waste Water Scheme has historically been self-funding, with all costs and revenues identified in a separate stand-alone account. Council is currently proposing a new funding policy to take into account proposed rural waste water schemes. The principles of this are as outlined below.

Capital Works

The capital costs of the proposed schemes to the east of the city which will be connected to the Urban Waste Water Treatment Plant (Mourea, Okawa Bay, Brunswick and Rotokawa) will be subsidised 50% by the Ministry of Health. The remainder of costs will be funded by a combination of Environment BOP, grants, commercial users contributions, Rotorua District Council general rates, and individual ratepayers' contributions. Funding sources and proportions for the other proposed schemes is still under consideration.

These amounts for the Okawa Bay scheme are as shown below:

	Okawa Bay	Duxton Hotel
Total Scheme Cost	\$791,177	\$595,441
Ministry of Health	-376,643	-270,655
Development Contribution	-14,970	-74,566
RDC General	-81,000	-93,000
Cost to be recovered from Ratepayers	\$318,564	\$157,220

Operating Expenditure

Operating costs incurred in all sewerage schemes discharging to the Urban Waste Water Treatment Plant will be combined in the Rotorua Basin Waste Water Account from 2005/06. These schemes are Rotorua Urban, Mourea, Okawa Bay, Rotokawa and Brunswick. Other scheme operation costs will need specific consideration once more details of the capital and operating costs are known.

Financial/Technical Planning

Key documents ensuring sound management of the Wastewater System are the Annual Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents

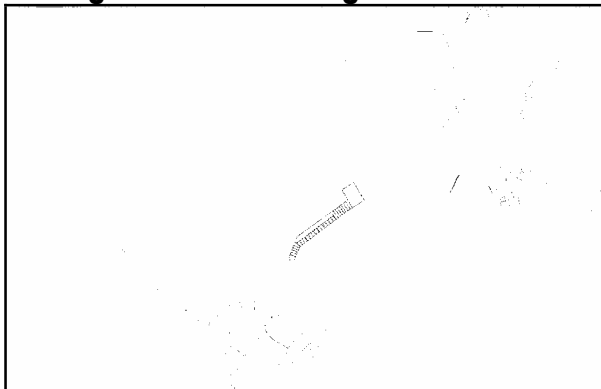
Legislation

Local Government Act 2002, Local Government (Rating) Act 2002, Health Act 1956.
Water Services and Trade Wastes Bylaw 2004.

RDC Files

85 08 010, 85 08 130

Whangamarino Sewerage Scheme



Rotorua District Council Plan Number 11163, Sheet 15

Description of Area

An area on the shore of Lake Rotoiti from Mourea northwards, as shown on RDC Plan No.11163, Sheet 15. Refer also District Plan Maps 54, 55, 57 and 59.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Wastewater Service Area. Every serviceable property is entitled to a single 100 mm diameter wastewater connection to the boundary of the property. Council will maintain the sewer system in a state that will enable domestic type sewage to be carried away and treated by the system without blockages.

Note: Serviceable properties are those properties with some part of the land within 30 metres or the building within 60 metres of a public sewer main and are capable of being effectively connected, either directly or through a private drain. These properties, if not connected to the public sewer, are required to pay an availability charge.

Effluent Quality

Council will treat all sewage discharged into its system in accordance with its Resource Consents.

Funding

The Rotorua Urban Waste Water Scheme has historically been self-funding, with all costs and revenues identified in a separate stand-alone account. Council is currently proposing a new funding policy to take into account proposed rural waste water schemes.

Capital Works

The capital costs of the proposed schemes to the east of the city which will be connected to the Urban Waste Water Treatment Plant (Mourea, Okawa Bay, Brunswick and Rotokawa) will be subsidised 50% by the Ministry of Health. The remainder of costs will be funded by a combination of Environment BOP, grants, commercial users contributions, Rotorua District Council general rates, and individual ratepayers' contributions. Funding sources and proportions for the other proposed schemes are still under consideration.

These amounts for the Okere Falls sewerage scheme are as shown below:

Total Scheme Cost	\$1,369,054
Ministry of Health	-664,228
Environment BOP	-220,483
RDC General	-51,000
Development Contribution	-209,882
Cost to be recovered from Ratepayers	\$223,461

Operating Expenditure

Operating costs incurred in all sewerage schemes discharging to the Urban Waste Water Treatment Plant will be combined in the Rotorua Basin Waste Water Account from 2005/06. These schemes are Rotorua Urban, Mourea, Okawa Bay, Rotokawa and Brunswick. Other scheme operation costs will need specific consideration once more details of the capital and operating costs are known.

Financial/Technical Planning

Key documents ensuring sound management of the Wastewater System are the Annual Plan and the Asset Management Plan, which is available from the Engineering Department of Council.

Related Documents:

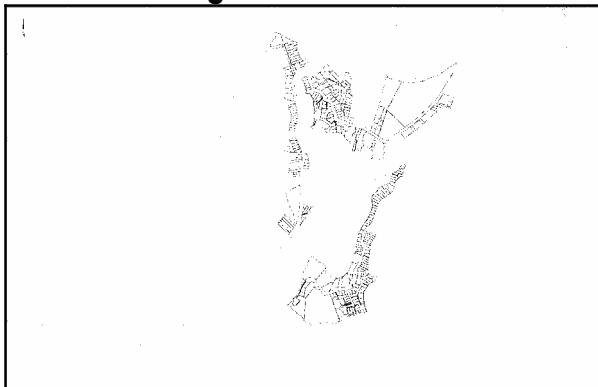
Legislation

Local Government Act 2002, Local Government (Rating) Act 2002, Health Act 1956.
Water Services and Trade Wastes Bylaw 2004.

RDC Files

85 08 010, 85 08 130

Okere Sewerage Scheme



Rotorua District Council Plan Number 11163, Sheet 6

Description of Area

An area on the shore of Lake Rotoiti from Mourea northwards, including Okere and the Te Akau Road area, as shown on RDC Plan No.11163, Sheet 6. Refer also District Plan Maps 54, 55, 57 and 59.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Wastewater Service Area. Every serviceable property is entitled to a single 100 mm diameter wastewater connection to the boundary of the property. Council will maintain the sewer system in a state that will enable domestic type sewage to be carried away and treated by the system without blockages.

Note: Serviceable properties are those properties with some part of the land within 30 metres or the building within 60 metres of a public sewer main and are capable of being effectively connected, either directly or through a private drain. These properties, if not connected to the public sewer, are required to pay an availability charge.

Effluent Quality

Council will treat all sewage discharged into its system in accordance with its Resource Consents.

Funding

The Rotorua Urban Waste Water Scheme has historically been self-funding, with all costs and revenues identified in a separate stand-alone account. Council is currently proposing a new funding policy to take into account proposed rural waste water schemes.

Capital Works

The capital costs of the proposed schemes to the east of the city which will be connected to the Urban Waste Water Treatment Plant (Mourea, Okawa Bay, Brunswick and Rotokawa) will be subsidised 50% by the Ministry of Health. The remainder of costs will be funded by a combination of Environment BOP, grants, commercial users contributions, Rotorua District Council general rates, and individual ratepayers' contributions. Funding sources and proportions for the other proposed schemes are still under consideration.

These amounts for the Okere Falls sewerage scheme are as shown below:

Total Scheme Cost	\$8,077,420
Ministry of Health	-3,918,947
Environment BOP	-1,300,847
RDC General	-430,500
Development Contributions	-540,850
Cost to be recovered from Ratepayers	\$1,886,276

Operating Expenditure

Operating costs incurred in all sewerage schemes discharging to the Urban Waste Water Treatment Plant will be combined in the Rotorua Basin Waste Water Account from 2005/06. These schemes are Rotorua Urban, Mourea, Okawa Bay, Rotokawa and Brunswick. Other scheme operation costs will need specific consideration once more details of the capital and operating costs are known.

Financial/Technical Planning

Key documents ensuring sound management of the Wastewater System are the Annual Plan and the Asset Management Plan, which is available from the Engineering Department of Council.

Related Documents:

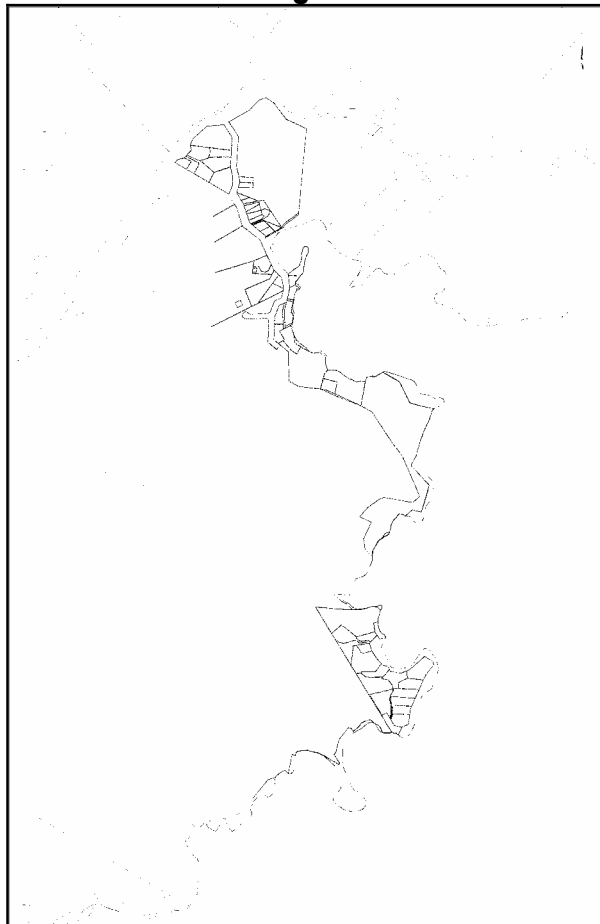
Legislation

Local Government Act 2002, Local Government (Rating) Act 2002, Health Act 1956.
Water Services and Trade Wastes Bylaw 2004.

RDC Files

85 08 010, 85 08 130

Otaramarae Sewerage Scheme



Rotorua District Council Plan Number 11163, Sheet 7

Description of Area

An area on the shore of Lake Rotoiti as shown on RDC Plan No.11163, Sheet 17. Refer also District Plan Maps 54, 55, 57 and 59.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Wastewater Service Area. Every serviceable property is entitled to a single 100 mm diameter wastewater connection to the boundary of the property. Council will maintain the sewer system in a state that will enable domestic type sewage to be carried away and treated by the system without blockages.

Note: Serviceable properties are those properties with some part of the land within 30 metres or the building within 60 metres of a public sewer main and are capable of being effectively connected, either directly or through a private drain. These properties, if not connected to the public sewer, are required to pay an availability charge.

Effluent Quality

Council will treat all sewage discharged into its system in accordance with its Resource Consents.

Funding

The Rotorua Urban Waste Water Scheme has historically been self-funding, with all costs and revenues identified in a separate stand-alone account. Council is currently proposing a new funding policy to take into account proposed rural waste water schemes.

Capital Works

The capital costs of the proposed schemes to the east of the city which will be connected to the Urban Waste Water Treatment Plant (Mourea, Okawa Bay, Brunswick and Rotokawa) will be subsidised 50% by the Ministry of Health. The remainder of costs will be funded by a combination of Environment BOP, grants, commercial users contributions, Rotorua District Council general rates, and individual ratepayers' contributions. Funding sources and proportions for the other proposed schemes are still under consideration.

These amounts for the Otaramarae sewerage scheme are as shown below:

Total Scheme Cost	\$3,308,548
Ministry of Health	-1,605,219
Environment BOP	-532,833
RDC General	-180,000
Development Contributions	-201,810
Cost to be recovered from Ratepayers	\$788,686

Operating Expenditure

Operating costs incurred in all sewerage schemes discharging to the Urban Waste Water Treatment Plant will be combined in the Rotorua Basin Waste Water Account from 2005/06. These schemes are Rotorua Urban, Mourea, Okawa Bay, Rotokawa and Brunswick. Other scheme operation costs will need specific consideration once more details of the capital and operating costs are known.

Financial/Technical Planning

Key documents ensuring sound management of the Wastewater System are the Annual Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents

Legislation

Local Government Act 2002, Local Government (Rating) Act 2002, Health Act 1956.
Water Services and Trade Wastes Bylaw 2004.

RDC Files

85 08 010, 85 08 130

Okareka Sewerage Scheme



Rotorua District Council Plan Number 11163, Sheet 8

Description of Area

An area on the shore of Lake Okareka consisting of the Okareka residential community as shown on RDC Plan No.11163, Sheet 8. Refer also District Plan Map 78.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Wastewater Service Area. Every serviceable property is entitled to a single 100 mm diameter wastewater connection to the boundary of the property. Council will maintain the sewer system in a state that will enable domestic type sewage to be carried away and treated by the system without blockages.

Note: Serviceable properties are those properties with some part of the land within 30 metres or the building within 60 metres of a public sewer main and are capable of being effectively connected, either directly or through a private drain. These properties, if not connected to the public sewer, are required to pay an availability charge.

Effluent Quality

Council will treat all sewage discharged into its system in accordance with its Resource Consents.

Funding

The Rotorua Urban Waste Water Scheme has historically been self-funding, with all costs and revenues identified in a separate stand-alone account. Council is currently proposing a new funding policy to take into account proposed rural waste water schemes. The principles of this are as outlined below. The proposed rural sewerage schemes with treatment and disposal independent of the existing Rotorua Waste Water Treatment Plant will be principally funded from ratepayers within each scheme area via targeted rates (both capital and operating). Other funding sources for the capital costs of these schemes are: Ministry of Health Grants and Environment BOP Grants.

Financial/Technical Planning

Key documents ensuring sound management of the Wastewater System are the Annual Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents

Legislation

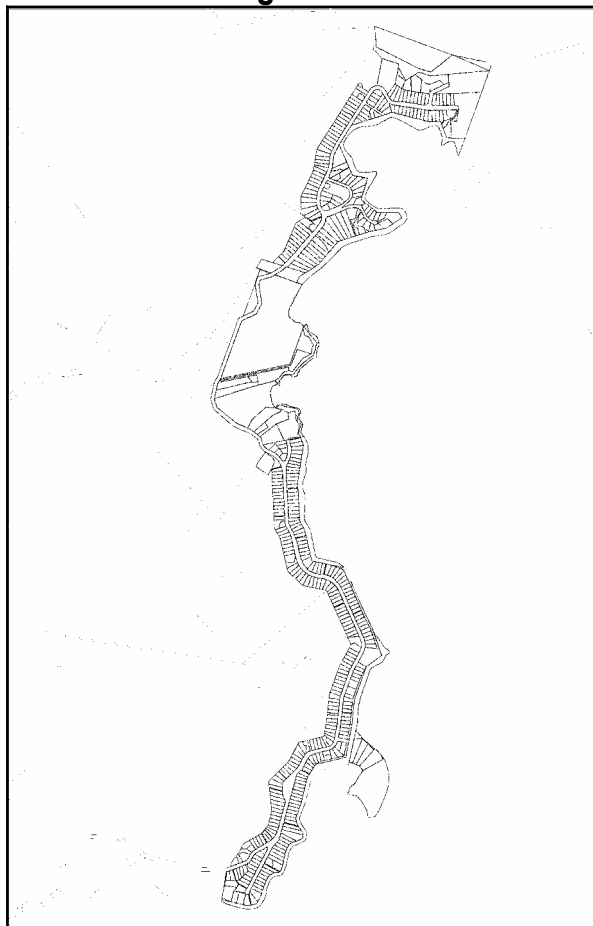
Local Government Act 2002, Local Government (Rating) Act 2002, Health Act 1956.

Water Services and Trade Wastes Bylaw 2004.

RDC Files

85 08 010, 85 08 130

Tarawera Sewerage Scheme



Rotorua District Council Plan Number 11163, Sheet 9

Description of Area

An area on the western shore of Lake Tarawera comprising the current residential development as shown on RDC Plan No.11163, Sheet 9. Refer also to District Plan Maps 79-82.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Wastewater Service Area.

Every serviceable property is entitled to a single 100 mm diameter wastewater connection to the boundary of the property. Council will maintain the sewer system in a state that will enable domestic type sewage to be carried away and treated by the system without blockages.

Note: Serviceable properties are those properties with some part of the land within 30 metres or the building within 60 metres of a public sewer main and are capable of being effectively connected, either directly or through a private drain. These properties, if not connected to the public sewer, are required to pay an availability charge.

Effluent Quality

Council will treat all sewage discharged into its system in accordance with its Resource Consents.

Funding

The Rotorua Urban Waste Water Scheme has historically been self-funding, with all costs and revenues identified in a separate stand-alone account. Council is currently proposing a new funding policy to take into account proposed rural waste water schemes. The principles of this are as outlined below. The proposed rural sewerage schemes with treatment and disposal independent of the existing Rotorua Waste Water Treatment Plant will be principally funded from ratepayers within each scheme area via targeted rates (both capital and operating). Other funding sources for the capital costs of these schemes are: Ministry of Health Grants and Environment BOP Grants.

Financial/Technical Planning

Key documents ensuring sound management of the Water Supply are the Annual Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents

Legislation

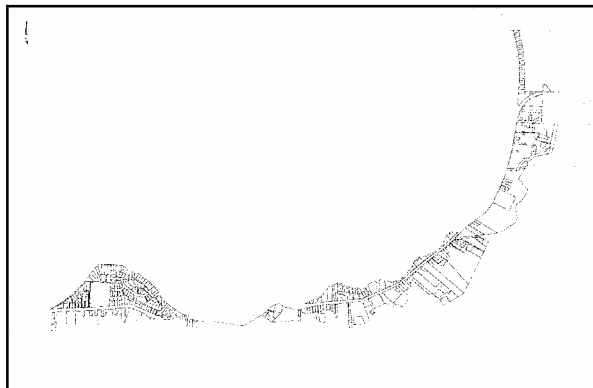
Local Government Act 2002, Local Government (Rating) Act 2002, Health Act 1956.

Water Services and Trade Wastes Bylaw 2004.

RDC Files

85 08 010, 85 08 130

Gisborne Point / Hinehopu Sewerage Scheme



Rotorua District Council Plan Number 11163, Sheet 10

Description of Area

An area on the eastern shore of Lake Rotoiti from Gisborne Point to Hinehopu, as shown on RDC Plan No.11163, Sheet 10. Refer also to District Plan Maps 65-68.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Wastewater Service Area. Every serviceable property is entitled to a single 100 mm diameter wastewater connection to the boundary of the property. Council will maintain the sewer system in a state that will enable domestic type sewage to be carried away and treated by the system without blockages.

Note: Serviceable properties are those properties with some part of the land within 30 metres or the building within 60 metres of a public sewer main and are capable of being effectively connected, either directly or through a private drain. These properties, if not connected to the public sewer, are required to pay an availability charge.

Effluent Quality

Council will treat all sewage discharged into its system in accordance with its Resource Consents.

Funding

The Rotorua Urban Waste Water Scheme has historically been self-funding, with all costs and revenues identified in a separate stand-alone account. Council is currently proposing a new funding policy to take into account proposed rural waste water schemes. The principles of this are as outlined below. The proposed rural sewerage schemes with treatment and disposal independent of the existing Rotorua Waste Water Treatment Plant will be principally funded from ratepayers within each scheme area via targeted rates (both capital and operating). Other funding sources for the capital costs of these schemes are: Ministry of Health Grants and Environment BOP Grants.

Financial/Technical Planning

Key documents ensuring sound management of the Wastewater System are the Annual Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents

Legislation

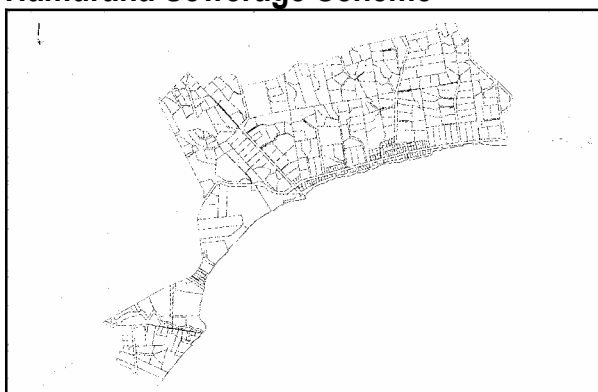
Local Government Act 2002, Local Government (Rating) Act 2002, Health Act 1956.

Water Services and Trade Wastes Bylaw 2004.

RDC Files

85 08 010, 85 08 130

Hamurana Sewerage Scheme



Rotorua District Council Plan Number 11163, Sheet 12

Description of Area

An area on the northern shore of Lake Rotorua encompassing the Hamurana residential area as shown on RDC Plan No.11163, Sheet 12. Refer also to District Plan Maps 4, 6 and 7.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Wastewater Service Area. Every serviceable property is entitled to a single 100 mm diameter wastewater connection to the boundary of the property. Council will maintain the sewer system in a state that will enable domestic type sewage to be carried away and treated by the system without blockages.

Note: Serviceable properties are those properties with some part of the land within 30 metres or the building within 60 metres of a public sewer main and are capable of being effectively connected, either directly or through a private drain. These properties, if not connected to the public sewer, are required to pay an availability charge.

Effluent Quality

Council will treat all sewage discharged into its system in accordance with its Resource Consents.

Funding

The Rotorua Urban Waste Water Scheme has historically been self-funding, with all costs and revenues identified in a separate stand-alone account. Council is currently proposing a new funding policy to take into account proposed rural waste water schemes. The principles of this are as outlined below. The proposed rural sewerage schemes with treatment and disposal independent of the existing Rotorua Waste Water Treatment Plant will be principally funded from ratepayers within each scheme area via targeted rates (both capital and operating). Other funding sources for the capital costs of these schemes are: Ministry of Health Grants and Environment BOP Grants.

Financial/Technical Planning

Key documents ensuring sound management of the Wastewater System are the Annual Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents

Legislation

Local Government Act 2002, Local Government (Rating) Act 2002, Health Act 1956.

Water Services and Trade Wastes Bylaw 2004.

RDC Files

85 08 010, 85 08 130

Rotoma Sewerage Scheme



Rotorua District Council Plan Number 11163, Sheet 11

Related Documents

Legislation

Local Government Act 2002, Local Government (Rating) Act 2002, Health Act 1956.
Water Services and Trade Wastes Bylaw 2004.

RDC Files

85 08 010

Description of Area

An area on the southern shore of Lake Rotoma, as shown on RDC Plan No.11163, Sheet 11. Refer also to District Plan Maps 72-75.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Wastewater Service Area. Every serviceable property is entitled to a single 100 mm diameter wastewater connection to the boundary of the property. Council will maintain the sewer system in a state that will enable domestic type sewage to be carried away and treated by the system without blockages.

Note: Serviceable properties are those properties with some part of the land within 30 metres or the building within 60 metres of a public sewer main and are capable of being effectively connected, either directly or through a private drain. These properties, if not connected to the public sewer, are required to pay an availability charge.

Effluent Quality

Council will treat all sewage discharged into its system in accordance with its Resource Consents.

Funding

The Rotorua Urban Waste Water Scheme has historically been self-funding, with all costs and revenues identified in a separate stand-alone account. Council is currently proposing a new funding policy to take into account proposed rural waste water schemes. The principles of this are as outlined below. The proposed rural sewerage schemes with treatment and disposal independent of the existing Rotorua Waste Water Treatment Plant will be principally funded from ratepayers within each scheme area via targeted rates (both capital and operating). Other funding sources for the capital costs of these schemes are: Ministry of Health Grants and Environment BOP Grants.

Water

Overall aim of the activity

To provide in a cost-effective manner an adequate supply of water of sufficient quality to meet the needs of communities within the District.

Activity purpose – why we provide the service

The Health Act 1956 (Section 23) requires Councils to improve, promote and protect public health. Whilst not expressly requiring Councils to provide a public water supply, the provision of a safe, potable water supply to dwellings contributes significantly towards this.

The community expectation is that Council will, in areas where it is cost-effective to do so, provide a supply of drinking water which is “safe.” Council has the resources and knowledge to provide leadership in this area.

The commercial / industrial sector, including dairy farming, also expects Council in currently-served areas to ensure

there is adequate water provided for these businesses to operate and develop.

Moreover, the community expects that Council will ensure, through strategies and sound planning, that these services will continue to be available to areas of the District in which growth and development is expected.

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A healthy community

- Safe drinking water
- Healthy whanau, healthy communities

A community with excellent facilities and services

- Good quality infrastructure for the future
- Good, safe, maintained services and roads

What we say we will do

More detailed target information, including levels of service, are provided under each water scheme description on the following pages.

OUTCOME PROMOTED – A healthy community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
<ul style="list-style-type: none"> • Safe drinking water. • Healthy whanau, healthy communities. 	Provision of safe drinking water for the following water schemes: Central Urban Ngongotaha Rotokawa Mamaku Rotoiti Rotoma Kaharoa Reporoa/Mihi Hamurana Okareka	Sampling and laboratory testing records. WINZ database records.	100% compliance with the monitoring requirements of the current DWSNZ.	100% compliance with the monitoring requirements of the current DWSNZ.	100% compliance with the monitoring requirements of the current DWSNZ.	100% compliance with the monitoring requirements of the current DWSNZ.

OUTCOME PROMOTED – A community with excellent facilities and services

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets				
			2006/07	2007/08	2008/09	2009/10 to 2015/16	
<ul style="list-style-type: none"> • Good quality infrastructure for the future • Good safe, maintained services and roads 	Provision of excellent water network and treatment facilities for the following water schemes:	Routine pressure flow tests. Hydraulic model analysis.	95% of connections will meet following:	95% of connections will meet following:	95% of connections will meet following:	95% of connections will meet following:	
			Central Urban	Min 30 litres/min minimum flow for domestic connections. Min 30 metres pressure head. Max 90 metres pressure head.	Min 30 litres/min minimum flow for domestic connections. Min 30 metres pressure head. Max 90 metres pressure head.	Min 30 litres/min minimum flow for domestic connections. Min 30 metres pressure head. Max 90 metres pressure head.	Min 30 litres/min minimum flow for domestic connections. Min 30 metres pressure head. Max 90 metres pressure head.
			Eastern Area	Min 1,500 litres/day flow. Min 10 metres pressure head. Max 90 metres pressure head.	Min 1,500 litres/day flow. Min 10 metres pressure head. Max 90 metres pressure head.	Min 1,500 litres/day flow. Min 10 metres pressure head. Max 90 metres pressure head.	Min 1,500 litres/day flow. Min 10 metres pressure head. Max 90 metres pressure head.
			Rotokawa	Min 5 metres pressure head. Max 90 metres pressure head.	Min 5 metres pressure head. Max 90 metres pressure head.	Min 5 metres pressure head. Max 90 metres pressure head.	Min 5 metres pressure head. Max 90 metres pressure head.
			Mamaku	20 litres/min flow for domestic connections. Min 20 metres pressure head. Max 90 metres pressure head.	20 litres/min flow for domestic connections. Min 20 metres pressure head. Max 90 metres pressure head.	20 litres/min flow for domestic connections. Min 20 metres pressure head. Max 90 metres pressure head.	20 litres/min flow for domestic connections. Min 20 metres pressure head. Max 90 metres pressure head.
			Rotoiti	20 litres/min minimum flow for residential connections. Min 20 metres pressure head. Max 90 metres pressure head.	20 litres/min minimum flow for residential connections. Min 20 metres pressure head. Max 90 metres pressure head.	20 litres/min minimum flow for residential connections. Min 20 metres pressure head. Max 90 metres pressure head.	20 litres/min minimum flow for residential connections. Min 20 metres pressure head. Max 90 metres pressure head.
			Rotoma	20 litres/min flow for residential connections. Min 20 metres pressure head. Max 90 metres pressure head.	20 litres/min flow for residential connections. Min 20 metres pressure head. Max 90 metres pressure head.	20 litres/min flow for residential connections. Min 20 metres pressure head. Max 90 metres pressure head.	20 litres/min flow for residential connections. Min 20 metres pressure head. Max 90 metres pressure head.

OUTCOME PROMOTED – A community with excellent facilities and services

Sub outcomes (Key result areas)	Service provided	How We Will Measure	Targets			
			2006/07	2007/08	2008/09	2009/10 to 2015/16
	Kaharoa		450 litres/ha/ day flow for dairy. 250 litres/ha/ day for sheep/ beef. No minimum pressure. Max 90 metres pressure head.	450 litres/ha/ day flow for dairy. 250 litres/ha/ day for sheep/ beef. No minimum pressure. Max 90 metres pressure head.	450 litres/ha/ day flow for dairy. 250 litres/ha/ day for sheep/ beef. No minimum pressure. Max 90 metres pressure head.	450 litres/ha/ day flow for dairy. 250 litres/ha/ day for sheep/ beef. No minimum pressure. Max 90 metres pressure head.
	Reporoa/Mihi		20 litres/min minimum flow for residential. 505 litres/ha/ day farming. 3600m ³ /day factory. Min 15 metres pressure head. Max 90 metres pressure head.	20 litres/min minimum flow for residential. 505 litres/ha/ day farming. 3600m ³ /day factory. Min 15 metres pressure head. Max 90 metres pressure head.	20 litres/min minimum flow for residential. 505 litres/ha/ day farming. 3600m ³ /day factory. Min 15 metres pressure head. Max 90 metres pressure head.	20 litres/min minimum flow for residential. 505 litres/ha/ day farming. 3600m ³ /day factory. Min 15 metres pressure head. Max 90 metres pressure head.
	Hamurana		20 litres/min minimum flow for residential connections. Min 15 metres pressure head. Max 90 metres pressure head.	20 litres/min minimum flow for residential connections. Min 15 metres pressure head. Max 90 metres pressure head.	20 litres/min minimum flow for residential connections. Min 15 metres pressure head. Max 90 metres pressure head.	20 litres/min minimum flow for residential connections. Min 15 metres pressure head. Max 90 metres pressure head.
	Okareka		20 litres/min minimum flow for residential. connections. Min 20 metres pressure head. Max 90 metres pressure head.	20 litres/min minimum flow for residential. connections. Min 20 metres pressure head. Max 90 metres pressure head.	20 litres/min minimum flow for residential. connections. Min 20 metres pressure head. Max 90 metres pressure head.	20 litres/min minimum flow for residential. connections. Min 20 metres pressure head. Max 90 metres pressure head.
	To provide adequate fire fighting water supply to the following areas: Central Urban Mamaku	NZFS Code of Practice	95% of fire hydrants comply.	95% of fire hydrants comply.	95% of fire hydrants comply.	95% of fire hydrants comply.

Note: Flow/pressure figures are at point of supply.

Assets used in Water Activity

Asset Type	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Buildings	358	15	343
Computer Hardware	7	7	-
Computer Software	40	40	-
Database	19	4	15
Land	2,783	-	2,783
Plant & Machinery Works	96	56	40
	73,186	2,097	71,088
	76,489	2,219	74,269

How the local authority will assess and manage changes in demand, consumption or change in level of service

The Rotorua Basin Water Strategic Plan will assess the long term water infrastructure requirements of the Rotorua Basin resulting from growth.

The Assessment of Water and Sanitary Services (2005) reviewed present and future demands of the whole district.

Anticipated capacity changes and whether they are the result of demand or service level changes

The capacity changes (yet to be confirmed by the Rotorua Basin Water Strategic Plan) are likely to be solely the result of growth.

How the provision of any additional capacity will be undertaken

The upgrade of sources and reticulation systems will be undertaken under a programme identified in the Water Strategic Plan.

Most are likely to be undertaken by external sources.

How maintenance, renewal and replacement will be undertaken.

Maintenance of water assets is undertaken in-house. Renewal and replacement is undertaken as programmed by a combination of in-house and external resources.

Funding

This activity comprises five sub-activities that are considered separately for funding. They are:

- a) Urban supply - operating (cost of running and monitoring the scheme) and capital (major improvements/extensions).
- b) Rural residential - capital (major improvements/extensions).
- c) Rural residential - operating (cost of running and monitoring the scheme).
- d) Rural farming - capital (major improvements/extensions).
- e) Rural farming - operating (cost of running and monitoring the scheme).

Funding of capital expenditure for growth will be by development contributions as described in Appendix E Capital Expenditure Related to Growth of the draft Development Contributions Policy contained in part C of the plan.

Urban supply (operating and capital)

Who benefits from the activity?

- The community as a whole benefits from:
 - Safe and efficient provision of drinking water.
 - Provision of water services for fire fighting to maintain community safety services.
- Commercial businesses benefit specifically from the provision of water services.

- Households benefit from the provision of water services.
- Developers gain specific benefits.

What is the period of benefit?

- Benefits are intergenerational and ongoing as long as the infrastructure is maintained and the service continued.

Who creates need for the activity?

- The community as a whole creates the need for a safe urban environment where water services are adequately provided and health standards maintained.
- Commercial and industrial enterprises create need for water services applicable to their business.
- Fire fighting services create need for water services to carry out their job.
- Property owners create the need for the service.

Funding source

- The primary beneficiaries are existing and future users (consumers) of the water supply, and non-users within the water supply area (whose property values increase due to the availability of the supply and the improved fire protection capability).
- The community as a whole benefits in terms of improved health, clean environment and fire fighting capabilities.
- The activity is funded by user charges comprising:
 - Domestic by way of targeted rate of a uniform amount.
 - Business by way of targeted rate based on metered use.

Rural residential (capital)

Who benefits from the activity?

- The community as a whole benefits from:
 - Safe and efficient provision of drinking water.
 - Provision of water services for fire fighting to maintain community safety services.
- Commercial businesses benefit specifically from the provision of water services.
- Households benefit from the provision of water services.
- Developers gain specific benefits.

What is the period of benefit?

- Benefits are intergenerational and ongoing as long as the infrastructure is maintained and the service continued.

Who creates need for the activity?

- The community as a whole creates the need for a safe urban environment where water services are adequately provided and health standards maintained.
- Commercial and industrial enterprises create need for water services applicable to their business.
- Fire fighting services create need for water services to carry out their job.
- Property owners create the need for the service.

Funding source

- The primary beneficiaries are existing and future users (consumers) of the water supply, and non-users within the water supply area (whose property values increase

due to the availability of the supply and the improved fire protection capability).

- The community as a whole benefits in terms of improved health, clean environment and fire fighting capabilities.
- Each property within the scheme contributes a maximum of \$2,500 towards the costs of any rural water supply scheme and any extension to an existing rural water supply scheme that is deemed necessary, and the balance by way of general rates as a measure of the benefit to the community.

Rural residential (operating)

Who benefits from the activity?

- The community as a whole benefits from:
 - Safe and efficient provision of drinking water.
 - Provision of water services for fire fighting to maintain community safety services.
- Commercial businesses benefit specifically from the provision of water services.
- Households benefit from the provision of water services.

What is the period of benefit?

- Benefits are intergenerational and ongoing as long as the infrastructure is maintained and the service continued.

Who creates need for the activity?

- The community as a whole creates the need for a safe urban environment where water services are adequately provided and health standards maintained.
- Commercial and industrial enterprises create need for water services applicable to their business.
- Fire fighting services create need for water services to carry out their job.
- Property owners create the need for the service.

Funding source

- The primary beneficiaries are existing and future users (consumers) of the water supply, and non-users within the water supply area (whose property values increase due to the availability of the supply and the improved fire protection capability).
- The community as a whole benefits in terms of improved health, clean environment and fire fighting capabilities.
- The Mamaku, Rotoiti, Rotoma, Hamurana, Kaharoa and Okareka supplies are 100% user pays by a combination of fixed quarterly charge which is set to recover 75% of the fixed costs of the scheme, and a charge per cubic metre consumed. The cost per cubic metre is set to recover all of the variable costs of the scheme plus 25% of the fixed costs. However, where this formula results in a reduction in the fixed charge from the previous year, the 75 /25 ratio shall be modified so that the fixed change stays the same.

Rural farming (capital)

Who benefits from the activity?

- The community as a whole benefits from:
 - Safe and efficient provision of drinking water.
 - Provision of water services for fire fighting to maintain community safety services.
- Commercial businesses benefit specifically from the provision of water services.
- Households benefit from the provision of water services.
- Developers gain specific benefits.

What is the period of benefit?

- Benefits are intergenerational and ongoing as long as the infrastructure is maintained and the service continued.

Who creates need for the activity?

- The community as a whole creates the need for a safe urban environment where water services are adequately provided and health standards maintained.
- Commercial and industrial enterprises create need for water services applicable to their business.
- Fire fighting services create need for water services to carry out their job.
- Property owners create the need for the service.

Funding source

- It is considered that the benefits obtained from expenditure on this activity are primarily private in relation to each farm. The private beneficiaries are the existing and future users (consumers) of the water supply, with water for stock being the predominant use (commercial purposes). Residents receive the benefits of supply to the farms.
- It is noted that new farming water supply schemes are used primarily to increase farm productivity and are based on a commercial decision by the farming community to increase productivity and the wealth of the district.

Rural farming (operating)

Who benefits from the activity?

- The community as a whole benefits from:
 - Safe and efficient provision of drinking water.
 - Provision of water services for fire fighting to maintain community safety services.
- Commercial businesses benefit specifically from the provision of water services.
- Households benefit from the provision of water services.

What is the period of benefit?

- Benefits are intergenerational and ongoing as long as the infrastructure is maintained and the service continued.

Who creates need for the activity?

- The community as a whole creates the need for a safe urban environment where water services are adequately provided and health standards maintained.

- Commercial and industrial enterprises create need for water services applicable to their business.
- Fire fighting services create need for water services to carry out their job.
- Property owners create the need for the service.

Funding source

- This activity relates solely to the Reporoa water supply at this stage. It is considered that the benefits obtained from expenditure on this activity are primarily private in relation to each farm. The private beneficiaries are the

existing and future users (consumers) of the water supply, with water for stock being the predominant use (commercial purposes). Residents receive the benefit of supply to the farms.

- It is noted that currently the activity is funded by way of 100% user charges by a combination of fixed quarterly charges and metered consumption over and above a fixed quarterly quantity.

Water financial summaries (forecast 2007-2016)

Description (thousands)	Last Year	Annual Plan										
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	3,124	3,375	3,858	4,098	4,351	4,541	4,678	4,812	4,948	5,059	5,179	5,285
Depreciation	1,266	1,241	1,986	2,046	2,206	2,172	2,141	2,338	2,422	2,440	2,621	2,634
Finance	130	235	223	443	576	590	602	614	590	522	440	339
Total costs	4,520	4,851	6,067	6,586	7,134	7,304	7,421	7,763	7,960	8,021	8,239	8,258
REVENUE												
Targeted rates	4,818	4,937	5,474	6,261	7,054	7,367	7,643	7,909	8,174	8,537	8,769	9,007
Investment income	17	9	11	-4	-16	-17	-16	-16	-15	-13	-10	-7
Fees and charges	22	22	22	74	127	172	176	180	183	191	195	199
Capital grants and contributions	0	0	640	914	756	185	299	406	444	497	531	563
Total revenue	4,857	4,968	6,146	7,245	7,921	7,708	8,101	8,479	8,787	9,212	9,484	9,762
Net cost of service	-337	-117	-79	-658	-786	-404	-680	-716	-827	-1,190	-1,245	-1,504
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Urban Water												
Renewals	706	1,398	1,223	1,098	969	1,019	1,306	1,082	1,031	1,128	1,370	1,127
Capital Improvements												
Backlog/Growth	0	60	0	0	0	0	0	0	0	0	0	0
Reticulation Improvements												
Backlog/Growth	437	1,888	425	1,809	838	853	896	932	934	974	1,155	1,095
Backflow Preventors												
Backlog/Growth	0	0	634	870	683	0	0	0	0	0	0	0
Water Treatment												
Backlog/Growth	0	0	53	109	512	541	562	679	0	0	0	0
Source Development												
Provision for Growth	0	0	53	109	227	240	250	407	393	206	0	0
Reservoirs												
50% Growth/50% Backlog	0	0	634	0	0	0	0	0	0	0	0	0
Eastern Trunk Line												
Growth/Backlog	0	150	750	2,354	0	0	0	0	0	0	0	0
Mamaku Water												
Renewals	1	2	2	7	2	2	2	2	13	3	3	3
Capital Improvements												
Backlog/Growth	3	28	0	107	0	0	0	0	0	0	0	0
Rotoiti Water												
Renewals	2	34	29	3	3	3	14	4	4	4	4	4

Description (thousands)	Last Year	Annual Plan											
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	
Capital Improvements													
Backlog/Growth	1	31	0	109	0	0	0	0	0	0	0	0	0
Rotoma Water													
Renewals	4	6	1	22	1	1	1	2	2	2	2	2	2
Capital Improvements													
Backlog/Growth	1	31	0	87	0	0	0	0	0	0	0	0	0
Kaharoa Water													
Renewals	39	21	24	5	9	6	6	6	6	6	7	7	7
Capital Improvements													
Backlog/Growth	3	60	0	178	0	0	0	0	0	0	0	0	0
Reporoa Water													
Renewals	4	8	208	8	14	9	27	10	10	10	11	11	11
Capital Improvements													
Backlog/Growth	177	207	987	0	0	0	0	0	0	0	0	0	0
Hamurana Water													
Renewal	0	1	1	1	1	1	1	1	1	1	1	1	1
Capital Improvements													
Backlog/Growth	2	37	0	52	0	0	0	0	0	0	0	0	0
Okareka Water													
Renewal	1	1	1	1	1	1	1	1	1	1	1	1	1
Other renewals	6	10	3	3	3	3	3	3	4	4	4	4	4
Total Capital	1,389	3,974	5,027	6,932	3,264	2,680	3,068	3,130	2,398	2,340	2,557	2,254	2,254

HOW WE PAY FOR THIS ACTIVITY

OPERATIONAL FUNDING

Net cost of service	-337	-117	-79	-658	-786	-404	-680	-716	-827	-1,190	-1,245	-1,504
Plus Capital Grants and Contributions	0	0	640	914	756	185	299	406	444	497	531	563
Funding	-337	-117	561	256	-31	-219	-382	-310	-383	-694	-714	-941
Less depreciation for Capital	-1,266	-1,241	-1,986	-2,046	-2,206	-2,172	-2,141	-2,338	-2,422	-2,440	-2,621	-2,634
Total Rates for/(from) Operations	-1,603	-1,358	-1,426	-1,790	-2,237	-2,391	-2,522	-2,648	-2,805	-3,134	-3,335	-3,575

CAPITAL FUNDING

Capital funded by:-												
Rates funding (depreciation equivalent)	1,266	1,241	1,986	2,046	2,206	2,172	2,141	2,338	2,422	2,440	2,621	2,634
Loans from/(to) Corporate Funds	123	2,733	2,401	3,972	303	323	629	386	-469	-597	-594	-944
Capital Grants	0	0	600	816	624	0	0	0	0	0	0	0
Development contributions	0	0	40	98	131	185	299	406	444	497	531	563
Total capital	1,389	3,974	5,027	6,932	3,264	2,680	3,068	3,130	2,398	2,340	2,557	2,254

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Central Urban Water Supply

Water is drawn from the Karamu-Takina Springs and pumped via two pump stations (Matipo and Utuhina) to storage reservoirs. A further three booster stations (Pukehangi, Thomas Crescent and Tihiotonga) are used to service the supply area. The supply serves a population of 38,960 with an estimated 15,844 connections covering an area of 2,600 hectares. An average of 24,326m³ was used daily in 2005, with estimated peak day consumption of 31,854m³, which is supplied through 292km of pipe work. The supply is lightly chlorinated. Total reservoir capacity is 32,655m³.



Rotorua District Council Plan Number 11015 Sheet 1

Description of Area

An urban area encompassing the Ngongotaha, Rotorua City and Eastern Suburbs as shown on RDC Drawing No: 11015 Sheet 1. Refer also to District Plan Maps 7 – 43, 104, 105, 107, 108.

History

A water supply for the Rotorua Township was first established in 1887. Since then, a number of improvements and extensions have been made as the City has developed. A public supply was first established for Ngongotaha in 1924, and for the Eastern Suburbs in 1963.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Water Supply Area. The following stated minimum levels of service for flow and pressure are not achievable for every single connection at all times. Council's aim is that at least 95% of connections will meet these levels under normal demand.

Quantity

Flow	Domestic Connections – minimum 30 litres/minute Commercial/Extraordinary – dependent on size of connection
Pressure Range	Minimum 30 metres pressure head Maximum 90 metres pressure head
Note:	Flow/Pressure figures are at point of supply.
Fire-fighting Water	95% of fire hydrants are to meet the NZ Fire Service Code of Practice for Firefighting Water Supplies.
Water Quality	2004 Public Health Grading - Central Zone Ba. - Eastern Zone Bd. - Ngongotaha Zone Ed.

Supply Funding

Costs and revenues for the Rotorua Urban Water Supply are combined with those of the Rotokawa Water Supply and Ngongotaha Rural Water Supply in one stand-alone self-funding account.

Financial/Technical Planning

Key documents ensuring sound management of the Water Supply are the Annual Business Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents

Legislation

Local Government Act 2002; Local Government (Rating) Act 2002, Health Act 1956, Water Supply Protection Regulations 1961, Water Services and Trade Wastes Bylaw 2004.

RDC Files

87 09 020, 87 09 010, 87 09 011, 87 09 060, 87 06 010, 87 06 020,
87 06 030, 87 03 010, 87 03 020, 87 03 030, 87 03 040.

Council Minutes

Works Committee Rec. E 95/08/19 Resolved 26 September 1995
Works Committee Rec. E 89/04/16 Resolved 20 April 1989
Works Committee Rec. E 92/03/10 Resolved 7 April 1992

Eastern Area Water Supply

A predominantly urban supply serving a population of 9,616 with 3,784 total connections including 327 industrial or commercial connections covering an area of 1,900 hectares. Water is drawn from springs in Whakarewarewa Forest and pumped to a high level storage reservoir in Tarawera Road, then gravitated to the main reservoir just above Highfield Place in Tarawera Road. The area served by the supply extends from the Puarenga Stream, north east along the lakeshore, to the airport, and south up to about the 335m contour level. An average of 4,548m³ was used daily in 2005, with a estimated peak day consumption of 6,930m³ which is supplied through 85km of pipework. Total reservoir capacity 7,270m³.

Ngongotaha Water Supply

Originally a predominantly urban supply for the Ngongotaha Township but now with minor extensions, services some of the adjoining farmlands. The supply services a population of 4,382 with 1,912 total connections including 332 industrial/commercial connections covering an area of 1300 hectares. Water is drawn from the Taniwha Springs and pumped to reservoirs in Central Road and Henderson Road. An average of 1,912m³ was used daily in 2005 with a peak consumption of 3,236m³, which is supplied through 49km of pipework. Total reservoir capacity is 6,130m³.

Ngongotaha Rural



Rotorua District Council Plan Number 11015, Sheet 2

Description of Area

A predominantly farming/lifestyle area surrounding the Ngongotaha township as shown on RDC Plan No: 11015, Sheet 2. Refer also to District Plan Maps 6, 7, 8, 9, 10, 11, 12, 13, 104, 105.

History

This area was originally supplied with water by ad-hoc extensions to the previously – known Ngongotaha Water Supply. Consumers in the area were advised of the proposed formation of this area and proposed levels of service by letter in May 2000.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Water Supply Area.

Quantity

Flow	Minimum 1,500 litres per day
Pressure Range	Minimum 10 metres pressure head Maximum 90 metres pressure head
Note:	Flow/Pressure figures are at point of supply.
Fire-fighting Water	Although a number of fire hydrants are installed, there is no guarantee that these will meet the NZ Fire Service Code of Practice for Fire fighting Water Supplies.
Water Quality	2004 Public Health Grading – Ed

Supply Funding

Costs and revenues for the Ngongotaha Rural Water Supply are combined with those of the Rotorua Urban Water Supply and Rotokawa Water Supply in one stand-alone self-funding account.

Financial/Technical Planning

Key documents ensuring sound management of the Wastewater System are the Annual Business Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents

Legislation

Local Government Act 2002; Local Government (Rating) Act 2002, Health Act 1956, Water Supply Protection Regulations 1961, Water Services and Trade Wastes Bylaw 2004.

RDC Files

87 09 060, 87 06 030, 87 03 030

Council Minutes

Works Committee Rec. E 95/08/19 Resolved 26 Sept. 1995

Works Committee Rec. E 89/04/16 Resolved 20 April 1989

Rotokawa Water Supply



Rotorua District Council Plan Number 11015, Sheet 3

Description of Area

A predominantly domestic/lifestyle area to the East of Lake Rotorua as shown on RDC Plan No: 11015, Sheet 3. Included in this area are the Airport and the Eastgate Business Park. Water is supplied from the Eastern Zone of the Rotorua Urban Water supply. Refer also District Plan Maps 22, 44, 45, 46, 105.

History

This area was originally an extension of the previous Eastern Water Supply which occurred in 1963. All consumers in the area were advised of the proposed formation of this area and proposed levels of service by letter in May 2000.

Levels of Service

The following levels of service are those, which Council will endeavour to maintain within the Water Supply Area.

Quantity

Flow	There is no minimum flow standard – although consumers will normally receive some flow continuously during peak demand periods.
Pressure Range	Minimum 5 metres pressure head Maximum 90 metres pressure head
Note:	Flow/Pressure figures are at point of supply.
Fire-fighting Water	Although a number of fire hydrants are installed, there is no guarantee that these will meet the NZ Fire Service Code of Practice for Fire fighting Water Supplies.
Water Quality	2004 Public Health Grading – Bd Does not meet Drinking Water Standards of NZ as supply is not permanently chlorinated.

Supply Funding

Costs and revenues for the Rotokawa Water Supply are combined with those of the Rotorua Urban Water Supply and Ngongotaha Rural Water supply in one stand-alone self-funding account.

Financial/Technical Planning

Key documents ensuring sound management of the Water Supply are the Annual Business Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents

Legislation

Local Government Act 2002; Local Government (Rating) Act 2002, Health Act 1956, Water Supply Protection Regulations 1961, Water Services and Trade Wastes Bylaw 2004.

RDC Files

87 03 072, 87 09 010, 87 09 011, 87 06 020, 87 03 020

Council Minutes

Works Committee Rec. E 95/08/19 Resolved 26 Sept. 1995
Works Committee Rec. E 89/04/16 Resolved 20 April 1989

Mamaku Water Supply

A predominantly residential supply serving 267 properties. Water is drawn from a deep bore, pumped to a storage reservoir in Mamaku Domain and fed into reticulation via a hydro-pneumatic booster station because of the flat terrain. An average of 211m³ was used daily in 2005, with a peak consumption of 274m³, which is supplied through 13km of pipework. The supply is lightly chlorinated. Total reservoir capacity is 225m³.



Rotorua District Council Plan Number 11015, Sheet 4

Description of Area

A predominantly residential area covering the Mamaku Village as shown on RDC Plan No: 11015, Sheet 4. Refer also to District Plan maps 76, 77, 104.

History

First commissioned in 1987, and subsequently extended in 1997.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Water Supply Area.

Quantity

Flow	Domestic connections 20 litres per minute Commercial/Extraordinary – dependent on size of connection
Pressure Range	Minimum 20 metres pressure head Maximum 90 metres pressure head
Note:	Flow/Pressure figures are at point of supply.
Fire-fighting Water	95% of fire hydrants are to meet the NZ Fire Service Code of Practice for Fire Fighting Water Supplies
Water Quality	2004 Public Health Grading – Ca

Supply Funding

The Mamaku Water Supply is self-funding, with all costs and revenues identified in a separate stand-alone account.

Financial/Technical Planning

Key documents ensuring sound management of the Water Supply are the Annual Business Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents

Legislation

Local Government Act 2002; Local Government (Rating) Act 2002, Health Act 1956, Water Supply Protection Regulations 1961, Water Services and Trade Wastes Bylaw 2004.

RDC Files

87 09 040, 87 02 030, 87 06 070.

Council Minutes

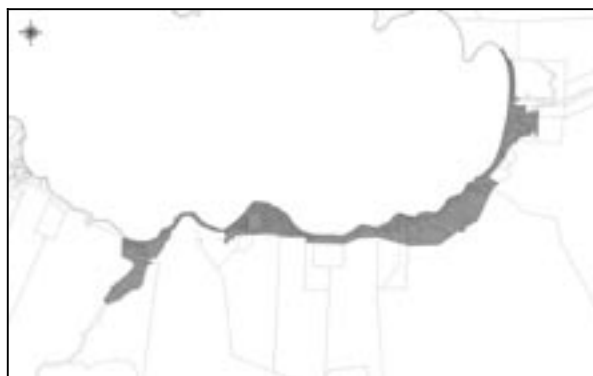
Works Committee Rec. E 95/08/19 Resolved 26 September 1995

Works Committee Rec. E 89/04/16 Resolved 20 April 1989

Works Committee Rec. E 96/04/10 Resolved 22 April 1996

Rotoiti Water Supply

A predominantly residential supply servicing 334 properties. Water is drawn from the Wai-iti Springs and pumped directly into reticulation to storage reservoirs at Gisborne Point and Hinehopu. An average of 243m³ was used daily in 2005, with a peak consumption of 332m³, which is supplied through 13.4km of pipework. The supply is lightly chlorinated. Total reservoir capacity is 308m³.



Rotorua District Council Plan Number 11015, Sheet 5

Description of Area

A predominantly residential area on the Southern shores of Lake Rotoiti as shown on RDC Plan No: 11015, Sheet 5. Refer also to District Plan maps 64, 65, 66, 67, 68, 106.

History

The supply was established in 1976.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Water Supply Area.

Quantity

Flow	Residential minimum – 20 litres per minute Commercial/Extraordinary – dependent on size
Pressure Range	Minimum 20 metres pressure head Maximum 90 metres pressure head
Note:	Flow/Pressure figures are at point of supply.
Fire-fighting Water	Although a number of fire hydrants are installed, there is no guarantee that these will meet the NZ Fire Service Code of Practice for Fire fighting Water Supplies.
Water Quality	2004 Public Health Grading – Ud

Supply Funding

The Rotoiti Water Supply is self-funding, with all costs and revenues identified in a separate stand-alone account.

Financial/Technical

Key documents ensuring sound management of the Water Supply are the Annual Business Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents

Legislation

Local Government Act 2002; Local Government (Rating) Act 2002, Health Act 1956, Water Supply Protection Regulations 1961, Water Services and Trade Wastes Bylaw 2004.

RDC Files

87 09 080, 87 05 010, 87 02 050, 87 06 050.

Council Minutes

Works Committee Rec. E 95/08/19 Resolved 26 Sept. 1995
Works Committee Rec. E 89/04/16 Resolved 20 April 1989

Rotoma Water Supply

A predominantly residential supply serving 130 properties. Water is drawn from Lake Rotoma and pumped to a storage reservoir in Oxford Road. An average of 81m³ was used daily in 2005, with a peak consumption of 147m³, which is supplied through 7.1km of pipework. The supply is lightly chlorinated. Total reservoir capacity is 220m³.



Rotorua District Council Plan Number 11015, Sheet 6

Description of Area

A predominantly residential area on the Southern shores of Lake Rotoma as shown on RDC Plan No: 11015, Sheet 6. Refer also to District Plan maps 71, 72, 73, 106.

History

The supply was established in 1983.

Levels of Service

The following levels of service are those, which Council will endeavour to maintain within the Water Supply Area.

Quantity

Flow	Domestic connections 20 litres per minute Commercial/Extraordinary – dependent on size of connection
Pressure Range	Minimum 20 metres pressure head Maximum 90 metres pressure head
Note:	Flow/Pressure figures are at point of supply.
Fire-fighting Water	Although a number of fire hydrants are installed, there is no guarantee that these will meet the NZ Fire Service Code of Practice for Fire fighting Water Supplies.
Water Quality	2004 Public Health Grading – Ca

Supply Funding

The Rotoma Water Supply is self-funding, with all costs and revenues identified in a separate stand-alone account.

Financial/Technical Planning

Key documents ensuring sound management of the Water Supply are the Annual Business Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents

Legislation

Local Government Act 2002; Local Government (Rating) Act 2002, Health Act 1956, Water Supply Protection Regulations 1961, Water Services and Trade Wastes Bylaw 2004.

RDC Files

87 09 090, 87 02 020, 87 06 050

Council Minutes

Works Committee Rec. E 95/08/19 Resolved 26 Sept. 1995
Works Committee Rec. E 89/04/16 Resolved 20 April 1989

Kaharoa Water Supply

A predominantly rural supply serving 291 properties supplying 7,500 hectares of farmland. Water is drawn from Hamurana Springs and pumped to a storage reservoir in Te Waerenga Road and fed on via a booster station in Tauranga Direct Road to a reservoir in Roy Road from where it is further boosted to consumers on Lagoon Road. An average of 1,274m³ was used daily in 2005, with a peak consumption of 1,796m³, which is supplied through 56km of pipework. Total reservoir capacity is 1,218m³.



Rotorua District Council Plan Number 11015, Sheet 7

Description of Area

A predominantly farming and lifestyle area to the north of Lake Rotorua on the Mamaku Plateau incorporating the Kaharoa locality as shown on Rotorua District Council's Drawing No: 11015, Sheet 7. Refer also District Planning Maps 5, 6, 101, 102, 104, 105.

History

First commissioned as a Council supply in 1980. Subject to two extensions of area in 1984 and 1988.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Water Supply Area.

The quantity levels of service were originally set by the community at the time of construction through the Kaharoa

Water Supply Liaison Committee. The source, pumps and network were designed to supply a steady flow to each property over 24 hours with each property requiring its own on-site storage and, if necessary, pumping equipment.

The flow for each property is calculated from a daily allocation based on land area and land use (dairy or sheep/beef). The allocation is enforced by the use of a flow restrictor at each connection point.

Quantity

Flow	Dairy – 450 litres/hectare/day Sheep/Beef – 250 litres/hectare/day
The minimum allocation for small lots is 1,500 litres per day.	
Pressure Range	No minimum (enough to provide flow) Maximum 90 metres pressure head
Note:	Flow/Pressure figures are at point of supply.
Fire-fighting Water	No public fire fighting water supply is provided for.
Water Quality	2004 Public Health Grading – Dd

The water quantity levels of service were confirmed by a review in February 1999, and advised in writing to all property owners within the scheme in October 1999.

Supply Funding

The Kaharoa Water supply is self-funding with all costs and revenues identified in a separate stand-alone account.

Financial/Technical Planning

Key documents ensuring sound management of the Water Supply are the Annual Business Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents

Legislation

Local Government Act 2002; Local Government (Rating) Act 2002, Health Act 1956, Water Supply Protection Regulations 1961, Water Services and Trade Wastes Bylaw 2004.

RDC Files

87 09 030, 87 02 010, 87 06 060

Council Minutes

Resolution Council Meeting May/June 1999
Works Committee Rec. E 95/08/19 Resolved 26 Sept. 1995
Works Committee Rec. E 89/04/16 Resolved 20 April 1989
Works Committee Rec. E 89/08/35 Resolved 21 August 1989
Works Committee Rec. E 97/06/19 Resolved 3 June 1997
Works Committee Rec. E 98/04/08 Resolved 14 April 1998

Reports

"A study of Kaharoa Water Supply System" RDC May 1996

"Kaharoa Water Supply Scheme Network Analysis" RDC

Feb. 1999

Reporoa Water Supply

A predominantly farming supply serving 361 properties and supplying 6,800 hectares of farmland. Water is fed from two sources, Wharepapa Spring to the northwest which gravitates to the Reporoa village, dairy factory and beyond; and the Deep Creek spring to the south which is pumped into the Broadlands and Mihi area. An average of 5,900m³ was used daily in 2005 with a peak consumption of 8027 m³. It is supplied through 65km of pipework. The largest consumer is the Fontera Co-operative Group Ltd factory. The supply is lightly chlorinated.



Rotorua District Council Plan Number 11015, Sheet 8

Description of Area

A predominantly farming area which incorporates the Reporoa Village and includes the Reporoa Dairy Factory as shown on RDC Plan 11015, Sheet 8. Refer also to District Plan maps 88, 89, 90, 114, 117.

History

This supply is an amalgamation of the former Reporoa Water Supply (established 1968) and the former Mihi Water Supply (established 1953). These were amalgamated in 2005.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Water Supply Area.

Quantity

Differing quantity levels of service are set for Farming, Residential and Dairy Factory consumers. The sources, pumps and network are designed to supply a steady flow to each farm over 16 hours with each farm requiring its own on-site storage and if necessary, pumping equipment. The flow for each property is calculated from a daily allocation based on farm area. The allocation is enforced by the use of a flow restrictor at each connection point. The Dairy Factory has one connection supplying a steady flow, plus an extra allocation during night hours which it stores in its own reservoirs for use during the day. Residential users receive an unrestricted 24 hour flow.

Flow	Residential minimum – 20 litres per minute Farming – 505 litres/hectare/day Factory – 3600 cubic metres/day
Pressure Range	Minimum 15 metres pressure head Maximum 90 metres pressure head
Note:	Flow/Pressure figures are at point of supply.
Fire-fighting Water	Although a number of fire hydrants are installed, there is no guarantee that these will meet the NZ Fire Service Code of Practice for Fire fighting Water Supplies.
Water Quality	2004 Public Health Grading - Reporoa Zone Db - Mihi Zone Db

Supply Funding

The Reporoa Water Supply is self-funding, with all costs and revenues identified in a separate stand-alone account.

Financial/Technical Planning

Key documents ensuring sound management of the Water Supply are the Annual Business Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents:

Legislation

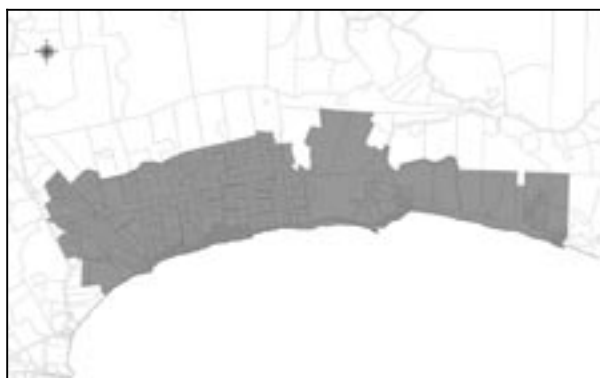
Local Government Act 2002; Local Government (Rating) Act 2002, Health Act 1956, Water Supply Protection Regulations 1961, Water Services and Trade Wastes Bylaw 2004.
RDC Files 87 09 050, 87 09 070, 87 02 120, 87 02 060, 87 02 040, 87 06 090, 87 06 080.

Council Minutes

Works Committee Rec. E 95/08/19 Resolved 26 Sept. 1995
Works Committee Rec. E 89/04/16 Resolved 20 April 1989
Works Committee Rec. E 90/05/36 Resolved 15 May 1990.

Hamurana Water Supply

A predominantly urban supply serving 330 properties includes a number of lifestyle and farm blocks. Water is drawn from the Hamurana Springs and pumped to a storage reservoir in Turner Road and fed on via gravity to the Unsworth Road reservoir. An average of 341m³ was used daily in 2005, with a peak consumption of 595m³, which is supplied through 17.7km of pipework. Total reservoir capacity is 700m³.



Rotorua District Council Plan Number 11015, Sheet 9

Description of Area

A predominantly residential lifestyle and farming area on the northwestern side of Lake Rotorua as shown on RDC Plan No: 11015, Sheet 9. Refer also to District Plan maps. 2,3,4,5,6,105.

History

Commissioned in 1992.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Water Supply Area.

Quantity

Flow	Residential minimum – 20 litres per minute Commercial/Extraordinary – dependent on size of connection
Pressure Range	Minimum 15 metres pressure head Maximum 90 metres pressure head
Note:	Flow/Pressure figures are at point of supply.
Fire-fighting Water	Although a number of fire hydrants are installed, there is no guarantee that these will meet the NZ Fire Service Code of Practice for Fire fighting Water Supplies.
Water Quality	2004 Public Health Grading – Dd

Supply Funding

The Hamurana Water Supply is self-funding, with all costs and revenues identified in a separate stand-alone account.

Financial/Technical Planning

Key documents ensuring sound management of the Water Supply are the Annual Business Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents

Legislation

Local Government Act 2002; Local Government (Rating) Act 2002, Health Act 1956, Water Supply Protection Regulations 1961, Water Services and Trade Wastes Bylaw 2004.

RDC Files

87 05 092, 87 05 090, 87 02 180, 87 06 201.

Council Minutes

Works Committee Rec. E 95/08/19 Resolved 26 Sept. 1995
Works Committee Rec. E 89/04/16 Resolved 20 April 1989
Works Committee Rec. E 91/09/036 Resolved 11 Sept. 1991.

Okareka Water Supply

A predominantly residential supply serving 260 properties. Water is taken from the Eastern No.1 reservoir (Waipa Spring source) and pumped to a storage reservoir in Okareka Loop Road near Lake Tikitapu (Blue Lake). An average of 179m³ was used daily in 2005, with a peak consumption of 323m³, which is supplied through 12.7km of pipework. Total reservoir capacity is 600m³.



Rotorua District Council Plan Number 11015, Sheet 10

Description of Area

A residential area on the shores of Lake Okareka as shown on RDC Plan No: 11015, Sheet 10. Refer also District Plan Maps 78, 108.

History

The supply was commissioned in 1994.

Levels of Service

The following levels of service are those which Council will endeavour to maintain within the Water Supply Area.

Quantity

Flow	Residential minimum – 20 litres per minute Commercial/Extraordinary – dependent on size of connection
Pressure Range	Minimum 20 metres pressure head Maximum 90 metres pressure head
Note:	Flow/Pressure figures are at point of supply.
Fire-fighting Water	Although a number of fire hydrants are installed, there is no guarantee that these will meet the NZ Fire Service Code of Practice for Fire fighting Water Supplies.
Water Quality	2004 Public Health Grading – Bb Does not meet Drinking Water Standards of NZ as supply is not permanently chlorinated.

Supply Funding

The Okareka Water Supply is self-funding, with all costs and revenues identified in a separate stand-alone account.

Financial/Technical Planning

Key documents ensuring sound management of the Water Supply are the Annual Business Plan and the Asset Management Plan, which are available from the Engineering Department of Council.

Related Documents

Legislation

Local Government Act 2002; Local Government (Rating) Act 2002, Health Act 1956, Water Supply Protection Regulations 1961, Water Services and Trade Wastes Bylaw 2004.

RDC Files

87 09 200, 87 05 080, 87 02 200, 87 06 200.

Council Minutes

Works Committee Rec. E 95/08/19 Resolved 26 Sept. 1995
Works Committee Rec. E 89/04/16 Resolved 20 April 1989
Works Committee Rec. E 89/08/37 Resolved 21 August 1989

CASTLECORP GROUP

Overview of Group

Range of activity

Castlecorp is a separate business unit within the Rotorua District Council whose purpose is to provide infrastructural services to the residents of the District of Rotorua 365 days per year for:

- Water
- Wastewater
- Refuse
- Land Drainage
- Parks and Reserves
- Sports Fields
- Public Gardens
- Fleet Maintenance

Its brand represents the organisational values of reliability, honesty and integrity. The strap line 'Keeping Rotorua' can be used in Keeping Rotorua Beautiful, Keeping Rotorua Clean, Keeping Rotorua services, or in the more traditional meaning of the word "keep", being to guard, protect or look after.

The logo features:

- a stylised mirror of a letter "R".
- cogs of a wheel in motion, representing the work ethic.
- fronds of a ponga, representing the environmental aspects of our role.
- turrets of a castle, linking the "keep" and "Castle" theme.

Potential Significant Negative Effects

Any significant effects will be identified in the activity area for which Castlecorp provides services

Strategic Direction and Highlights

Castlecorp is dedicated to continuing to develop innovative ways to deliver services to the community, while improving the timeliness, quality and cost effectiveness of core services. Castlecorp is a significant component of the District Council representing 25% of the RDC workforce and 20% of the annual expenditure.

Castlecorp will continue to have a focus on quality with the ultimate objective of customer satisfaction. The organisation will continue to review and improve business processes and procedures to produce value for money services which meet and exceed the needs and expectations of residents and visitors to the District.

Any changes in demand will be forecasted by areas of Council where service level agreements exist, and subsequent changes in costings will reflect any such increase in demand, service, or compliance requirements.

Partnerships will be continued to be developed within the community where initiatives will be directly beneficial to, and contribute towards our relevant community outcomes.

Castlecorp intends to maintain its position within the community and organisation by reducing risk to the community through cost effective and efficient processes which are continuously improved and audited using the ISO family of standards.

Asset Management Plans Information

The key assets used in this Activity Group are:

- Vehicles

Further details are provided in each Activity section.

Summary of Group Net Cost of Service

Description	Last Year		Annual Plan										
	(thousands)	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Castlecorp Group		45	1	0	-64	-69	-114	-199	-210	-283	-263	-178	-166

Statement of Infrastructure Assets

Asset Type	Cost/Valuation	Accumulated Depreciation	Book Value 1 July 2006
Computer Hardware	124	105	19
Computer Software	8	3	5
Furniture & Fittings	6	1	5
Office Equipment	155	132	23
Plant & Machinery	81	39	42
Vehicle	7,571	4,362	3,209
	7,945	4,642	3,303

Activity Group Revenue Sources

Description (thousands)	Last Year Actual	Annual Plan 2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
OPERATIONAL FUNDING												
Funding/Rates	35	1	0	-64	-48	-89	-172	-153	-225	-205	-88	-76
Less depreciation equivalent for capital	-706	-796	-790	-805	-845	-854	-870	-925	-928	-924	-979	-989
Total rates for operations	-671	-795	-791	-869	-892	-943	-1,042	-1,078	-1,153	-1,129	-1,067	-1,065
Fees and charges	190	219	148	150	153	157	160	163	166	169	173	176
Internal rate and water by meter	-1	-2	-4	-4	-4	-4	-5	-5	-5	-5	-5	-5
Total operational funding	-483	-578	-647	-723	-743	-791	-887	-920	-992	-965	-899	-894
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	706	796	790	805	845	854	870	925	928	924	979	989
Loans	37	46	257	459	204	-27	-81	130	56	-300	-444	174
Asset sales	118	196	193	308	256	192	185	257	232	147	122	276
Total capital	861	1,037	1,241	1,572	1,304	1,020	974	1,313	1,215	771	658	1,440

Minor roundings may occur in above totals.



Overall aim of the activity

Improving the quality of life for residents and visitors through the provision of quality services and the maintenance of essential infrastructure, through sound business practises based on continuous improvement that meet or exceed the quality and cost effectiveness of the private sector.

Castlecorp's purpose is to provide infrastructural services to the residents of the Rotorua District, therefore Castlecorp represents Council as the main service provider.

Activity purpose - why we provide the service

Council undertakes this activity to ensure delivery of services to meet legislative requirements and community expectations.

Castlecorp is a Business Unit within Council that earns its income from regularly reviewed and negotiated contracts and service level agreements for in-house services provided to other departments within Council. These services include:

- Refuse collection
- Litter clearance
- Footpath and verge maintenance
- Stormwater system maintenance
- Water supply reticulation maintenance
- Water supply pump stations and reservoir operation and maintenance
- Water supply leak detection, meter reading, and water sampling

- Wastewater reticulation maintenance including forest irrigation
- Cemetery maintenance and operation and management of crematorium
- Sportsfield and reserve maintenance
- Public Garden and horticultural maintenance
- Purchasing and maintenance of small plant and fleet vehicles

The activity contributes towards sustainable development by promoting the following community outcomes and sub-outcomes

A safe and caring community

- Providing safe public spaces

A community that respects its environment

- Looking after our air, land and water resources
- Waste reduction

A community with excellent facilities and services

- Good quality infrastructure for future
- Good, safe, maintained services and roads

A happening community

- Lots of events including sporting, cultural, festivals, arts
- Leading edge activity events
- Provision of good quality event, conference and tourism facilities

Castlecorp financial summaries (forecast 2007-2016)

Description (thousands)	Last Year	Annual Plan										
	Actual	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
DAY TO DAY OPERATIONS												
COST OF SERVICE STATEMENT												
OPERATING COSTS												
Direct costs	-495	-597	-665	-741	-782	-834	-931	-994	-1,066	-1,040	-1,006	-1,001
Depreciation	716	795	790	805	845	854	870	925	928	924	979	989
Finance	13	21	22	22	22	22	22	22	22	22	22	22
Total costs	235	220	147	86	84	43	-39	-47	-117	-94	-5	11
REVENUE												
Fees and charges	190	219	148	150	153	157	160	163	166	169	173	176
Total revenue	190	219	148	150	153	157	160	163	166	169	173	176
Net cost of service	45	1	0	-64	-69	-114	-199	-210	-283	-263	-178	-166
INVESTING IN THE FUTURE												
CAPITAL COSTS												
Fleet & Plant												
Renewal	829	1,018	1,169	1,540	1,280	961	923	1,287	1,158	735	612	1,382
Other renewals	32	19	72	32	25	59	50	26	57	36	46	58
Total Capital	861	1,037	1,241	1,572	1,304	1,020	974	1,313	1,215	771	658	1,440
HOW WE PAY FOR THIS ACTIVITY												
OPERATIONAL FUNDING												
Net cost of service	45	1	0	-64	-69	-114	-199	-210	-283	-263	-178	-166
Funding	45	1	0	-64	-69	-114	-199	-210	-283	-263	-178	-166
Less depreciation for Capital	-716	-795	-790	-805	-845	-854	-870	-925	-928	-924	-979	-989
Total Rates for/(from) Operations	-671	-795	-791	-869	-914	-968	-1,068	-1,135	-1,211	-1,187	-1,157	-1,155
CAPITAL FUNDING												
Capital funded by:-												
Rates funding (depreciation equivalent)	706	796	790	805	845	854	870	925	928	924	979	989
Loans from/(to) Corporate Funds	37	46	257	459	204	-27	-81	130	56	-300	-444	174
Asset sales	118	196	193	308	256	192	185	257	232	147	122	276
Total capital	861	1,037	1,241	1,572	1,304	1,020	974	1,313	1,215	771	658	1,440

Minor roundings may occur in above totals.

For further details of the allocation of capital expenditure between backlog, renewal and growth, see Appendix E of the Development Contributions Policy in Part C Section 2.

Part C

Financial Statements and supporting information

Financial Statements

DESTINATION

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ROTORUA DISTRICT
COUNCIL

Financial Statements



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PURPOSE OF FINANCIAL STATEMENTS

Prospective Income Statement

This statement discloses the net surplus or deficit and the components of the net surplus (deficit), arising from activities or events during the year that are significant for the assessment of both past and future financial performance.

Prospective Statement of Changes in Equity

This financial statement contributes to the objectives of general purpose financial reporting by combining information, about net surplus (deficit) with other aspects of Council's financial performance in order to give a degree of measure of comprehensive income.

Prospective Balance Sheet

Information about the economic resources controlled by Council and its capacity to modify those resources, is useful in assessing Council's ability to generate cash and/or provide services in the future. Information about the financing structure is useful in assessing future borrowing needs, and how future surpluses and cashflows may be distributed among those with an interest in the Council. The information is also useful in assessing how successful the Council is likely to be in raising further finance.

Prospective Cashflow Statement

This statement reflects Council's cash receipts and cash payments during the year and provides useful information about Council's activities in generating cash through operations to:

- repay debt; or
- re-invest to maintain to expand operating capacity.

Statement of Accounting Policies

The accounting policies adopted by Council can have a significant impact on the financial and service performance, financial position and cashflows that are reported in its financial reports. Therefore, for a proper appreciation of those reports, users need to be aware of:

- a) the measurement system underlying the preparation of the financial reports; and
- b) the accounting policies followed in respect of individual items in the financial reports, especially where there are acceptable alternatives for dealing with any such items; and
- c) any changes in the measurement system, assumptions or particular accounting policies.

Notes to the Financial Statements

Provide further detail to the summary performance in compliance with accounting standards.

ASSUMPTIONS, RISKS AND UNCERTAINTIES

Overview

In preparing any forecasts, both financial and non-financial, there is a need to provide assumptions to address the uncertainties of the future. This is important for a number of reasons, including:

- allowing the reader of the forecasts to understand on what basis the financial information has been prepared.
- being an important means of explaining differences that will inevitably occur between the actual result and that which was forecast.
- ensuring risks faced by the organisation in the future have been appropriately identified and evaluated.

Local Government Act Requirements

The Local Government Act 2002 (LGA) is very prescriptive in the content that must be included in the LTCCP. Schedule 10, Section 11 states the following:

S.11 Significant forecasting assumptions

A long term council community plan must clearly identify—

- all the significant forecasting assumptions and risks underlying the financial estimates;
- without limiting the generality of paragraph (a) the following assumptions on which the financial estimates are based
 - the assumptions of the local authority concerning the useful life of significant assets; and
 - the assumptions of the local authority concerning sources of funds for the future replacement of significant assets;
- in any case where significant forecasting assumptions involve a high level of uncertainty,—
 - the fact of that uncertainty; and
 - an estimate of the potential effects of that uncertainty on the financial estimates

Risks and Uncertainties

Risk is the chance that something will happen that will have an impact on Council's objectives. It is measured in terms of consequences and likelihood and is based on NZS 4360:1999.

Significant Assumptions Level of Uncertainty

The following assumptions have been used in the preparation of the estimated financial statements in this Ten year Plan. There are no assumptions that have a high level of uncertainty.

No.	Assumption*	Consequence	x	Likelihood	= Level of Uncertainty
1	Useful lives of significant assets	3 Moderate	2	Unlikely	6 Low
2	Sources of funds for the future replacement of significant assets	3 Moderate	1	Rare	3 Low
3	Projected growth change factors				
	3.1 Population	3 Moderate	3	Moderate	9 Medium
	3.2 Dwellings	2 Minor	3	Moderate	6 Low
	3.3 Visitors	3 Moderate	4	Likely	12 Medium
	3.4 Rating Base	3 Moderate	3	Moderate	9 Medium
4	Cost factors	3 Moderate	4	Likely	12 Medium
5	Subsidy rate	4 Major	2	Unlikely	8 Low
6	Revaluation of non-current assets	3 Moderate	3	Moderate	9 Medium
7	Forecast return on investments	3 Moderate	4	Likely	12 Medium
8	Expected interest rates on borrowing	3 Moderate	2	Unlikely	6 Low
9	Depreciation rates on planned asset acquisitions	3 Moderate	2	Unlikely	6 Low
10	Resources consents / designations	4 Major	3	Moderate	12 Medium
11	Currency movement and related asst values	2 Minor	4	Likely	8 Low
12	Renewability or otherwise of external funding	4 Major	1	Rare	4 Low
13	Accurate use and interpretation of supporting policy	3 Moderate	2	Unlikely	6 Low
14	Democracy	3 Moderate	3	Moderate	9 Medium
15	Legislative demands on Council resources	3 Moderate	3	Moderate	9 Medium

No.	Assumption*	Consequence	x	Likelihood	= Level of Uncertainty
16	Levels of services	3 Moderate	2	Unlikely	6 Low
17	Demand for services	3 Moderate	4	Likely	12 Medium
18	Contractor service failures	3 Moderate	3	Moderate	9 Medium
19	Methods of services delivery	2 Minor	3	Moderate	6 Low
20	Information and Communication Technology (ICT) disasters	3 Moderate	3	Moderate	9 Medium
21	Public/private partnerships	3 Moderate	2	Unlikely	6 Low
22	Airport development				
22.1	Demand for services	3 Moderate	3	Moderate	9 Medium
22.2	Costs within budget	3 Moderate	3	Moderate	9 Medium
22.3	Designation and District Plan Change	3 Moderate	2	Unlikely	6 Low
22.4	External funding sources	3 Moderate	4	Likely	12 Medium

* Refer to the following Forecasting Assumptions Commentary for a description of the assumption.

Forecasting Assumptions Commentary

Useful Lives of Significant Assets

Assumption

Council holds a number of assets that are significant to its operations and provision of services. These include water supplies, waste water, parks and reserves, storm water, airport, roads, buildings, plant and equipment. The assumption is that assets will function for the duration of their estimated useful lives. The useful lives of these assets are referred to in Council's Statement of Accounting Policies and are summarised below for the reader's convenience.

	Years
Water supplies	15 to 100
Waste water	15 to 100
Parks and reserves	15 to 100
Storm water	70 to 100
Airport	12 to 50
Roads	15 to 100
Buildings	50
Plant and equipment	3 to 50

Risk

The risk is that the assets will not last as long as forecast and will need to be replaced earlier than forecast.

Sources of Funds for the Future Replacement of Significant Assets

Assumption

Significant assets are those assets that are considered strategic in Council's Policy on Significance and include:

- roading network
- wastewater network and treatment plant
- water supply network
- stormwater network

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- public library, museum, pensioner housing, community halls, event facilities, international stadium, aquatic facilities, parks and reserves, nursery, cemeteries and crematorium
- shares in Rotorua Regional Airport Limited and Civic Assurance
- Rotorua Regional Airport infrastructure
- Waste Management infrastructure consisting of:
 - Rotorua Landfill
 - Rotorua Recycling Centre
 - Transfer Stations

The major sources of funding for the replacement of significant assets are from the following sources:

- General rates
- Targeted rates for water supplies, sewerage schemes, land fill etc
- Development and financial contributions
- Subsidies
- Grants
- Other operating revenue
- Previous years surpluses.

The exact mix of these funding sources is dependent on a number of factors. The two main factors include:

- whether the asset replacement creates additional capacity and where contributions from developers would be appropriate.
- the overall level of corporate debt and whether a contribution through rates and debt is appropriate.

To see the exact level of funding source refer to the activity budgets and the Funding Impact Statement in Part C Section 2 Funding and Financial Policies.

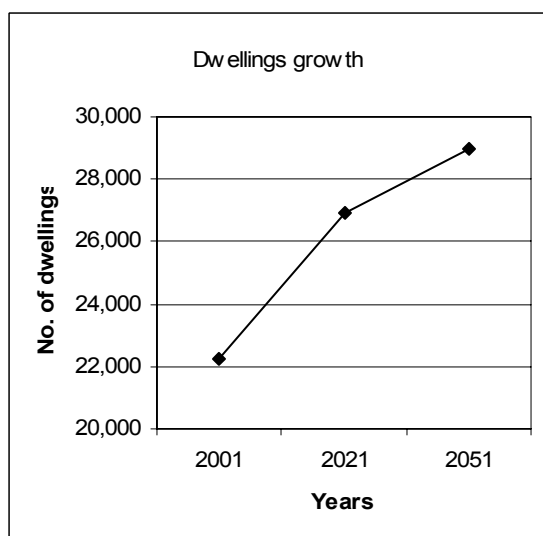
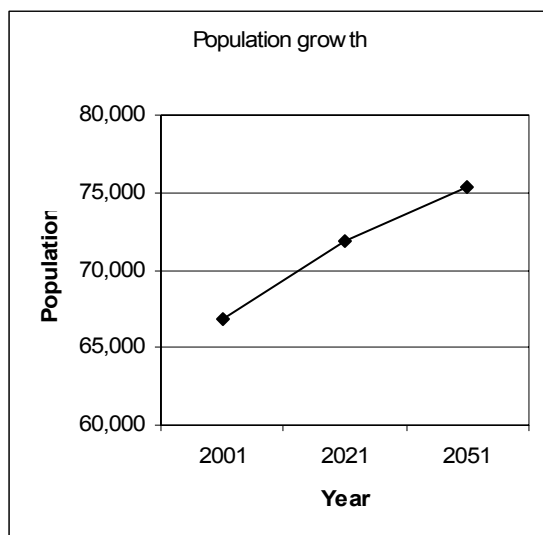
Risk

The risk is that there will be insufficient funds available from the correct sources to fund the replacement of the significant asset.

Projected Growth Change Factors

Assumption

A growth model has been developed by Council that will provide estimates of growth over the next 50 years from 2001 for the district's increase in population, number of visitors to the district, new residential dwellings and additional industrial land.



In order to prepare the 2005 Rotorua Growth Model the district was analysed into a number of planning units. Drivers for growth, both positive and negative were then developed. The resultant aggregate growth for the district was then tested for reasonableness against other known estimates such as Statistic New Zealand forecasts.

Readers are asked to refer to the 2005 Rotorua Growth Model for more details particularly the boundaries of the planning units and model methodology.

For each activity of council there has been an analysis of which growth factors impact on the ability to provide the intended level of service (e.g. population, tourist numbers, demand for industrial land). These growth factors have then

been applied to the activity in accordance with the growth model to ensure the intended level of service can be provided over the duration of this plan and beyond.

The assumption is that growth will occur at the same rate as projected in the 2005 Rotorua Growth Model.

The growth for the period up to 2016 is summarised in the table below.

Percentage growth in population and numbers of new dwellings from 2001 to 2016

	Population	Dwellings
Planning units		
1 City	-3.3%	4.9%
2 Eastern suburbs	6.2%	19.0%
3 Rotokawa	228.5%	241.1%
4 Eastern lakes	27.8%	50.7%
5 Rural	-10.2%	2.7%
6 Northern	107.1%	139.0%
7 Southern Lakes	4.0%	10.7%
8 Established Lakeshore settlements	35.0%	33.3%
9 Highly Regarded Natural Environment	-10.4%	0.0%
10 Hamurana	66.2%	79.8%
11 Ngongataha	7.9%	12.5%
Total for District	5.6%	15.4%

Growth assumptions are applied to some revenue and expenditure areas. The activities where this growth assumption has been applied are scheduled below along with the particular growth driver.

Activity	Growth assumption used			
	Population	Visitor nights	Dwellings	Industrial/commercial land
Aquatic Centre			✓	
City services		✓		✓
Community assistance			✓	
Convention centre			✓	
International stadium			✓	
Library			✓	
Museum		✓		
Building control	✓		✓	✓
Planning policy			✓	
Planning implementation			✓	
Inspection	✓			
Marketing		✓		
Travel office		✓		
Airport (see note below)				
Development			✓	
Engineering			✓	
Refuse			✓	
Waste water			✓	
Water			✓	

Note: A major demand analysis and economic impact assessment was undertaken by APR Consultants and peer reviewed by Howarth Asia Pacific. This study was used for the Rotorua Regional Airport growth predictions

Risk

There are a number of risks associated with this assumption including:

- i. That the population will be higher or lower than projected*
- ii. That the number of new dwellings will be higher or lower than projected*
- iii. That visitor numbers will be different from the assumptions*
- iv. That the increase in the rating base will be different from the assumptions*
- v. That there will be insufficient industrial and retail land zoned and available to meet the district's economic demand.*

Cost Factors

Assumption

In preparing the financial estimate for the 2006 -2016 Ten Year Plan there is a requirement to comply with Generally Accepted Accounting Practice (GAAP). New Zealand International Financial Reporting Standard (NZIFRS) requires prospective financial information to be prepared based on best estimates. Best estimates are what Council realistically expects to occur. To be supportable, best estimate assumptions need to be based on ... and the prevailing economic environment. This effectively means that financial statements need to include inflation over the ten years of the budget.

To ensure GAAP compliance, Business and Economic Research Ltd (BERL) were engaged by the Society of Local Government Managers to establish price adjusters. The following have been used in preparing the financial estimates.

Adjusters: % per annum change

For the year ending:	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
	%	%	%	%	%	%	%	%	%	%
BERL adjusters										
Road	0.0	2.6	2.4	2.2	2	1.9	1.7	1.5	1.3	1.3
Property	0.0	2.9	2.7	2.5	2.3	2.1	1.9	1.7	1.5	1.5
Water	0.0	4.2	4.0	3.7	3.4	3.1	2.8	2.6	2.3	2.3
Energy	0.0	4.1	3.8	3.6	3.3	3.0	2.8	2.5	2.2	2.2
Staff	0.0	2.5	2.4	2.2	2.0	1.8	1.7	1.5	1.3	1.3
Other	0.0	3.1	2.9	2.7	2.5	2.3	2.1	1.9	1.6	1.6
Pipelines	0.0	4.6	4.3	4	3.7	3.4	3.1	2.8	2.5	2.5
Earth moving	0.0	3.4	3.2	2.9	2.7	2.5	2.2	2.0	1.8	1.8
Pvt Sector labour	0.0	2.5	2.4	2.2	2.0	1.8	1.7	1.5	1.3	1.3
Govt bond yield	0.0		3.9					4.1		
Bond adjusted of CPI	0.0		6.3					6.5		
Bond nominal rate	0.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Other Adjusters										
US paper index	0.0									
CPI	0.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0

Risk

The risk is that the actual price of inputs and outputs in the financial statements will not increase at the rate assumed in this assumption and that the actual cost of services along with the value of assets and debt will be higher or lower than that included in the 2006-2016 Ten year Plan at any time during the next 10 years.

Subsidy Rate

Assumption

Council receives subsidies from Land Transport New Zealand for the operations on local roads within the district. This subsidy is termed the Financial Assistance Rates (FARs) and is arrived at using a number of criteria such as district valuation, km of roads, and other ability to pay measures. Current Council FARs are:

	%
General maintenance	46
Emergency works	46
Capital expenditure	56
Strategic/investment	78

It is assumed that these FARs will continue for the period of the Ten Year Plan.

Risk

The risk is that the FAR will be reviewed downward either because of the current criteria or a national review of the FAR model.

Revaluation of Non-Current Assets

Assumption

The measurement base for the perspective financial information is historic cost modified for the revaluation of certain assets. These values are revalued every three years in accordance with accounting policy. During the period of this Ten Year Plan the assets that are usually revalued – land, building and infrastructural assets – will be revalued three times using the roading, property, water, pipelines, and other local government BERL adjusters for the category of assets that are set out in the cost factors assumption. The revaluation dates are 1 July 2008, 1 July 2011 and 1 July 2014.

The assumption is that the estimated revaluation of those certain assets will not be materially different to the actual revaluations at the time of the revaluation.

Risk

The risk is that there will be a material difference between the three revaluations of assets as estimated in this Ten Year Plan with the actual revaluations on 1 July 2008, 2011 and 2014.

Forecast Return on Investments

Assumption

This assumption relates to the short term cash investments held by Council. It does not refer to the shareholding in Rotorua Regional Airport Ltd which has its own separate assumptions.

It is assumed cash investment will net 6.75% return on investment.

Risk

The risk is that Council will obtain lower returns on its cash investments.

Expected Interest Rates on Borrowing

Assumption

Council has a portfolio of debt that matures at various times over the next 7 years which have fixed interest rates. The weighted average cost is 6.8%. As these loans mature they will need to be refinanced. In addition Council has a large capital expenditure programme for the lake shore sewerage schemes, upgrade and extension of the Rotorua Regional Airport, and other renewal works that will be financed with new debt. It has been assumed that this debt can be raised with a weight average rate of 6.75%

Risk

The risk is that interest rates will be in excess of the 6.75% assumption.

Depreciation Rates on Planned Asset Acquisitions

Assumption

Depreciation rates used for assets that are planned to be acquired or built over the next ten years have been calculated on the expected life of the respective asset. These are set out in the Statement of Accounting Policies relating to assets.

Risk

The risks are that an asset's life may be longer or shorter than that assumed in the Ten Year Plan.

Resource Consents / Designations

Assumption

Council will need to apply for numerous resources consents for new activities over the next ten years. Major activities that will require consents (or District Plan change) are:

- Land fill extension
- Airport operations

- Water supply sources
- Transfer station sites.
- New cemetery site

It is assumed that all the necessary consents with reasonable conditions will be granted when required.

Risk

The risk is that consents:

- will take longer to be granted and therefore not be available at the time within the Ten Year Plan that it is proposed to commence the development,*
- will include conditions that will be more onerous than anticipated and either the development becomes substantially more expensive, potentially to the extent that the development becomes uneconomic to proceed with,*
- will not be granted.*

Currency Movement and Related Asset Values

Assumption

It is assumed that currency movements of exchange rates, particularly US and Australian dollars, will not fluctuate significantly during the period on the Ten Year Plan. In December 2005 they were:

NZD is 0.68 cents USD

NZD is 0.94 cents AUD

This assumption applies to the purchase of refuse collection bags which are quoted for supply in USD. Much of the new library book purchases, some computer software, accommodation and expenses associated with overseas travel are in USD. Council has no exposure to currency movement risk in respect of significant assets or liabilities. All revenue from significant assets are received in NZDs.

Risk

The risk is that the currency movement will be volatile and in an unfavourable direction relative to the NZD.

Renewability or Otherwise of External Funding

Assumption

It is assumed that Council's portfolio of debt, which has differing maturity dates from 1 to 7 years and new funding required, will be able to be raised on favourable terms.

Risk

The risk is that Council will not be able to raise new debt to repay maturing debt on favourable terms.

Accurate use and interpretation of supporting policy

Assumption

In preparing the Ten year Plan a comprehensive review of the Policy Manual has been undertaken to update the manual to include new policy, remove all obsolete policies or those that related to operational matters and remove matters that restated statutes or other similar external documents. The result has been to recirculate the up-to-date policy manual. This has provided guidance to activity managers where required on the preparation of the activity plans and levels of service.

The assumption is that all Council's and other organisations' policies, plans and strategies that are relevant to the Ten year Plan have been applied accurately and consistently.

Risk

The risk is that that not all Council's and other organisations' policies, plans and strategies, that are relevant to the Ten Year Plan, will be applied accurately and consistently.

Democracy

Assumption

It is assumed that the representation and governance structures currently in place will continue in their present form for the ten year period, that is, no change to the number or type of units of local government in the Bay of Plenty.

Risk

The risk is that the estimated cost of democracy will increase because any representation review will see an increase in the numbers of elected members

Legislative Demands on Council Resources

Assumption

Over the past decade there has been an enormous increase in the level of delegation from central government to local government through legislative reforms. In almost all cases there has been no funding provided to develop the policy and/or deliver these new services. This has meant that the services have had to be funded from efficiency gains, local user charges, an increase in rates or combinations of these mechanisms. In some instances there has also been a need to be an increase in resources such as staff, consultants and/or contractors.

An example of a recent new cost has been that associated with preparing the Ten Year Plan for audit.

The assumption is that there will be no legislative reform or amendments that require Council to assume new responsibilities that need additional resources and hence cost.

Risk

The major risk is that there will be significant change to legislation that will cause a material change in services, their costs, and recovery by Council.

Levels of Service

Assumption

The level of service delivered within each activity determines the overall cost of that service. It is assumed that the levels of service proposed in the Ten Year Plan will not vary significantly over the period of the Plan.

Risk

The risk is that there will be a demand for an increase in level of service for activities provided that will have a significant financial impact.

Demand for Services

Assumption

The assumption is that Council has actually estimated the demand for each service within the activity plans.

Risk

The risk is that demand for services will be significantly different to that estimated over the period of the Ten Year Plan.

Contractor Service Failures

Assumption

Almost without exception the majority of Council's capital works is undertaken by the private sector through contractual arrangements using a competitive tendering process. As part of that tendering process, tenderers are required to have previous experience, a track record, and appropriate resources. These matters are all taken into consideration when appointing contractors to undertake work for Council. The assumption is that contractors engaged to provide service will do that within the agreed standards, on time and within price.

Risk

The risk is that contractors will not deliver services and/or products to the agreed standard/ specification within time and the agreed price.

Methods of Services Delivery

Assumption

This assumption has been included for completeness only and is not really a material matter in terms of the effect of its uncertainty on the financial estimates. The assumption is that the methods of service delivery will continue over the period of the Ten Year Plan. However, Council is

continuously reviewing methods of service delivery and where an alternative proves to be more cost effective, improves level of service, or reduces risk, that will be explored and implemented.

Risk

The risk is that new methods of service delivery could be implemented that increase costs, reduce services and add risk.

Information and Communication Technology (ICT) Disasters

Assumption

Council runs a complex business and has wide statutory responsibilities to capture and retain data. In addition, Council needs to be able to provide a technology support service for some 50 different types of activities. Without the support of the information and management technology infrastructure many of Council's services would not be able to be provided. The assumption is, in the event of an ICT disaster, all services will continue to be provided and that alternative support is available.

Risk

The risk is that in the event of an ICT disaster, services provided by Council will not be able to be delivered.

Public/Private Partnerships

Assumption

In recent times Council has built relationships with private organisations to help deliver services, fund infrastructure and promote policy. Council has a public/private partnership policy required under the Local Government Act that, amongst other things, considers the following:

- Governance
- Funding
- Management and operations
- Protection of the wider public interest
- Specific risk management mechanisms
- Termination/exit arrangements

Although not specifically covered by Council's partnership policy, there has been a significant engagement with philanthropic and private sector businesses to develop the 'Rotorua Partners' Programme'. This has led to the development of a significant new asset for the community in the Energy Events Centre.

The assumption is that the partnerships with the private sector endure over the term of the agreements.

Risk

The risk is that public/private partnerships over extended periods of time may not endure.

Airport Development

Demand for services

Assumption

It is assumed that the demand for scheduled air services, and hence scheduled air service aircraft arrival numbers, will be in line with the demand growth projections. These demand growth projections were arrived at by appropriately qualified consultants with equally qualified peer reviewers. The most important new area of forecast increase in demand is for proposed new trans-Tasman routes between Rotorua and the east coast of Australia. The additional revenue that will be earned by Rotorua Regional Airport Ltd (RRAL) has a corresponding increase in Council's rental income received from RRAL. The income is then used to fund the interest as debt Council holds that is related to the airport.

It should be noted that, if for some reason trans-Tasman services do not commence or are ceased at some time in the future, Rotorua Regional Airport Ltd will continue to operate Rotorua's regional airport for domestic scheduled services.

Costs within budget

Assumption

Council has assumed the proposed significant capital expenditure, estimated at some \$30 million over the next ten year period of this plan, will be within budget. Considerable planning has been put into arriving at the capital expenditure budget. Appropriate geotechnical studies, quality surveying and other specialist advice has been sought. This all leads Council to believe costs, after appropriate adjustment for inflation, will be within budget.

Designation and District Plan Change

Assumption

Council and RRAL have made application to Rotorua District Council for a change to the District Plan and to designate obstacle limitation surfaces around the airport. These applications are to both protect the airport from other land owners in the vicinity and protect those land owners from the airport. Part of the District Plan change is necessary if the southern runway extensions are to proceed. The application will be considered by independent commissioners appointed by Council. These commissioners will be guided by the Resource Management Act etc.

It is assumed that the plan change will proceed and designations granted in substantially the same form as applied for.

External funding sources

Assumption

Council is seeking funding for the Rotorua Regional Airport for other agencies so that the burden of debt does not fall on the ratepayers of Rotorua district. Environment BOP has been invited to become a strategic regional partner in the next phase of airport development.

The assumption is that there will be sufficient interest by Environment BOP and the business/investment sectors to fund future airport development.

Risk

There are a number of risks associated with the airport development, including:

- i) That the trans-Tasman demand will not reach projections and hence landing charge revenue fall short.*
- ii) That costs of development will exceed estimate.*
- iii) That the District Plan change will not allow the airport to develop in an optimised manner.*
- iv) That external funders will not be attracted to invest in the airport.*

For further information on Assumptions, Risks and Uncertainties, and the Rotorua Growth Model, contact the Rotorua District Council or www.rdc.govt.nz.

PROSPECTIVE INCOME STATEMENT

Description	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
(thousands)	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
General Rates	40,952	42,715	44,465	46,194	47,893	49,553	51,168	52,729	54,175	55,656
Less Rates Paid By Council	-777	-795	-814	-834	-852	-870	-888	-906	-925	-944
Total Rates	40,175	41,920	43,651	45,360	47,041	48,684	50,281	51,823	53,250	54,712
Castlecorp Bus Unit	148	150	153	157	160	163	166	169	173	176
Corporate Wide	1,692	1,740	1,790	1,840	1,892	1,945	2,000	2,056	2,114	2,173
Economic	2,191	2,262	2,282	2,337	2,393	2,450	2,509	2,569	2,631	2,695
Environment	4,102	4,138	4,232	4,330	4,430	4,532	4,636	4,743	4,852	4,964
Infrastructure	36,074	48,800	44,967	42,818	45,332	42,337	50,803	47,403	50,137	54,639
Community Leadership	916	976	897	871	921	792	750	790	632	562
Social and Cultural	8,270	12,090	12,639	12,442	16,157	16,938	11,878	12,275	12,585	12,835
Less Water by Meter used internally	-153	-160	-168	-175	-184	-191	-197	-204	-209	-214
Total Other Revenue	53,239	69,997	66,791	64,621	71,100	68,967	72,546	69,802	72,915	77,832
Total Revenue	93,414	111,917	110,442	109,980	118,141	117,651	122,827	121,625	126,165	132,544
OPERATING EXPENDITURE										
Castlecorp Bus Unit	147	86	84	43	-39	-47	-117	-94	-5	11
Corporate Wide	800	825	849	872	893	914	933	951	966	982
Economic	5,200	5,389	5,482	5,652	5,746	5,760	5,893	6,006	6,117	6,215
Environment	9,073	8,907	9,176	9,321	9,187	9,347	9,523	9,606	9,753	9,861
Infrastructure	40,267	42,585	46,101	48,964	50,954	52,597	53,181	54,430	55,877	55,897
Community Leadership	3,901	3,924	4,008	3,989	4,029	3,941	3,944	4,043	3,974	3,994
Social and Cultural	29,431	31,825	32,920	33,739	33,969	35,295	36,018	36,512	36,850	37,139
	88,819	93,541	98,619	102,579	104,741	107,807	109,376	111,454	113,533	114,098
Less Internal Charges Included										
In Operating Expenses	930	955	983	1,009	1,036	1,061	1,084	1,110	1,134	1,158
Total Operating Expenditure	87,889	92,586	97,637	101,570	103,705	106,746	108,292	110,343	112,399	112,940
Operating Surplus	5,524	19,331	12,805	8,411	14,437	10,905	14,535	11,282	13,766	19,604
Income Taxation										
SURPLUS FOR THE YEAR	5,524	19,331	12,805	8,411	14,437	10,905	14,535	11,282	13,766	19,604
Footnote:- Included in the above Operating Expenditure										
Finance Costs	5,583	7,533	8,767	9,926	10,672	10,934	11,034	11,126	10,246	9,704
Depreciation/Amortisation	21,795	22,598	24,871	25,658	25,432	27,045	26,939	27,269	28,953	28,384

PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

Description (thousands)	2007 Budget	2008 Budget	2009 Budget	2010 Budget	2011 Budget	2012 Budget	2013 Budget	2014 Budget	2015 Budget	2016 Budget
-										
Opening Equity	730,782	736,306	755,661	797,196	805,629	820,087	942,359	956,912	968,211	1,070,499
Net Surplus for the Period	5,524	19,331	12,805	8,411	14,437	10,905	14,535	11,282	13,766	19,604
Revaluation Changes	0	24	28,730	22	21	111,367	18	17	88,522	27
CLOSING EQUITY	736,306	755,661	797,196	805,629	820,087	942,359	956,912	968,211	1,070,499	1,090,130

PROSPECTIVE BALANCE SHEET

Description (thousands)	2007 Budget	2008 Budget	2009 Budget	2010 Budget	2011 Budget	2012 Budget	2013 Budget	2014 Budget	2015 Budget	2016 Budget
CURRENT ASSETS										
Financial Assets:-										
Cash and Cash Equivalents	1,964	1,922	1,947	1,771	1,598	1,433	1,269	1,108	952	1,065
Loans & Other Receivables	11,085	11,085	11,085	11,085	11,085	11,085	11,085	11,085	11,085	11,085
Inventories	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125
Assets Held for Sale	0	0	0	0	0	0	0	0	0	0
Capital Projects under Construction	8,591	8,591	8,591	8,591	8,591	8,591	8,591	8,591	8,591	8,591
TOTAL CURRENT ASSETS	22,765	22,723	22,748	22,572	22,399	22,234	22,070	21,909	21,753	21,866
Less CURRENT LIABILITIES										
Financial Liabilities:-										
Trade and Other Payables	8,680	8,680	8,680	8,680	8,680	8,680	8,680	8,680	8,680	8,680
Other Financial Liabilities	2,637	2,637	2,637	2,637	2,637	2,637	2,637	2,637	2,637	2,637
Current Portion of Landfill Aftercare costs	60	60	60	60	60	60	60	60	60	60
Current Portion of Employee Entitlements	2,430	2,430	2,430	2,430	2,430	2,430	2,430	2,430	2,430	2,430
Current Portion of Public Debt	9,007	22,507	4,008	5,007	62,901	24,973	32,692	27,338	27,019	32,000
TOTAL CURRENT LIABILITIES	22,814	36,314	17,815	18,814	76,708	38,780	46,499	41,145	40,826	45,807
WORKING CAPITAL	-49	-13,591	4,933	3,758	-54,309	-16,546	-24,429	-19,236	-19,073	-23,941
NON-CURRENT ASSETS										
Held to Maturity Financial Assets	1,932	1,917	1,896	1,974	2,051	2,124	2,197	2,269	2,337	2,350
Property, Plant & Equipment	828,392	865,673	928,123	950,106	973,454	1,094,692	1,113,371	1,123,555	1,209,693	1,220,627
Intangible Assets	2,693	2,257	1,490	1,336	1,117	1,125	1,127	995	961	974
Biological Assets	856	880	904	926	947	967	985	1,002	1,017	1,044
Assets held for sale	85	85	85	85	85	85	85	85	85	85
TOTAL NON-CURRENT ASSETS	833,958	870,812	932,498	954,427	977,654	1,098,993	1,117,765	1,127,906	1,214,093	1,225,080
LESS NON-CURRENT LIABILITIES										
Financial Liabilities	96,093	100,050	138,725	151,046	101,748	138,578	134,914	138,949	123,011	109,499
Less Employee Entitlements	970	970	970	970	970	970	970	970	970	970
Landfill Aftercare Provision	540	540	540	540	540	540	540	540	540	540
TOTAL NON-CURRENT LIABILITIES	97,603	101,560	140,235	152,556	103,258	140,088	136,424	140,459	124,521	111,009
TOTAL NET ASSETS	736,306	755,661	797,196	805,629	820,087	942,359	956,912	968,211	1,070,499	1,090,130
Represented By:										
RATEPAYERS EQUITY										
General Reserve	420,327	447,840	477,360	498,307	515,417	524,211	543,300	554,767	560,476	570,425
Self-funding Reserves	-41,646	-50,136	-67,502	-80,746	-84,188	-82,913	-88,371	-89,537	-82,539	-74,028
Council Created Reserves	48	49	50	51	52	54	55	58	58	59
Restricted Reserves	76	383	1,033	1,740	2,508	3,342	4,245	5,223	6,282	7,425
Asset Revaluation Reserve	357,501	357,525	386,255	386,277	386,298	497,665	497,683	497,700	586,222	586,249
TOTAL RATEPAYERS EQUITY	736,306	755,661	797,196	805,629	820,087	942,359	956,912	968,211	1,070,499	1,090,130

PROSPECTIVE CASHFLOW STATEMENT

Description (thousands)	2007 Budget	2008 Budget	2009 Budget	2010 Budget	2011 Budget	2012 Budget	2013 Budget	2014 Budget	2015 Budget	2016 Budget
Cash flows from Operating Activities:										
Cash was provided from:										
Rates	56,071	60,283	64,076	66,947	69,987	72,738	75,047	77,966	80,395	82,506
General Revenue	34,819	49,037	43,695	40,289	45,337	42,022	44,815	40,620	42,658	46,851
Interest on Investments	32	32	32	32	32	32	32	32	32	32
Dividends	0	0	0	0	0	0	0	0	0	0
	90,922	109,352	107,803	107,268	115,356	114,792	119,894	118,618	123,085	129,389
Cash was applied to:										
Payments to Employees & Councillors	27,735	28,477	29,277	29,935	30,466	31,020	31,552	32,031	32,453	32,880
Other Payments	42,959	32,996	33,737	35,020	36,084	36,675	37,676	38,809	39,628	40,898
Taxation Payments	0	0	0	0	0	0	0	0	0	0
Interest on Public Debt	5,583	7,533	8,767	9,926	10,672	10,934	11,034	11,126	10,246	9,704
Net Goods and Services Tax Paid	0	0	0	0	0	0	0	0	0	0
	76,277	69,006	71,781	74,881	77,222	78,629	80,262	81,966	82,327	83,482
						0				
Net Cash Flows From Operating Activities	14,645	40,346	36,022	32,387	38,134	36,163	39,632	36,652	40,758	45,907
Cash flows from Investing Activities:										
Cash was provided from:										
Proceeds from Sale of Fixed Assets	363	1,255	3,870	2,922	207	1,129	255	171	9,667	301
Collections on Advances	686	15	21	(78)	(77)	(73)	(73)	(72)	(68)	(13)
	1,049	1,270	3,891	2,844	130	1,056	182	99	9,599	288
Cash was applied to:										
Purchase of Fixed Assets	58,274	58,958	59,928	48,569	46,877	36,126	43,875	35,436	34,103	37,459
Net Movement in Investments	1,108	145	130	153	151	160	158	157	153	92
Loan Advances made	21	12	6	5	5	0	0	0	0	0
	59,403	59,115	60,064	48,727	47,033	36,286	44,033	35,593	34,256	37,551
Net Cash Used In Investing Activities	(58,354)	(57,845)	(56,173)	(45,883)	(46,903)	(35,230)	(43,851)	(35,494)	(24,657)	(37,263)
Cash flows from Financing Activities:										
Cash was provided from:										
Loans Raised	53,242	26,464	42,683	17,328	13,603	61,803	29,028	31,373	11,081	18,488
Cash was applied to:										
Repayment of Public Debt	10,409	9,007	22,507	4,008	5,007	62,901	24,973	32,692	27,338	27,019
Net Cash Used In Financing Activities	42,833	17,457	20,176	13,320	8,596	(1,098)	4,055	(1,319)	(16,257)	(8,531)
Net Increase (Decrease) in Cash	(876)	(42)	25	(176)	(173)	(165)	(164)	(161)	(156)	113
Opening Cash Brought Forward	2,840	1,964	1,922	1,947	1,771	1,598	1,433	1,269	1,108	952
CLOSING CASH CARRIED FORWARD	1,964	1,922	1,947	1,771	1,598	1,433	1,269	1,108	952	1,065

STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

The financial statements are prepared in accordance with the Local Government Act 2002. For the purposes of financial reporting the Rotorua District Council is a public benefit entity. The Council's financial statements are for Rotorua District Council as a separate legal entity (the Parent). Consolidated financial statements, where shown, are of the "Group" comprising Rotorua District Council, and its subsidiary Rotorua Regional Airport.

Rotorua District Council has chosen to take advantage of public benefit exemptions available within the following standards:

- NZIFRS 1 First-time Adoption of New Zealand Equivalents to International Financial Reporting Standards
- NZIAS 16 Property, Plant & Equipment
- NZIAS 20 Accounting for Government Grants & Disclosure of Government Assistance
- NZIAS 40 Investment Property

Reporting Period

The reporting period for these financial statements is the ten year ending 30 June 2016. The Annual Plan budget figures included in these financial statements are for the Council as a separate entity and do not include budget information relating to the subsidiary. These figures are those approved by the Council at the beginning of the year following a period of consultation with the public as part of the Annual Plan process. These figures do not include any additional expenditure subsequently approved by the Council outside the Annual Plan process. The Annual Plan figures have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by the Council for the preparation of these financial statements.

Statement of Compliance

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice. They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable Financial Reporting Standards, as appropriate for public benefit entities. These are the Rotorua District Council's first financial statements complying with NZ IFRS. NZ IFRS 1: *First-time Adoption of NZ Equivalents to International Financial Reporting Standards* has been applied.

Until 30 June 2006 the financial statements of Rotorua District Council had been prepared in accordance with previous New Zealand Financial Reporting Standards (NZ FRS). NZ FRS differs in certain respects from NZ IFRS. When preparing the 30 June 2007 financial statements, management has amended certain accounting, valuation and consolidation methods applied in the NZ FRS financial statements to comply with NZ IFRS. The comparative figures in respect of 2006 have been restated to reflect these adjustments.

An explanation of how the transition to NZ IFRS has affected the reported financial position of the Rotorua District Council is provided in Note 1 of the Notes to Financial Statements.

Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and in preparing an opening NZ IFRS balance sheet as at 1 July 2005 for the purposes of the transition to NZ IFRS.

The measurement basis applied is historical cost, modified by the revaluation of certain assets and liabilities as identified in this statement of accounting policies.

The accrual basis of accounting has been used unless otherwise stated. These financial statements are presented in New Zealand dollars rounded to the nearest thousand, unless otherwise stated.

Where individual financial statements of subsidiaries, associates and joint ventures of the Rotorua District Council are prepared using accounting policies different from those of the group, appropriate adjustments are made on consolidation, in order to ensure that uniform accounting policies have been applied.

Judgements and Estimations

The preparation of financial statements in conformity with NZ IFRS requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Where material, information on the major assumptions is provided in the relevant accounting policy or will be provided in the relevant note to the financial statements.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Basis of Consolidation

Subsidiaries

For this Ten Year Plan the financial accounts are for the parent only. The Council has not presented group prospective financial statements because the Council believes that the parent prospective financial statements are more relevant to users. The main purpose of prospective financial statements in the Ten Year Plan is to provide users with information about the core services that the Council intends to provide ratepayers, the expected cost of those services and as a consequence how much the Council requires by way of rates to fund the intended levels of service. The level of rates funding required is not affected by subsidiaries except to the extent that the Council obtains distributions from, or further invests in, those subsidiaries. Such effects are included in the prospective financial statements of the Council.

Associates

Associates are entities in which the Council has significant influence, but not control, over their operating and financial policies. The Council's share of the assets, liabilities, income and expenditure of associates is included in the financial statements of the Group on an equity accounting basis. Dividends from associates are recognised in the parent's income statement, while in the consolidated financial statements they reduce the carrying amount of the investment.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. The parent financial statements show investments in associates at cost.

Income

Grants

Grants income includes any transfers of resources to the Council in return for past or future compliance with certain conditions relating to the operating activities of the Council. An unconditional grant is recognised in the income statement as other operating income when the grant becomes receivable. A conditional grant is recognised in the income statement as other operating income to the extent that conditions have been complied with. For the purposes at this Policy, a grant is defined as 'conditional' where Council has legal, constructive, or moral obligation to refund the grant (or part thereof), should conditions not be met.

Donated, subsidised or vested assets

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue.

Interest

Interest income is accrued using the effective interest rate method. The effective interest rate exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this rate to the principal outstanding to determine interest income each period.

Dividends

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Rental income

Rental income is recognised on a straight line basis over the term of the lease. Lease incentives granted are recognised evenly over the term of the lease as a reduction in total rental income.

Sales of goods

Sales of goods are recognised when a Group entity has transferred the risks and rewards of ownership of the goods to the purchaser. Sales of goods are recognised net of GST, rebates and discounts.

Other income

All other income is recognised when billed or earned on an accrual basis.

Expenses

Grants and subsidies

Expenditure is classified as a grant if it results in a transfer of resources to another entity in return for past or future compliance with certain conditions relating to the operating activities of that entity. Grants expenditure includes any expenditure arising from a funding arrangement with another entity that has been entered into to achieve the objectives of the Council. Grants are distinct from donations which are discretionary charitable gifts.

Where grants and subsidies are discretionary until payment, the expense is recognised when the payment is made. Otherwise, the expense is recognised when the specified criteria have been fulfilled and notice has been given.

Interest

Interest expense is accrued using the effective interest rate method. The effective interest rate exactly discounts estimated future cash payments through the expected life of the financial liability to that liability's net carrying amount. The method applies this rate to the principal outstanding to determine interest expense each period.

Donated Services

The Council benefits from the voluntary service of many community minded organisations and individuals in the delivery of its activities and services. Due to the difficulty in determining the value of these donated services with sufficient reliability, donated services are not recognised in these financial statements.

Overhead/Support Services Allocation

The major types of expenditure classed as support services are building costs, payroll/personnel, information technology and information management, administration costs, treasury, accounting costs, records, asset management overheads, fleet, land information services, waterworks overheads, business units, laboratory and graphic solutions. The net costs of support services are charged to significant activities on the appropriation basis of floor space, staff time, direct use when available, share of estimated rates, volume of transactions used, volume of records used, level of activity areas supported, and percentage of service utilised.

Interest Allocation

Council allocates the net cost of interest, being interest expense less interest income, to its various activities:

- a) Interest is credited to or allocated to self-funding activities based on the average annual balance of the self funding account according to whether the balances are in funds or overdrawn respectively.
- b) The balance of interest is allocated to other significant activities on the basis of the book value of fixed assets employed in the activity.

Leases

Leases in which substantially all of the risks and rewards of ownership transfer to the lessee are classified as finance leases. At inception, finance leases are recognized as assets and liabilities on the balance sheet at the lower of the fair value of the leased property and the present value of the minimum lease payments. Any additional direct costs of the lessee are added to the amount recognized as an asset. Subsequently, assets leased under a finance lease are depreciated as if the assets are owned.

Operating Lease Payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the

income statement as an integral part of the total lease expense.

Finance Lease Payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability, the finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Taxation

Council's income tax expense comprises the total amount included in the determination of profit or loss for the period in respect of current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year (using tax rates enacted or substantially enacted at balance sheet date) together with any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method and applied on temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the tax base of assets and liabilities.

The enactment of tax rates and legislation at balance sheet date determine the application of deferred tax and applies when the related deferred tax asset is realised or when deferred tax liability is settled.

Deferred tax is not accounted for if an asset or liability of a non-business transaction does not affect either accounting profit or taxable profit. Similarly, deferred tax is not accounted for on temporary differences associated with investments in subsidiaries, branches, associates and joint ventures where the reversal of the temporary difference is controlled by Council, and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable future taxable profit will be available against which deductible temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Goods and Services Tax (GST)

All items in the financial statements are exclusive of GST, with the exception of receivables and payables, which are stated as GST inclusive. Where GST is not recoverable as an input tax (e.g. residential housing) then it is recognised as part of the related asset or expense.

Financial Instruments

The Group classifies its financial assets and financial liabilities according to the purpose for which they were acquired. The Group determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial Assets

The Group classifies its investments into the following categories: financial assets at fair value through profit and loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss are further separated into two sub-categories: financial assets held for trading, and those designated at fair value through profit and loss. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivative financial instruments are also categorised as held for trading unless they are designated as hedges. Financial assets are classified as current assets if they are either held for trading or are expected to be realised within 12 months of balance sheet date. Financial assets held for trading and financial assets designated at fair value through profit or loss are recorded at fair value with any realised and unrealised gains or losses recognised in the Income Statement. Gains or losses reported in the Income Statement include any interest component. Transaction costs are expensed as they are incurred.

Available for sale financial assets

Available for sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Available for sale financial assets are initially recorded at fair value plus transaction costs. They are subsequently recorded at fair value with any resultant fair value gains or losses recognised directly in equity except for impairment losses. Any interest is calculated using the effective interest method. At derecognition the cumulative fair value gain or loss previously recognised directly in equity is recognised in the Income Statement.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for maturities greater than 12 months after balance date in which case they are classified as non-current assets.

Loans and receivables are included in trade and other receivables in the balance sheet. Loans and receivables are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Loans and receivables issued with duration less than 12 months are recognised at their nominal value. Allowances for estimated irrecoverable amounts are recognised when there is objective evidence that the asset is impaired.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

Held-to-maturity financial assets

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group has the positive intention and ability to hold to maturity. They are included in non-current assets, except for those with maturities less than 12 months from balance sheet date, which are classified as current assets. Held-to-maturity investments are initially recognised at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method.

Cash and cash equivalents comprise cash balances and call deposits with up to three months maturity. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Biological Assets

Biological Assets comprise standing trees, being predominantly radiata pine wood lots located on various reserve land owned by Council. Valuations are performed at fair value annually. Methodologies involve market valuation based on discounted cashflow of projected earnings, less costs and compounded cost calculations. Any agricultural produce harvested from Council's biological assets are measured at fair value, less estimated point-of-sale costs, at point of harvest. The latest valuation of the Forestry assets was performed as at July 2005. No biological assets have matured to date, and no harvesting has been performed.

Timing of Recognition

Purchases and sales of investments are recognised on trade-date - the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the

rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Fair values

If the market for financial assets is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same and discounted cash flow analysis.

Impairment

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss previously recognised in profit and loss for that asset – is removed from equity and recognised in the income statement.

Financial Liabilities

The Group classifies its financial liabilities into the following categories: financial liabilities at fair value through profit and loss or other financial liabilities. Financial liabilities at fair value through profit and loss are further separated into two sub-categories: liabilities held for trading and those designated as fair value through profit and loss. Financial liabilities held for trading and financial liabilities designated at fair value through profit and loss are recorded at fair value with any realised and unrealised gains or losses recognised in the Income Statement. Gains or losses reported in the Income Statement include any interest component. Transaction costs are expensed as they are incurred.

Other financial liabilities are recognised initially at fair value less transaction costs and subsequently measured at amortised cost using the effective interest rate method. Financial liabilities entered into with duration less than 12 months are recognised at their nominal value. Amortisation is recognised in the Income Statement as is any gain or loss when the liability is derecognised.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Derivatives

Derivative financial instruments are recognised as either assets or liabilities at fair value on the date the derivative is entered into and are subsequently re-measured to their fair value. Derivatives that do not qualify for hedge accounting are classified as held for trading financial instruments with fair value gains or losses recognised in the Income Statement.

Inventory

Inventories are recorded at the lower of cost (determined on a first-in first-out basis) or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Non-current assets held for sale

Non-current assets are separately classified as held for sale where their carrying amount will be recovered through a sale transaction rather than through continuing use. A non-current asset is classified as held for sale where:

- The asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets,
- The Group is committed to a plan to sell the asset, and an active programme to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a sale within one year from the date of classification or beyond one year where a delay has occurred which is caused by events beyond the Group's control and there is sufficient evidence that the Group remains committed to its plan to sell the asset, and
- Actions required to complete the plan to sell the asset indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

A non-current asset classified as held for sale is recognised at the lower of its carrying amount and fair value less costs to sell. An impairment loss is recognised for any initial or subsequent write down of the asset (or disposal group) to fair value less costs to sell.

A gain is recognised for any subsequent increases in fair value less costs to sell of the asset but not in excess of any cumulative impairment losses previously recognised. Impairment losses or reversal of impairment losses are included in profit or loss. Any gain or loss not previously recognised by the date of the sale of the asset is recognised at the date of derecognition.

Property, Plant and Equipment

Recognition

Property, plant and equipment consists of operational assets, restricted assets and infrastructure assets. Expenditure is capitalised as property, plant and equipment when it creates a new asset or increases the economic benefits over the total life of an existing asset and can be measured reliably. Costs that do not meet the criteria for capitalisation are expensed.

Operational assets include (but is not limited to) land, buildings, Convention Centre, Tourism Office, Library building, International Stadium, Museum, and plant and equipment.

Restricted assets include heritage buildings, and parks and reserves land. These assets provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

Infrastructure assets include the fixed utility systems comprising the roading, water reticulation and drainage systems, land under roads and infrastructure land and airport. Each asset type includes all items that are required for the network to function.

Measurement

Vested assets are recognised within their respective asset classes at fair value. Vested assets are those assets where ownership and control is transferred to the Council from a third party (for example; infrastructure assets constructed by developers and transferred to the Council on completion of a sub-division). Fair value is determined on a basis consistent with the valuation of existing assets within the class.

Revaluations

The result of any revaluation of the Council's property, plant and equipment is credited or debited to the asset revaluation reserve for that class of property, plant and equipment. Where this results in a debit balance in the reserve for a class of property, plant and equipment, the balance is expensed in the Income Statement. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the Income Statement, will be recognised firstly in the Income Statement up to the amount previously expensed, and then secondly credited to the revaluation reserve for that class of property, plant and equipment.

Accumulated depreciation at revaluation date is eliminated against the gross carrying amount and the net amount is restated to the revalued amount.

Impairment

The carrying amounts of property, plant and equipment are reviewed at least annually to determine if there is any indication of impairment. Where an asset's recoverable amount is less than its carrying amount, it will be reported at

its recoverable amount and an impairment loss will be recognised. The recoverable amount is the higher of an item's fair value less costs to sell and value in use. Losses resulting from impairment are reported in the Income Statement, unless the asset is carried at a revalued amount in which case any impairment loss is treated first as a revaluation decrease and then as a charge to the Income Statement to the extent that the impairment exceeds the amount in the revaluation reserve in respect of that asset.

Disposal

Gains and losses arising from the disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised in the Income Statement in the period in which the transaction occurs. Any balance attributable to the disposed asset in the asset revaluation reserve is transferred to retained earnings.

Valuation

Land and Buildings are recorded at fair value at highest and best use as at 1 July 2005. Quotable Value New Zealand Ltd has certified that these valuations are appropriate for financial reporting purposes.

Asset additions since 1 July 2005 are valued at historic cost. The fair value of Land and Buildings is reviewed at three yearly intervals.

Infrastructural Assets (roading network, bridges, drains, water and sewerage reticulation systems) have been valued by Council's engineers at replacement cost. An estimate for accumulated depreciation has then been deducted to give a depreciated replacement value as at 1 July 2005. Road reserves have been valued on an average of the district's land value adjusted for restrictions on the land and its existing use. The basis of these in-house valuations have been certified as correct by an independent registered valuer. All capital expenditure on these assets since 1 July 2005 has been capitalised at historic cost. The value of all of Council's infrastructural assets will be revised at three yearly intervals.

The library collection was valued at estimated depreciated replacement cost as at 1 July 2005 as estimated by Council's library staff. The basis of these in-house valuations have been certified as correct by an independent registered valuer. All library purchases since 1 July 2005 have been capitalised at historical cost. The value of the library collection is revised at three yearly intervals.

The collections of the Rotorua Museum of Art & History are valued at current market value as at 30 June 1992 by Gow, Landsford Fine Art Valuers and Peter Webb Galleries Limited, Estate & Fine Art Auctioneers & Valuers. Any additions since then have been capitalised at historic cost. Vested infrastructural assets have been valued based on the actual quantities of infrastructural components vested at the current "in the ground" cost of providing identical services. All other revenue is recognised when it is due and receivable.

Council purchased the Airport assets of Rotorua Regional Airport Limited on 30 June 2005. The Airport land, buildings and runway were re-valued as at 28 September 2004 by registered valuers Cleghorn Gillespie Jensen Limited at fair value in accordance with FRS 36. Asset purchased by RRAL subsequent to re-valuation date were purchased by Council at cost

All other fixed assets are valued at cost except where historic cost records were not available, in which case Council has estimated the cost.

Depreciation

Depreciation is provided on all fixed assets with certain exceptions. The exceptions are:

- Land is not depreciated.
- Roading, wastewater reticulation, stormwater systems and water reticulation assets are depreciated as noted below. A number of the components of the roading network such as excavation, sub base materials and compaction are not depreciated as these assets have an infinite life. Signs and markings are not depreciated as these assets are maintained to the same level.
- The useful lives of the Rotorua Museum of Art & History collections and the library reference collection are considered to be extremely long. Therefore, due to its insignificance, no depreciation has been brought to charge.

All other assets are depreciated on a straight line basis at rates that will write off their cost or valuation over their expected useful economic lives.

Vehicles are depreciated on the basis of diminishing value and at a rate of 20% calculated to allocate the motor vehicles cost over their estimated useful lives.

The expected lives of major classes of assets are:

General	Years
Bathroom building	40
Buildings (other)	50
Plant and Equipment	10 to 15
Office Equipment	5
Furniture and Fittings	10 to 20
Computer Systems	3 to 5
Library Books (excl Reference)	2 to 15
Parking	10 to 50
Landfill Improvements	3 to 100
Wastewater Reticulation	
Man holes	110
Treatment Plant	10 to 100
Pump Stations	10 to 75
Pipes	100
Water Reticulation	Years
Pipes	50 to 90
Motors/Pumps	20 to 30
Reservoirs and other	
Water-Retaining Structures	50 to 100
Meters	15 to 100

Parks

Street and Outdoor Furniture	15
Street Signals	15
Fencing and Related Structures	15
Playgrounds	25
Jetties and Related Structures	20
Irrigation Pipes and Sprinklers	6 to 50
Park roads, paths	20 to 100
Kerbs	100
Bridges	70 to 100
Top surface (seal)	1 to 15
Pavement (basecourse)	20 to 100
Drainage	100
Shoulders/Feathers	20 to 100
Culverts	100
Footpaths (concrete)	100
Footpaths (bitumen)	10 to 15

Stormwater systems

Pipes	70 to 100
Manholes, Cesspits	70 to 100
Service connections and outlets	70 to 100

Airport

Runway 150mm AC surface	10 to 15
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Work in progress

The cost of projects within work in progress is transferred to the relevant asset class when the project is completed and then depreciated.

Intangible Assets

Acquired intangible assets are initially recorded at cost. The cost of an internally generated intangible asset represents expenditure incurred in the development phase of the asset only. The development phase occurs after the following can be demonstrated: technical feasibility; ability to complete the asset; intention and ability to sell or use; and development expenditure can be reliably measured. Development costs with a finite useful life that have been capitalised are amortised from the commencement of use or sale of the products developed on a straight line basis over the period of its expected benefit.

Expenditure incurred on research of an internally generated intangible asset is expensed when it is incurred. Where the research phase cannot be distinguished from the development phase, the expenditure is expensed when it is incurred. Development costs previously recognised as an expense are not subsequently recognised as an asset in a subsequent period.

Intangible assets with finite lives are subsequently recorded at cost less any amortisation and impairment losses. Amortisation is charged to the Income Statement on a straight-line basis over the useful life of the asset. Typically, the estimated useful lives of these assets are as follows:

Computer Software 3 to 8 years

Realised gains and losses arising from disposal of intangible assets are recognised in the Income Statement in the period in which the transaction occurs. Intangible assets are reviewed at least annually to determine if there is any indication of impairment. Where an intangible asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. Losses resulting from impairment are reported in the Income Statement.

The residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each balance date.

Employee Benefits

A provision for employee benefits (holiday leave, long service leave, and retirement allowances) is recognised as a liability when benefits are earned.

Wages and salaries

Liabilities for wages and salaries, including non-monetary benefits, expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Holiday Leave

Holiday leave (annual leave and time off in lieu) is calculated on an actual entitlement basis at the greater of the average or current hourly earnings in accordance with sections 16(2) & 16(4) of the Holidays Act 2003. Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the balance sheet date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Sick Leave

Liabilities for accumulating short-term compensated absences (e.g., annual and sick leave) are measured as the amount of unused entitlement accumulated at the balance sheet date that the entity anticipates employees will use in future periods in excess of the days that they will be entitled to in each of those periods.

Long Service Leave

Long-service leave (not yet qualified for) and retirement gratuities have been calculated on an actuarial basis based on the likely future entitlements accruing to staff, after taking into account years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and other contractual entitlements information. The present value of the estimated future cash flows has been calculated using an inflation factor of 3.2% and a discount rate of 6.75%. The

discount rate used represents the Council's average cost of borrowing.

Other Contractual Entitlements

Other contractual entitlements include termination benefits. Termination benefits are recognised in the Income Statement only when there is a demonstrable commitment to either terminate employment prior to normal retirement date or to provide such benefits as a result of an offer to encourage voluntary redundancy. Termination benefits settled within 12 months are reported at the amount expected to be paid, otherwise they are reported as the present value of the estimated future cash outflows.

Landfill post closure costs

The council, as operator of the Rotorua Landfill, has a legal obligation to apply for resource consents when the landfill, or landfill stages, reaches the end of their operating life and are to be closed. These resource consents will set out the closure requirements and the requirements for ongoing maintenance and monitoring services at the landfill site after closure. A provision for post-closure costs is recognised as a liability when the obligation for post closure arises.

The provision is measured based on the present value of future cash flows expected to be incurred, taking into account future events including known changes to legal requirements and known improvements in technology. The provision includes all costs associated with landfill post-closure including final cover application and vegetation; incremental drainage control features; completing facilities for leachate collection and monitoring; completing facilities for water quality monitoring; completing facilities for monitoring and recovery of gas.

Amounts provided for landfill post-closure are capitalised to the landfill asset where they give rise to future economic benefits or if they are incurred to enable future economic benefits to be obtained. The capitalised landfill asset is depreciated over the life of the landfill based on capacity used.

The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the Council.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than no that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Other liabilities and provisions are recorded at the best estimate of the expenditure required to settle the obligation. Liabilities and provisions to be settled beyond 12 months are recorded at their present value.

Contingent Assets and Liabilities

Contingent liabilities and contingent assets are disclosed in the Statement of Contingent Liabilities and Contingent Assets at the point at which the contingency is evident. Contingent liabilities are disclosed if the possibility that they will crystallise is not remote. Contingent assets are disclosed if it is probable that the benefits will be realised.

Third party transfer payment agencies

Rotorua District Council collects monies for many organisations. Where collections are processed through Rotorua District Council's books, any monies held are shown as Accounts Payable in the Statement of Financial Position. Amounts collected on behalf of third parties are not recognised as revenues, but commissions earned from acting as agent are recognised in revenue.

Equity

Ratepayers' Equity is the community's interest in the Council as measured by the value of the total assets less liabilities. Ratepayers' Equity is disaggregated and classified into a number of reserves to enable a clearer identification of the specific uses Council makes of its accumulated surpluses.

Statement of Cash Flows

The statement of cash flows has been prepared using the direct approach subject to the netting of certain cash flows. Cash flows in respect of investments and borrowings that have been rolled-over under arranged finance facilities have been netted in order to provide more meaningful disclosures.

Operating activities include cash received from all income sources of the Council and the Group; record the cash payments made for the supply of goods and services and include cash flows from other activities that are neither investing nor financing activities. Investing activities relate to the acquisition and disposal of assets. Financing activities relate to activities that change the equity and debt capital structure of the Council and Group.

Related Parties

A party is related to the Council if:

- directly or indirectly through one or more intermediaries, the party:
 - controls, is controlled by, or is under common control with, the council
 - has an interest in the council that gives it significant influence over the council
 - has joint control over the council
- the party is an associate of the council
- the party is a joint venture in which the council is a venturer

- the party is a member of key management personnel (including any directors) of the council or its parent
- the party is a close member of the family of any individual referred to above
- the party is an entity controlled jointly control or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to above

Councillors, including the Mayor, are considered directors as they occupy the position of a member of the governing body of the Council reporting entity. Directors' remuneration is any money, consideration or benefit received receivable or otherwise made available, directly or indirectly, to a director during the reporting period. Directors' remuneration does not include reimbursement of legitimate work expenses or the provision of work related equipment such as cell phones and laptops.

Reserves

Council Created Reserves:

Council Created Reserves are that part of the accumulated surpluses established by Council resolution. Council may alter Council Created Reserves without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of Council.

Restricted Reserves:

Restricted Reserves are those reserves subject to specific conditions accepted as binding by the Council, and which may not be revised by Council without reference to the courts or a third party. Transfers from Restricted Reserves may be made only for certain specified purposes or if certain specified conditions are met.

Sinking Fund Reserves:

Prior to 1 July 1998, when the Local Government Act was amended, funds were required to be set aside each year to meet future repayments of loans or commitments. These funds, described as sinking funds, were administered by an independent body of Sinking Fund Commissioners appointed by the council. These funds are included in the Statement of Financial Position, and any associated interest income is included in the Statement of Financial Performance.

Self-funding Reserves:

Certain activities are undertaken by Council on the basis that the activities generate enough revenue over time to cover the cost of their operation. The net surplus or deficit held on behalf of these activities have been included in the Statement of Financial Position as Self-funding Reserves.

Asset Revaluation Reserves

Revaluations are credited or debited to an asset revaluation reserve for that class of asset. When this results in a debit balance in the asset revaluation reserve, this balance is expensed in the Statement of Financial Performance.

Comparative figures

Council has adopted the NZ equivalent International Financial Reporting Standards commencing with this report. Comparative figures for the 2006 year have been restated to comply with these standards.

In addition, to ensure consistency with the current year, certain comparative information has been restated or reclassified where appropriate. This has occurred:

- where classifications have changed between periods, and
- where the Council has made additional disclosure in the current year, and where a greater degree of disaggregating of prior year amounts and balances is therefore required.

Changes in Accounting Policies

Early adoption of International Financial Reporting Standards

For reporting periods commencing on or after 1 January 2007, New Zealand reporting entities will be required to apply New Zealand equivalents to International Financial Reporting Standards (NZIFRS). Entities have the option of adopting NZIFRS early. The Council has decided to "early adopt" with effect from 1 July 2006 which means that these accounts have been prepared in accordance with NZIFRS for the first time.

NOTES TO FINANCIAL STATEMENTS

Note 1

Affect of NZ IFRS on Council's Financial Position

Change in Terminology

Rotorua District Council has changed the name of the "Statement of Financial Position" to the "Balance Sheet", allowable under the new NZ IFRS Standards.

The following lists the changes in name of the major categories within the Balance Sheet, as required under NZ IAS1:

<i>Previous Category</i>	<i>New Category</i>
Cash at Bank	Cash and cash equivalents – includes on-call deposits realisable within 90 days
Receivables	Loans and other receivables – includes previous category prepayments
Payables	Trade and other payables
Accruals	Other financial liabilities
Properties intended for sale	Non-current assets held for sale
Long term debt	Non-current financial liabilities
<i>Other new categories</i>	
Intangible assets	– includes computer software previously accounted for under PPE
Held to maturity financial assets	– includes long term portion of investments (shares)
Biological assets	– forestry assets not previously included

Reconciliation of opening Balance Sheet from previous GAAP to NZ IFRS

The following details the movements in the opening balance sheet due to the effects of transition to NZ IFRS (see Illustration A).

Note (i)

On-call investments short term deposits of 90 days or less are now classified as *Cash and Cash Equivalents*.

Note (ii)

Prepayments now comes under the category *Loans and Other Receivables*.

Note (iii)

Current portion of Assets Held for Sale do not meet the criteria under NZ IFRS 5. Accordingly, the amount has been transferred to *Property, Plant and Equipment*. Change in *Non-Current Assets Held for Sale* is due to a number of these properties that now do not fall within this category, per NZ IFRS 5.

Note (iv)

The current portion of *Employee Entitlements* is now disclosed separately from *Other Financial Liabilities*.

Note (v)

The current portion of Landfill Aftercare Provision has been separately categorised.

Note (vi)

Computer Software has been separately categorised from Property, Plant and Equipment, per NZ IAS 38 requirements.

Note (vii)

Forestry assets which were not previously included in the Balance Sheet are now categorised under 'Biological Assets'.

Note (viii)

The long term portion of Employee Entitlements (\$881,000) is now under its own category. In addition, an actuarial valuation of sick leave entitlements (\$89,000) has been accrued into the accounts, per NZ IAS 19.

Illustration A: Worksheet of changes from Closing Balance Sheet as at 30 June 2005 to Opening Balance Sheet as at 1 July 2005 (in thousands)

Balance Sheet at 30 June 2005

(old category / new category)

	Note (i) On-call investments	Note (ii) Re-categorise Prepaid Exp	Note (iii) Properties for Sale	Note (iv) Employee Entitlements	Note (v) Landfill Provision	Note (vi) Computer Software	Note (vii) Forestry Assets	Note (viii) Long Term Empl Entitlements	Restated Opening Balance Sheet
Current Assets									
Cash at Bank /Cash & Cash Equivalents	1,080	21,244							22,324
Current Investments	21,244	(21,244)							-
Inventories	1,125								1,125
Receivables /Loans & Other Receivables	11,500	385							11,885
Prepayments	385	(385)							-
Capital Projects under Construction	15,591								15,591
Properties Intended for Resale	55		(55)						-
Total Current Assets	50,980	-	(55)	-	-	-	-	-	50,925
Less Current Liabilities									
<i>Financial Liabilities:</i>									
Payables /Trade & Other Payables	16,989								16,989
Accruals /Other Financial Liabilities	5,127			(2,430)	(60)				2,637
Current Portion of Public Debt	29,416								29,416
Current Portion of Landfill Aftercare Provision					60				60
Current Portion of Employee Entitlements				2,430					2,430
Total Current Liabilities	51,532	-	-	-	-	-	-	-	51,532
Working Capital	(552)	-	(55)	-	-	-	-	-	(607)
Non-Current Assets									
Investments /Held to Maturity Financial Assets	1,888								1,888
Properties Intended for Resale /Non-current Assets Held for Sale	792				(707)				85
Property, Plant & Equipment	580,397		55		707	(1,595)			579,564
Intangible Assets (incl software excl OS s'ware)						1,595			1,595
Biological Assets (forestry)							856		856
Total Non-Current Assets	583,077	-	55	-	-	-	856	-	583,988
Less Non-Current Liabilities									
Long Term Debt /Financial Liabilities	36,051								36,051
Employee Entitlements								970	970
Long Term Provisions /Landfill Aftercare Provision-non current portion	1,421							(881)	540
Total Non-Current Liabilities	37,472	-	-	-	-	-	-	89	37,561
Total Net Assets	545,053	-	-	-	-	-	856	(89)	545,820
Represented By:									
Ratepayers Equity									
Accumulated Funds	375,596						856	(89)	376,363
Self-funding Reserves	(15,728)								(15,728)
Council Created Reserves	46								46
Restricted Reserves	1,653								1,653
Sinking Fund Reserves	1,031								1,031
Airport Reserves	-								-
Asset Revaluation Reserve	182,455								182,455
Total Ratepayers Equity	545,053	-	-	-	-	-	856	(89)	545,820

Note 2

Self Funding Reserve

Self Funding Reserves are reserves established at Council's will for activities undertaken by Council on the basis that the activities will generate enough revenue over time to cover the cost of their operation. The reserve balance represents accumulated balances to date of such activities.

Description	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
(thousands)										
SELF FUNDING ACCOUNTS BALANCES										
Airport	-19,600	-12,394	-15,838	-24,461	-24,401	-23,580	-22,427	-21,075	-19,550	-18,468
Urban Water	-2,655	-6,392	-6,740	-6,959	-7,327	-7,585	-6,937	-5,896	-4,870	-3,311
Mamaku Water	-25	-137	-134	-130	-123	-115	-116	-104	-89	-72
Rotoiti Water	32	-82	-83	-83	-91	-88	-84	-77	-69	-58
Rotoma Water	32	-73	-72	-69	-63	-55	-45	-33	-19	-2
Kaharoa Water	-4	-181	-186	-183	-174	-161	-141	-116	-83	-43
Reporoa Water	-2,074	-2,004	-1,923	-1,816	-1,704	-1,551	-1,378	-1,182	-964	-720
Hamurana Water	53	-3	-9	-13	-17	-20	-23	-24	-25	-25
Okareka Water	24	19	15	11	6	2	-2	-6	-11	-15
Waste Water Rural	-1,740	-7,225	-10,101	-14,808	-20,768	-22,492	-33,351	-36,997	-36,451	-35,524
Refuse Collection	45	42	57	100	167	253	363	497	654	841
Landfill	-811	-1,740	-2,622	-2,115	-1,684	-1,286	-695	-113	-429	-640
Waste Water Urban	-427	-1,561	-5,935	-7,754	-7,576	-6,440	-4,334	-6,511	-4,186	-1,032
Eastern Sewerage Scheme	-12,402	-16,873	-22,905	-22,189	-20,433	-19,958	-19,565	-18,656	-17,565	-16,347
Rotorua Energy Events Centre Project	-3,197	-2,608	-1,966	-1,318	-1,153	-959	-739	-490	-213	-18
Pensioner Housing	1,103	1,076	941	1,042	1,152	1,123	1,103	1,244	1,333	1,408
Grand Total	-41,646	-50,136	-67,502	-80,746	-84,188	-82,913	-88,371	-89,537	-82,539	-74,028

Negative is overdraft.

Note 3

Council Created Reserve

Council Created Reserves are established by Council resolution for the purposes stated below. Transfers to and from these reserves is at the discretion of Council.

Description	Closing Balance	Closing Balance	Closing Balance	Closing Balance	Closing Balance	Closing Balance	Closing Balance	Closing Balance	Closing Balance	Closing Balance
(thousands)	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Reporoa Domain	16	16	16	16	16	16	16	17	17	17
Waikite Domain	32	33	34	35	36	38	39	41	42	42
Total Council Created Reserves	48	49	50	51	52	54	55	57	58	59

Note 4

Restricted Reserve

Restricted Reserves are the subject of specific conditions set either by legislation, trust or bequests and the purpose may not be changed without reference to the Courts of a third party.

Description	Closing Balance	Closing Balance	Closing Balance	Closing Balance	Closing Balance	Closing Balance	Closing Balance	Closing Balance	Closing Balance	Closing Balance
(thousands)	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Reserves Development	74	381	1,031	1,738	2,506	3,340	4,243	5,222	6,280	7,423
Property Development	2	2	2	2	2	2	2	2	2	2
Total Restricted Reserves	76	383	1,033	1,740	2,508	3,342	4,245	5,224	6,282	7,425

(Note: Minor roundings to Prospective Balance Sheet)

Restrictions

Reserve Development: Section 108 of the Resource Management Act 1991 requires funds to be set aside for the Development of Reserves.

Creative NZ Reserve: Creative Communities New Zealand Scheme funds available for promoting the arts.

Property Development: Sections 561, 562, 572 of the Local Government Act 1974 requires various sales of properties to be credited to a Housing and Property Account. Funds are used for Property Development. The Act is now superseded and the reserve will be closed by 2007.

CORPORATE HEALTH INDICATORS

In addition to performance targets for the individual activities that Council undertakes, there are also some high level strategic indicators that provide a sense of how well the organisation is performing collectively. Each year Council reports on the following corporate health indicators.

Corporate Health Indicators	Annual Targets
1. Annual Report	Unqualified Audit (NZ) opinion
2. LTCCP	No Audit (NZ) issues
3. LTCCP/Annual Plans	At least 70% targets met annually
4. Complaints/Appeals to External Agencies – Ombudsman – Privacy Commissioner – Audit	Any complaints determined in Council favour
5. Litigation Schedule	Risks manageable
6. Serious Fraud Matters (in terms of Council Policy)	Nil
7. NRB Rating (Council and Staff)	At least 10% above national average
8. Staff Turnover (organisationally)	No higher attrition than national statistics per annum
9. OSH Reports	OSH Audit Reports satisfactory ACC discount rating not less than 15%

FUNDING AND FINANCIAL POLICIES

Introduction

The Local Government Act 2002 (LGA2002) requires the adoption of policies which outline how operating and capital expenditure for each activity will be funded. They are aimed at providing predictability and certainty about sources (the types of revenue) and levels of funding.

The Act requires the Council to manage its finances prudently and in a manner which promotes the current and future interests of the community. The Council must ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses and that its long-term development programme is financially sustainable.

Section 101 of the Local Government Act 2002 sets the scene for how a council must manage its financial affairs.

101. Financial management—

(1) A local authority must manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community.

(2) A local authority must make adequate and effective provision in its long-term council community plan and in its annual plan (where applicable) to meet the expenditure needs of the local authority identified in that long-term council community plan and annual plan.

(3) The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of,—

- (a) in relation to each activity to be funded,—*
 - (i) the community outcomes to which the activity primarily contributes; and*
 - (ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and*
 - (iii) the period in or over which those benefits are expected to occur; and*
 - (iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and*
 - (v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and*
- (b) the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural wellbeing of the community.*

Council has considered these matters in deciding the most appropriate funding revenue for each activity.

REVENUE AND FINANCING POLICY

Introduction

The revenue and financing policy sets out Councils policies in respect of funding of operating and capital expenditure. The policy has been developed to comply with Section 103 of the Local Government Act 2002.

Section 103(2) sets out the funding mechanisms that Councils are to use in funding the operating and capital expenditure of their activities. They are:

- General rates;
- Targeted rates;
- Fees and charges;
- Interest and dividends from investments;
- Borrowings;
- Proceeds from asset sales;
- Development contributions;
- Financial contributions under the Resource Management Act 1991;
- Grants and subsidies;
- Any other source.

Council has taken account of all these options in designing its funding and financial policies.

What activities should Council fund?

In its LTCCP Council has identified eight community outcomes, which are illustrated throughout this document.

The range of activities undertaken by Council is designed to fulfil the outcomes wanted by the community. The process of preparing the LTCCP addresses how Council can best fulfil these outcomes at the level of service required by the community. The process identifies:

- A. Activities that Council should undertake and fund;
- B. Who should pay (after taking into account who benefits or causes the activity and the timing of such benefit or cause);
- C. Who causes the costs (and how much (if any) adjustment needs to be made to any fee or charge or allocation thereof for fairness, equity, wellbeing or ability to pay reasons);
- D. The most appropriate funding or charging mechanism to collect the revenue;
- E. The Revenue and Financing Policy and;

- F. Reviews and summarises the overall result in the funding impact statement.

A summary of the activity groups is included later in this section.

What activities should Council undertake?

These have been identified elsewhere in the LTCCP and are categorised under the following headings:

- Community Leadership
- Social and Cultural
- Environmental
- Economic
- Infrastructural

Who should pay?

Who benefits?

Council needs to consider who benefits from each group of activities.

Economic theory places all goods and services on a continuum. The position of particular goods or service depends on the degree to which it possesses the following two characteristics:

- Rivalry in consumption – goods are rival in consumption if one person's consumption of the goods or service prevents others from doing so, e.g. chocolate bars are goods with a large degree of rivalry in consumption; if Bill eats them, Jane cannot.
- Excludability - a goods or service are excludable if a person can be prevented from consuming the goods or service, e.g. if Bill doesn't buy a movie ticket then the usher can exclude him by preventing him from entering the theatre.

At one end of the continuum there are the so-called 'public goods'. These are goods which are both non-rival and non-excludable, i.e. everyone can consume them and no-one can be prevented from consuming them if they wish. A good example of public goods is national defence, where the whole community is protected from an invasion by the armed forces whether it wishes to be or not, and this protection cannot be removed from anyone in New Zealand. The costs of these 'public goods' are recovered from the public as a whole (i.e. income tax for national services, or in a local community general rates).

At the other end of the continuum are 'private goods' which are both rival in consumption and excludable. Most of our daily consumables are private goods. The costs of these can be recovered through user-charges or targeted rates.

Very few goods and services are entirely public goods or private goods. Most goods and services are 'mixed goods' and fall somewhere between the two ends of the continuum which leads to a mix of funding mechanisms.

The characteristics of goods or a service determine what type of funding tool might be used to fund a particular service. Local authorities may already have made judgements about what they consider are public goods when deciding whether or not to undertake a particular activity.

The activity plans identify which activities Council considers:

- Benefit the community as a whole
- Benefit part of the community
- Benefit individuals

Analysis of benefits

Council has analysed costs and benefits so as to use direct charging mechanisms where appropriate and practical.

Council has analysed costs and benefits of the remaining activities on an activity by activity basis, having regard to availability, use, and cost. The result is that Council finds very little difference in benefits received across the District when taking all activities into account.

Whilst some sectors may benefit more from certain activities, other sectors benefit more from other activities.

A question that often arises under this heading is: Why do we have to pay for services we don't use?

Few, if any, ratepayers use all the services Council provides.

- Some use the library, others don't.
- Some use sports fields, others don't.
- Some use parks and reserves, few would not.
- Some use roads far more than others.

Council uses direct charges including targeted rates, where reasonable and practical, to cover these costs. However, it is impossible to measure who uses many of Council's services, and how often, and who may not use particular services, so the fairest and most practical method to recover the balance of costs is by general rate.

Balancing funding requirements of today and those of tomorrow

The LGA 2002 requirement to consider periods in or over which benefits are expected to occur relates to allocating costs of capital expenditure fairly between the ratepayers of today and tomorrow to ensure intergenerational equity. The mechanism to achieve this is borrowing, so that servicing and repayment costs are spread over the period of enjoyment of the asset.

Council is also required to manage its affairs prudently. The Treasury Policy, which deals with borrowing and investment, is designed to ensure Council is prudent in its financial decision-making.

Some activities of Council relate to a portion of the District rather than to the District as a whole. These are "ring-fenced" for the purpose of managing costs and revenue i.e. identified as separately funded activities. They include:

- refuse collection
- landfill
- water supply schemes
- waste water schemes

Borrowings relating to these activities come within the "ring fence" and are dealt with on an intergenerational basis.

Other borrowings, being those that fund district-wide activities and the general purposes of Council, are not related to specific assets and are only entered into where it is prudent to do so. The cost of servicing is allocated across these activities in proportion to the capital involved in each activity.

Council's view of the intergenerational equity concept is that it does not necessarily promote a high level of borrowing for assets that provide benefits over time, and thus over generations. Rather, it provides a component in the total funding strategy that will allow it to fund and rate on a consistent basis over time, with each generation paying its fair share. The best measure of intergenerational equity is that everybody funds their fair share of depreciation.

Further, generations do not begin and end simultaneously. Generations change their composition on a rolling basis. Each generation inherits benefits from the past and passes benefits on to the future.

Accordingly, Council's approach has been to combine a prudent approach to borrowing with a consistent level of rating so that rates are levied on a consistent basis over time with each generation making its contribution.

Who causes the costs?

Certain activities may be undertaken by Council to remedy the negative effects of actions or inactions of any persons or categories of persons. These costs are sometimes referred to as "exacerbator pays" or "polluter pays", depending on the nature of the costs. They may not necessarily be bad or negative, but they may have negative effects on the community or environment. They typically include costs that have been caused by a person or category of persons, such as trade waste and costs arising from the lack of control of animals.

Council has, in its funding policy, sought to recover these costs to the maximum level possible, from the persons and categories of people who cause the costs. The mechanisms used are direct fees and charges.

Overall impact of allocation of liability for revenue

Council will look for a sustainable approach for its overall funding. Having considered the allocation of liability for funding revenue needs, Council must weigh this against the current and future social, economic, environmental and cultural wellbeing of the community. This necessarily takes into account ability to pay.

Councils have found there is a limit to which they can levy rates purely according to user pays. A range of factors come into play, not least of which is the inability of some users to pay for services and the inappropriateness of depriving them the use of key services if they cannot afford them. A specific example is libraries. Councils can seldom recover more than about 10 per cent of their costs by direct charges. Above this level, people use libraries less, which is undesirable in itself, and the unit cost of maintaining a library increases. Hence, both the individual and the community are worse off.

The intent of the law is that differentials be used to address the social, economic, environmental and cultural wellbeing of the community; in other words to achieve a level of fairness across the district. This includes the ability to pay of various groups of ratepayers. Other mechanisms for such purposes are the Council's remission policies.

The fees, charges and funding mechanisms used are based on a sustainable approach reflecting social, economic, environmental and cultural wellbeing of both the current and future Rotorua community. In setting fees, charges, and rates, Council recognises the need to consider factors of fairness and equity including wellbeing and ability to pay. It does so by setting direct charges at a level that is sustainable and promotes wellbeing and by using differentials for the allocation of general rates.

Selection of the most appropriate charging mechanism

How does Council pay for these services?

Council derives its income from several sources, where rates form part of the gross income of Council after it has exhausted other sources of revenue.

Council considers the extent to which activities can be funded by fees, charges and other non-rating mechanisms such as:

- Income from sales, commission and investments
- Income from commission
- Fees and charges
- Development and financial contributions
- Other forms of direct charges

These are supplemented by:

- Subsidies, where available
- Grants, where available

- Allocations from central government and regional offices, where available
- Business
- Borrowing, for intergenerational funding

Income from sales, commission and investments

Some Council activities generate income from entrance fees, sales of product, commissions on sales, event management and similar opportunities.

Fees and charges

Where possible, Council sets fees and charges to recover the full or part of costs for a variety of services provided. Various types of regulatory services are also bound by statutory fees, e.g. under the Building Act 2004, Sale of Liquor Act 1989.

Development and financial contributions

Capital expenditure, relating to growth, can be recovered through development contributes, as prescribed in the LGA 2002 and by financial contributions prescribed in the Resource Management Act.

Subsidies, grants and funding allocations

Council looks for opportunities to apply for alternative sources of funding by way of subsidies, grants and allocations from central government, regional offices, foundations and other organisations where this may be available.

These are discretionary based on policy and available funds of the contributing organisation and may vary from year to year.

Business

Council may enter into business to supply another source of funding. This may include business partnerships.

Borrowing, for intergenerational funding

The LGA 2002 requirement to consider periods in or over which benefits are expected to occur relates to allocating costs of capital expenditure fairly between the ratepayers of today and tomorrow to ensure intergenerational equity. The mechanism to achieve this is borrowing. The Treasury Policy, which deals with borrowing and investment, is designed to ensure Council is prudent in its financial decision-making, and other borrowings are only entered into where it is prudent to do so. In these cases, the cost of servicing is allocated across to activities based on the level of net expenditure.

General Rates

General rates apply:

- if the community as a whole generally gains benefit from the service; or
- it is available to all to take advantage of, the recovery of the cost is dependent on ability to pay; or
- the cost is not directly or readily recoverable from a particular group; or
- it cannot be reasonably collected by any other means.

The general rating mechanisms are:

- a UAGC (uniform annual general charge) on each rating unit (property); and
- a general rate of cents in the dollar of value

If one sector gets more benefit than others, any UAGC or differential can be modified to:

- a) take account of the level of benefits available; or
- b) carry out specific policies of Council; or
- c) take account of various purposes and wellbeing issues, including ability to pay.

If a sector needs to be subsidised, then *general rates on a differential basis* are used.

When costs cannot be recovered other than by way of general rate, they effectively become a tax on property value. As a tax on property value, general rates are governed by the attributes of a proportional tax (a standard rate in the dollar of value). This feature might be identified as progressive in effect.

A general rate is a tax that is applied on property at a standard rate across the district.

Therefore high value properties pay more than low value properties. General rates apply whether a land value or capital value rating system is used. This is generally referred to as an undifferentiated system. But this may give unrealistic results that are not sustainable, which in turn means they may not be fair, equitable and reasonable. The solution may be to use differentials. Differentials exist when different general rates are applied to different categories of property

Targeted Rates

Targeted rates may be used for various categories of land or activities undertaken.

Council considers what activities can be funded by rates that are targeted to the users and beneficiaries of particular services. The typical examples are water, sewage, and refuse.

Council uses 'user-pays' mechanisms (direct charges, including targeted rates) to the extent that is possible and reasonable.

Targeted rates, as a user-pays mechanism, can be:

- a uniform fixed amount; or
- a rate of cents in the dollar of value

Council uses direct charging (user pays) mechanisms to the extent possible and reasonable having regard to the current and future social, economic, environmental and cultural wellbeing of the community.

How much detail?

On a day to day basis, Council completes many tasks, some of which are obligatory, such as its functions under the Resource Management Act and others which are optional such as planting gardens. Council, in setting its funding

policy, needs to address what level of detail it should report and whether it should separately fund each of these tasks.

Transparency and accountability are most evident when an activity is totally funded by a specific mechanism. This allows ratepayers, or payers of user charges as the case may be, to see exactly how much money is being raised for and spent on the activity, and to assess more readily whether or not the cost to them of the activity represents good value.

Funding every activity on such a distinct basis would be extremely complex administratively. For some activities, the quantity of rates funding to be collected amounts to only a few cents per ratepayer. The administrative costs, and lack of significance, would lead to increased Council costs that are not really justified.

Accordingly, Council has taken a practical approach and grouped tasks into activities that align with how the tasks are managed and the services provided by Council.

The result, Council believes, is that the LTCCP adequately meets the requirements of transparency and accountability with minimal impact on administrative costs.

Council's approach to funding

Council takes a consolidated corporate approach to the management of its financial position. Through its Long Term Council Community Plan, it balances the level of capital expenditure required to meet strategic goals and maintain current service levels with what is sustainable within the prudential guidelines it has set. These parameters are contained in the Treasury Policy.

The concept of considering the funding of Council's activities on a district-wide basis was developed in 1992 and founded on the premise that the district is one community. This was supported by:

- Synergistic relationship between city and rural communities, and lakeshore settlements.
- Large parts of district affected by lakes or their catchments and geothermal activities.
- Much of the expenditure that is local by nature being also available to all the district e.g. rural seal extension.
- Council has been even-handed with local expenditure across the district over time.

Asset management plans are maintained for all infrastructural services and these provide information about asset condition and asset renewals required to maintain desired service levels.

Routine ongoing plant and equipment purchases are funded from depreciation charges and operating revenue.

Capital renewals are funded from borrowing, subsidies and grants (when available), depreciation, asset sales and from operating revenue.

New capital developments are funded from borrowing, subsidies and grants (when available), user contributions, asset sales and reserves.

Borrowing is an appropriate funding mechanism to enable the effect of peaks in capital expenditure to be smoothed and also to enable the costs of major developments to be borne by those who ultimately benefit from the expenditure. Borrowing, as noted above, is managed within the framework of the Treasury Policy and together with the asset management plans, helps ensure prudent stewardship and effective use of Council resources for now and the future.

Policy Statement

Funding of operating expenditure (Section 103(1)(a))

Where expenditure does not create a new asset for future use, or extend the lifetime or usefulness of an existing asset, it is classed as operating expenditure. Most of Council's day-to-day expenditure comes into this category. Council generates sufficient cash inflow from revenue sources (including rates) to meet cash outflow requirements for operating expenditure over the long term.

Councils operating expenditure includes several costs that the private sector does not need to fund. These include elections, democracy, community leadership, policy advice, advocacy, consultation costs, and regulatory and monitoring costs.

A Council must ensure that each year's projected operating revenues are at a level sufficient to meet that year's projected operating expenses. This is the balanced budget requirement.

Council's policy for funding operating expenditure is:

- a) To fund by way of direct charging mechanisms to the extent considered reasonable and practical, including:
 - Sales, commission and investment income;
 - fees and charges;
- b) To supplement this with subsidies, grants and funding allocations where these are available
- c) To fund by way of targeted rates where the beneficiaries can be identified and the benefit measured
- d) To fund the balance by way of a UAGC (uniform annual general charge) and general rates levied on a differential basis.

Funding of capital expenditure (Section 103(1)(b))

Capital expenditure is the category of expenditure that creates a new asset or extends the lifetime of an existing asset.

Council must ensure that each year's capital expenditure funding is at a level sufficient to meet that year's projected capital expenditure.

Council utilises the following sources to fund capital expenditure:

- a) To fund by borrowing where this best matches charges placed on the community against the period of benefits, with repayment over several years;
- b) To utilise the proceeds of assets sales if available;
- c) To direct charge by way of development contributions and financial contributions where these are appropriate;
- d) To supplement this with subsidies, grants, and funding allocations where these are available;
- e) To fund by way of targeted rates where the beneficiaries can be identified and the benefit recovered;
- f) To fund the balance by way of UAGC, general rates and transfers from reserves

The mix of mechanisms depends on the nature of capital expenditure. This can be categorised as:

Cost of renewal of assets

This is the gross cost of replacing an existing asset with a modern equivalent asset to the same function and capacity at the end of its life.

Cost of backlog

This relates to the period of a planned (or completed) capital project that is required to rectify a shortfall in service capacity to meeting existing community direct at the current agreed levels of service.

Cost of growth

This comprises the portion of planned (or completed) capital projects providing capacity in excess of existing community demand at the current agreed levels of service.

Cost of improved level of service

This relates to the cost of improving the level of service to an agreed new level above that previously agreed.

Rating Policy

Introduction

The Local Government (Rating) Act 2002 became effective on 1 July 2003. It introduced very significant changes to rating law and practice.

Council's current general rates policy consists of two rates:

- a) A uniform annual general charge (UAGC); and
- b) A general rate in the dollar of land value set differentially.

Council's traditional view is that all ratepayers benefit to some extent from the activities (past, present and future) of Council, so that it is appropriate to fund a base amount of the general rates by way of UAGC.

In addition, Council uses the UAGC to modify the progressive nature of rates, with a measure of regressive flat charge.

Council introduced the current rating policy in June 2004 to become effective from 1 July 2004. At the same time, Council signalled that it would continue to review its rating policy over the next two years. It specifically noted the following issues:

- Whether capital value would be a more appropriate rating base;
- Definition of differential categories and groups;
- The level of the UAGC and whether to assess this on each separately used or inhabited part of a rating unit (SUIP) rather than on each rating unit.

The primary issue is the rating base, whether to allocate liability for general rates according to capital value or land value. This is discussed below. The eventual decision in respect of this has a flow on effect to consideration about differential groups and the level and nature of the UAGC.

Pursuant to the Local Government (Rating) Act 2002, rates will consist of:

- A uniform annual general charge (UAGC);
- A differential general rate (based on land value in 2006/2007 and potentially on capital value thereafter);
- Targeted rate for lakes enhancement;
- Targeted rates for water supplies;
- Targeted rates for sewage disposal;
- Targeted rates for capital costs of Eastern sewerage schemes;
- Targeted rates for refuse collection.

Council will resolve annually the specific figures for each rate.

Rating Review – General Rates System

Capital Value or Land Value Rating Base?

Council has been through a long process to determine whether it is desirable to change from a land value to capital value rating base. Council has engaged the community (ratepayers, stakeholder groups and interested parties) in an informal process to identify the views and preferences of persons likely to be affected by, or have an interest in, the basis of assessing rates. In addition to previous work and suggestions from interested parties, this has assisted Council to know the mind of residents and the community as a whole. Council has identified sufficient support to warrant formal public consultation proposing a change to rating on capital value.

However, there are also representations that Council should take more time to evaluate the merits, mechanics, and consequences of a change.

Accordingly Council proposes:

- a) To retain the current land value rating system for the 2006/2007 year;
- b) To carry out a special consultative process about changing to a capital value rating base to be effective from the 2007/2008 year.

Council's objectives in proposing the change have been identified as:

- Fair and equitable
- Simple and transparent
- Stable – minimum change from year to year, especially following revaluations
- Minimise the number and size of differentials
- All available properties should contribute (including utility companies).

Council has considered factors that support a change in the rating base and is of the view:

- a) Most costs of Council are caused by or benefit people. Capital value better reflects the presence and activities of people than does land value.
- b) All ratepayers should contribute on a basis that better reflects benefits received or costs attributed.
- c) All councils desire to reduce differentials over time, and many would hope to eliminate them.
- d) Capital value will reduce differentials as compared with land value.
- e) Capital value can reduce the number of differential groups.
- f) Capital value (in principle) is more likely to reflect ability to pay.
- g) All properties should pay rates. Utility companies do not presently contribute to general rates, other than the UAGC, on a land value system.

- h) The existing land value system is perceived to have inequities that need to be addressed. Some properties are seen to pay rates that are too high and others rates that are too low.

In summary,

- a) For the 2006/2007 year, it is proposed the general rates system on land value will remain in place;
- b) Council proposes to carry out a special consultative process about changing to capital value for subsequent years.
- c) At the same time, Council proposes to consider other opportunities for targeting of rates.

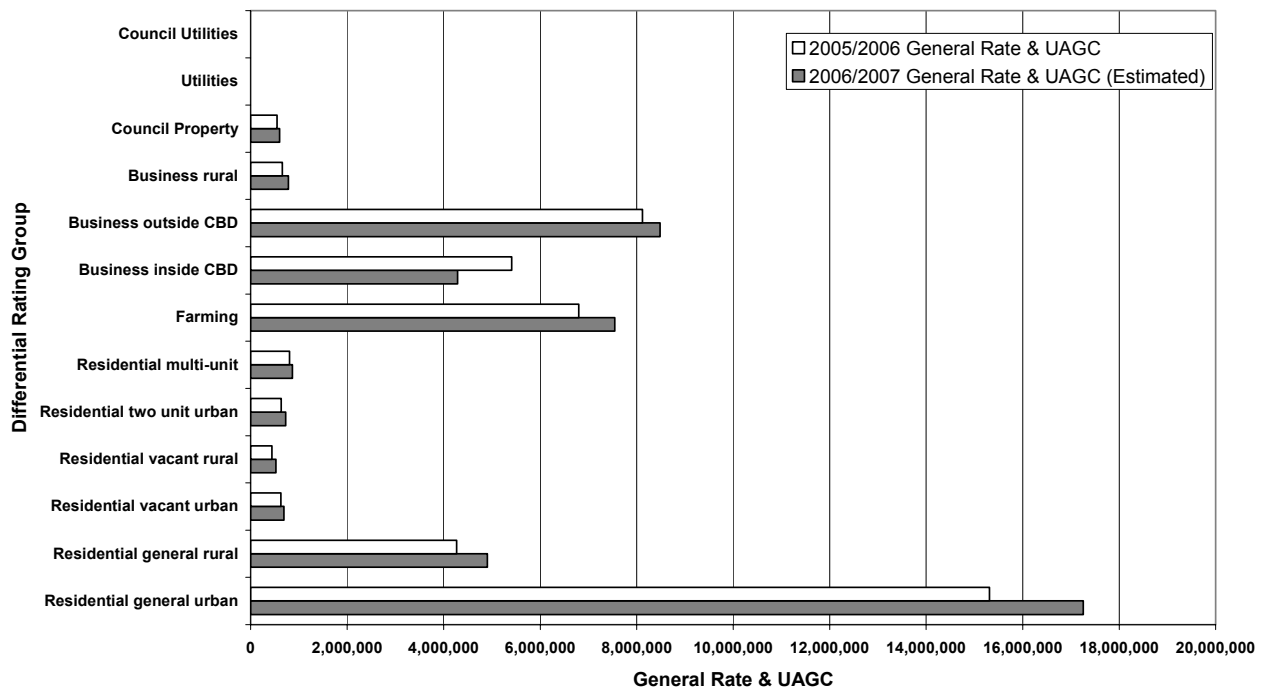
Proposed changes for 2006/2007

Council proposes to minimise changes for the 2006/2007 year pending the extended capital value review, but some changes are proposed. The main changes proposed are:

- Set the Business-Inside CBD and Business-Urban Outside CBD differentials at 420%.
- Simplify some definitions.
- Amend the CBD boundary.

Council recognises that other changes will be required if the land value system continues beyond 2006/2007.

Effects of 2006/07 Rates and District Revaluation 1 September 2005 on Rating Differential Groups.



The graph above is provided as an illustration of the effect of the 1 September 2005 district revaluation upon the incidence of collection from rating differential groups as the source of General Rate and Uniform Annual General Charge (UAGC).

Policy Statement

This policy uses predominantly the same differentials as have been used for the 2005/2006 year. The relative differentials for Business – Inside CBD and Business – Urban Outside CBD have been changed so they are now both the same. A new differential group has been created for Council property. Some definitions relating to differential groups have been modified to clarify the intent of the differential groups under a land value rating system. This includes redefinition of the Central Business District.

Purpose

The purpose is:

- To establish the basis for funding part of the revenue forecast as being required to perform the duties of Council; and
- To promote the social, economic, environmental and cultural well-being of the District’s communities, in the present and for the future.

These policies have been prepared pursuant to the Local Government Act 2002 for consultation using the special consultative procedure.

Uniform Annual General Charge

Council sets a uniform annual general charge on every qualifying rating unit in the District for the general purpose of Council.

The UAGC is set at a level that approximates 70% of the maximum allowed under Section 21 of the Local Government (Rating) Act 2002.

Differential General Rates

Council sets general rates on a differential basis:

- a) Council sets a general rate in the dollar on land value set differentially according to eleven different rating groups to fund that part of the general revenues of Council that are not funded by the uniform annual general charge.
- b) The objective of including differentials in the general rate is to achieve a fair distribution of the general rate between categories of land having regard to matters of social, economic, environmental, and cultural well-being.
- c) The relationship between the general rate differentials applicable for each rating category for 2006/2007 has been set as follows (with residential general urban stated as base 1.00 or 100%).
- d) The eleven rating categories are:

	Relative differentials for the general rate for 2006/07
<u>Residential rating group</u>	
1 Residential - General - Urban	100%
2 Residential - General - Rural	70%
3 Residential - Vacant - Urban	90%
4 Residential - Vacant - Rural	65%
5 Residential - Two Unit - Urban	110%
6 Residential - Multi Unit	425%
<u>Farming rating group</u>	
7 Farming - General	65%
<u>Business rating group</u>	
8 Business - Inside CBD	420%
9 Business - Urban Outside CBD	420%
10 Business - Rural	260%
<u>Council rating group</u>	
11 Council Property	420%

Interpretation for the purposes of setting general rates on a differential basis

A: Differential groups

The differential groups are as follows:

Residential General Urban

Every property in the urban sector

- a) Used for residential purposes, which is no more than five hectares in area, and on which is situated one residential unit (not being land zoned rural); or
- b) Zoned rural which is not more than five hectares in area, and on which is situated one residential unit.

Residential General Rural

Every property in the rural sector used for residential purposes which is no more than five hectares in area.

Residential Vacant Urban

Every property in the urban sector:

- a) Which is vacant land zoned residential and is no more than five hectares in area; or
- b) Which is vacant land zoned rural and is no more than five hectares in area.

Residential Vacant Rural

Every property in the rural sector which is vacant land zoned rural and is no more than five hectares in area.

Residential two-unit urban

Every property in the urban sector which is:

- a) Used for residential purposes and is no more than five hectares in area, and on which is situated two residential units (not being land zoned rural); or
- b) Zoned rural, and is not more than five hectares in area, and on which is situated two residential units.

Residential Multi-unit

Every property which is:

- a) Used for residential purposes and which is no more than five hectares in area, and on which is situated more than two residential units (not being land zoned rural); or
- b) Zoned rural, and is not more than five hectares in area, and on which is situated more than two residential units.

Farming

Every property in the urban sector and rural sector which is zoned rural, is more than five hectares in area and used for any farming purpose.

Business Inside CBD

Every property within the Central Business District (CBD) which is:

- a) Used for any business purpose; or
- b) Vacant land which is not zoned residential or rural; or
- c) Not otherwise categorised in these definitions.

Business Urban Outside CBD

Every property in the urban sector that is outside the Central Business District (CBD) which is:

- a) Used for any business purpose; or
- b) Vacant land which is not zoned residential or rural; or
- c) Not otherwise categorised in these definitions.

Business Rural

Every property in the rural sector that is:

- a) Used for any business purpose; or
- b) Vacant land that is not zoned residential or rural; or
- c) Not otherwise categorised in these definitions.

Council Property.

Every rateable property owned by the Rotorua District Council excluding those against which Council has granted a lease or license for use and thus requiring classification to an alternate rating differential group, thus preventing disadvantage to the lessee or licensee.

B: Definitions

The term:

“*Business purpose*” means any purpose of commerce, trade, or industry; but does not include any farming purpose.

“*Central Business District*” and “*CBD*” means the area as shown on the map below (plan number 10094-001; a larger copy is available at the Council Administration Building).



“*Farming purpose*” means used for agricultural, horticultural or pastoral or forestry purposes or the keeping of bees or poultry or other livestock.

“*Property*” means, either the part or the whole of any rating unit (as the case may be) used for a particular purpose (explanatory note: the intention being that different parts of property which may constitute a rating unit for the purposes of the Rating Valuations Act 1988 may be used for different purposes and therefore rated differently).

“*Residential purposes*” means occupied or intended to be occupied for the residence of any household being a residential unit.

“*Residential unit*” means a self-contained home or residence of a single household unit which contains a single kitchen facility.

“*Rural Sector*” means the part of the Rotorua District which is not the Urban Sector.

“*Urban Sector*” means the area as shown on the map below (plan number 11018-002; a larger copy is available at the Council Administration Building).



“*Vacant Land*” means land which is in an undeveloped state and is not being used or occupied for any purpose.

“*Zoned*” means zoned in accordance with the operative Rotorua District Plan.

Targeted Rate for Lakes Enhancement

Council sets a targeted rate of a fixed amount on every rating unit in the district that pays a UAGC to contribute towards lakes enhancement by way of improving lakewater quality.

Targeted Rates for Water Supply

Council sets targeted rates for all rating units, or separately used or inhabited parts of a rating unit, to which water is provided, or which are serviceable rating units.

For these purposes:

- A “**rating unit connected**” is one to which water is supplied from a Council water supply service.
- A “**serviceable rating unit**” is one to which water is not provided, but the whole, or some part of which is within 100 metres of a Council water supply service and is within a water supply area.

Council sets the following targeted rates:

Urban water supply

(Plan number 11015 Sheet 1. Refer to Water section of Infrastructural Group)

A differential targeted rate:

- A fixed amount per connection on each separately used or inhabited part of a rating unit connected (whether or not metered);
- A fixed amount (being 50% of the above amount) on each serviceable rating unit.

A targeted rate on each metered rating unit or separately used or inhabited part of a rating unit of a fixed amount per cubic metre supplied in excess of 58 cubic metres per quarter.

Note: Targeted rates for metered supply are invoiced quarterly by separate invoice

Mamaku water supply

(Plan number 11015 Sheet 4. Refer to Water section of Infrastructural Group)

A targeted rate of a fixed amount per connection on each rating unit connected.

A targeted rate on each metered rating unit of a fixed amount per cubic metre supplied to the rating unit.

Note: These targeted rates are invoiced quarterly by separate invoice.

Kaharoa water supply

(Plan number 11015 Sheet 7. Refer to Water section of Infrastructural Group)

A targeted rate of a fixed amount per connection on each rating unit connected.

A targeted rate on each metered rating unit of a fixed amount per cubic metre supplied to the rating unit.

Note: These targeted rates are invoiced quarterly by separate invoice.

Rotoiti water supply

(Plan number 11015 Sheet 5. Refer to Water section of Infrastructural Group)

A differential targeted rate of:

- A fixed amount per connection on each rating unit connected.
- A fixed amount (being 50% of the above amount) on each serviceable rating unit.

A targeted rate on each metered rating unit of a fixed amount per cubic metre supplied to the rating unit.

Note: Targeted rates for rating units connected and for metered supply are invoiced quarterly by separate invoice.

Rotoma water supply

(Plan number 11015 Sheet 6. Refer to Water section of Infrastructural Group)

A differential targeted rate of:

- A fixed amount per connection on each rating unit connected.
- A fixed amount (being 50% of the above amount) on each serviceable rating unit.

A targeted rate on each metered rating unit of a fixed amount per cubic metre supplied to the rating unit.

Note: Targeted rates for rating units connected and for metered supply are invoiced quarterly by separate invoice.

Hamurana water supply

Plan number 11015 Sheet 9. Refer to Water section of Infrastructural Group)

A differential targeted rate of:

- A fixed amount per connection on each rating unit connected.
- A fixed amount (being 50% of the above amount) on each serviceable rating unit.

A targeted rate on each metered rating unit of a fixed amount per cubic metre supplied to the rating unit.

Note: Targeted rates for rating units connected and for metered supply are invoiced quarterly by separate invoice.

Okareka water supply

(Plan number 11015 Sheet 10. Refer to Water section of Infrastructural Group)

A differential targeted rate of:

- A fixed amount per connection on each rating unit connected.
- A fixed amount (being 50% of the above amount) on each serviceable rating unit.

A targeted rate on each metered rating unit of a fixed amount per cubic metre supplied to the rating unit.

Note: Targeted rates for rating units connected and for metered supply are invoiced quarterly by separate invoice.

Reporoa water supply

(Plan number 11015 Sheet 8. Refer to Water section of Infrastructural Group)

For these purposes:

"Domestic Non-Farming" rating unit means a rating unit where the water supply is not subject to water allocation and a corresponding restriction on a flow or time basis. This

applies to rating units primarily for domestic, commercial or industrial use excluding the Reporoa Dairy Factory.

"Farming/Dairy-Factory" rating unit means a rating unit primarily for farming of livestock and also includes the Reporoa Dairy Factory. Such rating units are subject to a daily water allocation restricted on a flow or time basis.

A differential targeted rate:

- A fixed amount per connection on each Domestic/Non-Farming rating unit connected.
- A fixed amount per connection on each Farming/Dairy-Factory rating unit connected.

A differential targeted rate:

- A fixed amount on each Domestic/Non-Farming rating unit connected per cubic metre supplied in excess of 83 cubic metres per quarter.
- A lower fixed amount on each Farming/Dairy-Factory rating unit connected per cubic metre supplied in excess of 206 cubic metres per quarter

Note: These targeted rates are invoiced quarterly by separate invoice.

Leakage

In respect of all metered water supply, where a leakage is detected, the amount of water supplied will be determined in accordance with Council's procedure relating to account reassessments.

Targeted Rates for Sewage Disposal

Council sets targeted rates on a differential basis for all rating units from which sewage is collected, or which are serviceable rating units.

For these purposes:

- The **"uniform sum"** means the amount payable when a rating unit has or is deemed, by Schedule 3 Note 4 of the Rating Act, to have a single water closet or urinal. (Schedule 3 Note 4 relates to rating units used primarily as a residence for 1 household)
- **"connected"** means a rating unit from which sewage is collected, either directly or by a private drain to a public sewerage system.
- A **"serviceable rating unit"** is one from which sewage is not collected, either directly or by a private drain to a public sewerage system, but the whole, or some part, of which is within 30 metres of Council's sewerage system and could be effectively connected to the sewerage system.
- **"Toilet"** means: a) a water closet; and b) each 1.5 metres or part thereof of urinal; and c) from 1 to 4 wall mounted urinettes
- **"Category 1"** means the rating units with 1 to 4 toilets (water closets and urinals)
- **"Category 2"** means the rating units with 5 to 10 toilets (water closets and urinals)

- **"Category 3"** means the rating units with 11 or more toilets (water closets and urinals)
- **"Availability"** means those properties which are serviceable rating units.

Council sets the following targeted rates:

Urban Sewage Disposal

(Plan number 11163 Sheet 2. Refer to Wastewater section of Infrastructural Group)

A differential targeted rate calculated as a fixed amount per toilet connected to the sewerage system on each rating unit as follows:

- Category 1 100% of the uniform sum
- Category 2 85% of the uniform sum
- Category 3 80% of the uniform sum
- Availability 50% of the uniform sum [per rating unit]

Eastern Sewage Disposal

(Plan number 11163 Sheets 4 and 5. Refer to Wastewater section of Infrastructural Group)

A differential targeted rate calculated as a fixed amount per toilet connected to the sewerage system on each rating unit as follows:

- Category 1 100% of the uniform sum
- Category 2 85% of the uniform sum
- Category 3 80% of the uniform sum
- Availability 50% of the uniform sum [per rating unit]

Targeted Rates for Capital Cost of Eastern Sewerage Schemes

The purpose of this rate is to recover the capital cost of establishing the schemes over 25 years from the date of commissioning each scheme.

This rate is set to recover from existing ratepayers their share of the capital cost of their respective sewerage schemes. The rate is set after allowing for a general rate subsidy of \$1,500 per household unit equivalent. In calculating the rate, Council has assumed 1,500 future connections to the total Eastern sewerage scheme.

Future developments will be required to pay a share of the capital contribution towards the establishment cost of the scheme (including associated interest), as per the Development Contributions Policy proposed elsewhere in this plan.

Separate targeted rates will be applied for establishing the Okawa Bay, Mourea and Duxton area sewerage schemes as detailed in the following policy statement.

Council sets targeted rates on a differential basis for the capital costs of establishing the following sewerage schemes:

- Okawa Bay
- Mourea
- Duxton

For these purposes:

- **"nominated rating units"** means properties which existed as rating units at the date of commissioning each scheme.
- **"household unit equivalent"** (HUE) means a household equivalent to enable industrial and commercial developments to be included in the calculations. It is used to convert industrial and commercial developments to a household equivalent.

In developing this policy, some ratepayers have requested the opportunity to settle the full capital charge relating to rating units by way of a voluntary contribution. For this to apply, voluntary contributions must be received by 15 June 2006.

Council sets targeted rates on a differential basis for all nominated rating units based on the household unit equivalent.

Ratepayers who have made a voluntary contribution towards the full share of the capital cost of their respective scheme will not be liable for this targeted rate.

Targeted Rates for Refuse Collection

(Plan number 10196, Sheets 1 and 2. Refer to Waste Management section of Infrastructural Group)

Council sets targeted rates for refuse collection from separately used or inhabited parts of a rating unit within the respective service areas on a differential basis for refuse collection in urban and rural areas respectively, where the service is provided.

TREASURY POLICY

Introduction

Council has made a minor change to its Treasury Policy to ensure borrowing limits are realistic in the current and anticipated future financial climate. It is important that Council's policy ensures intergenerational equity and enables prudent financial management for ratepayers of the district.

This will enable major investment in infrastructural assets, particularly in the Wastewater activity, and facilitate the transfer of the Rotorua Regional Airport assets to Council.

Philosophy

Council has treasury risks arising from debt raising, investments and associated interest rate management activity. Council carries out its borrowing and investment (in total referred to in this document as treasury activity) within its finance function. Council's broad objectives in relation to treasury activity are as follows;

- to comply with the Local Government Act 2002, amendments, and other relevant local authority legislation
- to develop and maintain professional relationships with the financial markets
- to manage all of Council's investments within its strategic objectives; invest surplus cash in liquid and credit worthy investments
- to raise appropriate finance, in terms of both maturity and interest rate
- to manage the overall cash position of Council's operations

Council's treasury policy is managed by the Treasury Management Group (TMG), being officers of Council with delegated authority.

Liability Management Policy

Borrowing Policy

Council borrows as it considers appropriate. Council exercises its flexible and diversified borrowing powers within the Local Government Act 2002. Council approves borrowing by resolution arising from the Annual Planning processes. Projected debt levels are ascertained from cashflow forecasts prepared during the Long Term Council Community Plan and Annual planning processes.

Council raises borrowing for the following primary purposes:

- General debt to fund Council's Balance Sheet, including borrowing to fund Council-Controlled Organisations (CCOs).
- Specific debt associated with "special one-off" projects and capital expenditure.
- To fund assets with intergenerational qualities.

Council is able to borrow through a variety of market mechanisms including the issue of stock and debentures and direct bank borrowing or by accessing the capital markets directly.

In evaluating new borrowings (in relation to source, term, size and pricing) the TMG will take into account the following:

- The size and the economic life of the project as appropriate.
- The impact of the new debt on borrowing limits.
- Relevant margins under each borrowing source.
- Council's overall debt maturity profile, to ensure concentration of debt is avoided at reissue/rollover time.
- Prevailing interest rates relative to term for both stock issuance and bank borrowing, and management's view of future interest rate movements.
- Available term from bank and stock issuance.
- Implied finance terms within any specific debt (e.g. project finance) to ensure these are at least as favourable as Council could achieve in its own right.
- Legal documentation and financial covenants.

Borrowing Limits, Liquidity and Credit Risk Management

In managing borrowing, Council determines appropriate control limits based on the following covenants:

- **The gross interest expense of all borrowings will not exceed a specified percentage of total annual rates revenue.**
- **Net cashflows from operating activities are to exceed gross annual interest expense by a specified multiple.**

The applicable control limits will be set by the full Council and reviewed on an annual basis.

To minimise the risk of large concentrations of debt maturing or being reissued in periods where credit margins are high for reasons within or beyond Council's control, Council ensures debt maturity is spread over a band of maturities. Council manages this specifically by ensuring that:

- **No more than \$40 million or 50% of existing external borrowing (whichever is the greater) is subject to refinancing in any financial year.**

Interest Rate Risk Management

Council's borrowing gives rise to direct exposure to interest rate movements. Table 1 outlines the maximum unhedged or floating rate exposure requirements allocated into various time bands. The actual percentage will be determined and reviewed on a regular basis, by the TMG:

Table 1: Percentage of Fixed Rate Borrowing

These hedging percentages relate to total existing and forecast debt identified as “Core” debt by the TMG after reference to the current LTCCP and Annual Plans. The level of Core Debt used in determining policy compliance will be reviewed as appropriate, but at least on an annual basis.

Term of Exposure	Minimum Fixed Rate Exposure	Maximum Fixed Rate Exposure
0 - 1 year	60%	100%
1 - 3 years	40%	80%
3 - 5 years	20%	60%
5 – 10 years	0%	40%
10 years and over	Any hedging must be approved by Council	

The TMG sets interest rate risk management strategy by monitoring the interest rate markets on a regular basis, evaluating the outlook for short term rates in comparison to the rates payable on its fixed rate borrowing, and managing these risks using approved risk management instruments.

Security

In general Council will secure its borrowings against its rate revenue. In unusual circumstances, with prior Council approval, a charge over one or more of the Council’s assets may be offered.

Contingent Liabilities

Council from time to time provides financial guarantees to recreation and service organisations pursuant to Council policy for such guarantees.

Investment Policy

Council maintains investments in the following financial assets:

- Equity investments, including shareholdings and loan advances, to trading and service enterprises, charitable trusts, and incorporated societies (e.g. sporting and community organisations), and for residential and rural housing purposes, which are consistent with Council’s normal course of business.
- Investments in land and buildings (property) and from time to time commercial mortgages and deferred payment licenses.
- Treasury instruments for cash flow management.

Equity Investments and Loan Advances

Investments may include shareholdings in and advances to CCOs, charitable trusts, incorporated societies, residential and rural housing, and other long term investments which are consistent with Council’s strategic plan and subject to legislation requirements.

Property Investments

Council’s overall objective is to only own property that is necessary to achieve its strategic objectives.

Council reviews the performance of its property investments on a regular basis.

Treasury Investments

Council maintains treasury investments:

- to invest amounts allocated to special funds, sinking funds and reserves
- for short term Investment of proceeds from the sale of assets
- To invest surplus cash, and working capital funds

Liquidity Management

The TMG sets overall investment strategy, but in general terms Council will use surplus funds to decrease its overall level of borrowings by proactive management of its bank facilities.

- **Liquidity risk management is implemented by ensuring that cash investments are capable of being liquidated and in any case are for a term of less than twelve months. Committed bank facilities are also held to assist in the management of short term funding requirements as well as contributing to the funding of core debt.**

Interest Rate Risk Management

The TMG sets interest rate risk management strategy by monitoring the interest rate markets on a regular basis, evaluating the outlook, and determining the interest rate profile to adopt for investments.

Sinking Funds

A statement of sinking funds is prepared annually by the sinking fund commissioners and reported to Council.


Foreign Exchange Policy

Council may have foreign exchange exposure through the occasional purchase of foreign exchange denominated plant and equipment.

Significant commitments in excess of NZD50,000 are defined as an exposure. Foreign exchange dealings are hedged using foreign exchange contracts, once expenditure is approved by management and/or Council.


Cash Management

Council maintains rolling daily, monthly and yearly cashflows. These cashflows determine Council's borrowing requirements and surpluses for investment. Cash investments are generally covered by Section 3 of this policy.



Performance Measurement

Measuring the effectiveness of Council's treasury activities is achieved through a mixture of subjective and objective measures. The predominant subjective measure is the overall quality of treasury management information including the development of Key Performance Indicators (KPIs) by agreement with the Chief Executive.




Delegated Authorities and Key Internal Controls

Delegated Authorities

Delegated authorities are in place as per the Delegated Authority Manual.

Key Internal Controls

Sound treasury procedures with appropriate controls are in place to minimise risks the Council may experience through unauthorised treasury activity or unintentional error, and such controls are outlined in the relevant treasury procedures documentation.



DEVELOPMENT CONTRIBUTIONS POLICY

1. Background

1.1 Introduction

Rotorua District Council has identified in its Long Term Council Community Plan (Ten Year Plan) community outcomes unique to the Rotorua community and environs. These outcomes need to be supported by levels of service to be achieved in reserves, community infrastructure and network infrastructure to service the present and future community.

This Policy establishes a transparent, consistent and equitable basis for requiring development contributions in order that those undertaking developments pay a fair share of the community's capital expenditure for the provision of reserves, community infrastructure and network infrastructure.

The new policy in this Ten Year Plan sees a change in how infrastructure to cater for growth in the District will be funded. Under this policy most of the new infrastructure required for growth will be funded by a fee (Development Contribution) rather than as part of the general rates.

1.2 Enabling Legislation and Supporting Policy Framework

Council is required under the Local Government Act 2002 (LGA 2002) to have a policy on development contributions or financial contributions as a component of its Funding and Financial Policies in its Long Term Council Community Plan (Ten Year Plan). This Development Contributions Policy has been prepared in accordance with Sections 102(4)(d) and 106 and Subpart 5 of Part 8 of the Local Government Act 2002 (LGA 2002).

The Policy contributes to community outcomes identified in the Ten Year Plan by ensuring the provision of appropriate infrastructure to meet the needs of growth.

1.3 Purpose

The key purpose of the Development Contributions Policy is to ensure that growth, and the development of reserves land, community infrastructure and network infrastructure to meet that growth, is funded by those who cause the need for that infrastructure.

Community infrastructure includes infrastructure on reserves (reserves development), libraries, museums, event venues, sports grounds, aquatic centres, cemeteries, boatramps, and playgrounds. Network infrastructure includes water, wastewater, land drainage, roads and transportation.

1.4 Financial Contributions

A financial contribution is a contribution from developers of money or land or a combination of money and land. Financial contributions are provided for under the Resource Management Act 1991 (RMA), and are used to offset or mitigate any adverse impacts on the natural and physical environment including utility services of a new development.

Council already has a number of Financial Contribution provisions in place. These are included in Part Eleven and Appendix U of the Rotorua District Plan (refer Appendix C to this Policy).

Council will not require a Development Contribution for any activity to the extent that a Financial Contribution has already been imposed as a condition on a Resource Consent in relation to the same development for the same purpose.

It is intended that Council will review the Financial Contributions provisions in the operative District Plan with the exception of those Financial Contributions listed below:

- Reserves Land Purchase.
- Vehicle-parking
- Service lane vesting
- Rural unsealed road upgrading

It is noted however that under the conditions of a consent issued under the Resource Management Act 1991 (RMA) Council may still require a developer to mitigate specific adverse environmental effects relating to the development (refer to Section 1.5 of this policy).

The capital expenditure in Appendix D does not include any components of past projects funded by Financial Contributions.

1.5 Works or Services

Nothing in this policy will prevent the Council from requiring as a condition of consent a Financial Contribution for the provision of works or services to support the immediate proposed development. These works or services may include but shall not be limited to frontage works, connections and the like (refer the District Plan).

2. Policy

2.1 Adoption, Implementation and Review

This policy was adopted in conjunction with the 2006-2016 Ten Year Plan, and came into force on 1 July 2006. This completes the commitment of Council to develop a policy identified in the 2004-14 Ten Year Plan.

Development contributions will be assessed on the date of issue of a resource consent or building consent or the date when the service connection is approved, whichever is the earliest.

The Development Contributions Policy will be reviewed at least each three years in parallel with the Ten Year Plan cycle, or at shorter intervals if Council deems necessary, to take account of:

- Any changes to the significant assumptions to the Development Contributions Policy
- Any change in policy as Council continues to develop and implement structure plans for the District.
- Any changes to the District Plan
- Any changes in the capital works programme for growth
- Any changes in the pattern and distribution of development in the District
- The regular reviews of the Ten Year Plan
- Any significant changes in cost indices
- Any addition of other activities supporting growth
- Any other matters Council considers relevant
- Growth Model

The Development Contributions Schedule (Appendix A) will be updated annually by an amendment to the Ten Year Plan to account for inflationary adjustments and improved project information and budgets.

2.2 Retrospective Application

The LGA 2002 states that development contributions can be required for any resource consent, building consent or authorisation for a service connection granted on or after 1 July 2003 and lodged after 18 December 2001.

Credit will however be given for the pre-existing status of properties (refer Section 3.5 of this Policy).

As a concession to the requirements of the LGA 2002, the following transitional arrangements apply to applications lodged for subdivision consent and land use consent:

- i. Applications lodged before 14 March 2006 will not be subject to a Development Contribution charge.
- ii. A Development Contribution charge will also not be payable where applications are lodged on or after 14

March 2006 and are granted before 30 June 2006 EXCEPT THAT where any objections (where applicable) are lodged in regard to any such consent that might be granted then all such objections must also be fully resolved and determined in accordance with all relevant legal processes by 30 June 2006, and, for the avoidance of doubt, this includes resolution or decision on the objections by the Council or any Court of Law as any case might require.

- iii. All other applications lodged on or after 14 March 2006 not covered by (ii) above will be subject to a Development Contribution charge.

Development Contributions charges will be based on the Development Contributions Schedule (Appendix A) in force at the date the payment is made.

2.3 Credits

Where development contributions or financial contributions for a particular property have previously been assessed and paid, credit will be given for the particular activity. For the calculation of these credits there is no historical time limit and all previous credits will be taken into account.

For the purposes of this Policy a credit is measured as the number of Units of Demand (Household Unit Equivalents – HUE) (refer section 3.4) for each activity applied in determining the development contribution charge.

Credits towards the assessment of development contributions for a consent application include both “Historic Credits” and “Actual Credits”.

Advice regarding the number of credits for each activity for a specific title will be available on application.

2.4 Definition of Growth

In terms of this Policy, growth means the increase in capacity of network infrastructure and community infrastructure external to the boundaries of the development site required to service that development.

Within the boundaries of the development site, the developer shall provide the following as part of the cost of development, as a condition of the consent under the District Plan as a result of a RMA process:

- Road, transportation and car parking infrastructure and landscaping requirements
- Water supply network
- Wastewater network
- Land drainage collection and disposal infrastructure
- Other services required in the District Plan
- All other utility services (not managed by Council)

2.5 Future Policy Development

Future versions of this Policy may capture development contributions from the following activities:

- Vehicle parking
- Reserves land
- Other planned network and community infrastructure

2.6 Requirement For and Use of Development Contributions

Council may require a development contribution from any development for the following:

- Capital expenditure incurred as a result of growth and/or capital expenditure already incurred in anticipation of development.

Development Contributions will be required to meet the growth component of the future capital expenditure budgets.

Development Contributions will be collected to support the following activities:

Network Infrastructure

- Roading and Transport (road, rail, bus, pedestrian, cycle etc.)
- Water Supply
- Wastewater
- Land Drainage

Community infrastructure

- Facilities and activities on parks
- Public amenities

2.7 Capital Expenditure Council Incurs as a Result of Growth

The total estimated capital expenditure Council expects to incur, as a result of growth, to meet increased demand for transportation, water and wastewater, land drainage and parks, over the next 10 years, is summarised in the table in Appendix E.

The total growth component, excluding funding from other sources, of the capital expenditure budgets will be funded by development contributions.

The calculations and documentation supporting the above capital expenditure are available for examination at the offices of Rotorua District Council.

Note: Backlog and Renewal portions of capital expenditure will be funded from sources other than development contributions.

In the recent past Council has incurred significant expenditure in anticipation of development. Council will

recover the growth component of these projects implemented to support the future community (post 1 July 2006). A schedule of these "Past Projects with Residual Capacity" is included in Appendix D. Note the cost of the growth component is determined from actual total cost to implement these projects.

2.8 Council Use of Development Contributions

Council will use development contributions only on the activity for which they are collected. This will be undertaken on an aggregated project basis for each of the activities.

Where Council anticipates funding from a third party for any part of the growth component of the capital expenditure budget, then this proportion is excluded from the total estimated growth component to be funded by development contributions.

2.9 Limitations to the Application of Development Contributions

Council will not require a development contribution in the following cases:

- Where it has, under Section 108(2)(a) of the Resource Management Act 1991 (RMA), imposed a condition on a resource consent in relation to the same development for the same purpose; or
- Where the Council has received or will receive 100% funding from a third party for those works.
- Minor building alterations covered by a building consent.

3. Procedural Items Relating to Policy

3.1 Determination of Development Contribution Charges

3.1.1 Activities

Six activities have been defined for which development contributions have been calculated. The activities are:

Network Infrastructure

- Roading and Transport
- Water Supply

- Wastewater
- Land Drainage

Community infrastructure

- Facilities and activities on parks
- Public amenities

3.1.2 Catchments

For each activity a number of catchments have been determined.

Developments lying within a catchment will be charged a development contribution for that area. If for any reason a development falls outside the catchment, and is still served by the infrastructure associated with one of the activities, then the schedule of contributions for the serving catchment shall apply.

The catchments are defined in Appendix B.

3.1.3 Level of Service (LOS)

Council activity plans for each activity, linked to the Ten Year Plan, define the relevant LOS for that activity.

From these LOS statements a capital project list to meet projected growth has been identified and costed, based on sustaining these levels of service.

In general the development contributions will be calculated based on the existing levels of service across the District.

Any requirement to increase the LOS for existing users will not be funded by development contributions.

3.1.4 Growth Model and Household Unit Equivalents

The District's growth model has been developed in order to predict growth throughout the District in 'Household Unit Equivalents' (HUE) and this growth information is presented per activity, per catchment.

High growth areas have been identified as the City Eastern Suburbs, Northern and Rotokawa planning units, while the Rural Established Lakeside, Eastern Lakes and Hamurana planning units will experience moderate growth, and the highly regarded Natural Environment, Southern Lakes and Ngongotaha units will experience stable growth. It is recognised that Rotorua is experiencing growth. Rotorua District will continually monitor growth and improve the growth model forecasting techniques. The next review of the growth model is anticipated to be completed in time for the 2007 review of this Policy.

In the growth model, a HUE is defined as being equivalent to one 'average' household unit. It is recognised that household units vary throughout the District and that the demands they generate also cover a broad range. However, given the relatively large size of the development contribution

catchments and the implied averaging, the approach is considered appropriate as well as being consistent with the level of detail recognised by the growth model itself.

3.2 Cost Allocation Methodology

The Cost Allocation Methodology used in this Policy is referred to as "Modified Shared Drivers". This methodology is applied to the 10 years of capital works expenditure in the Ten Year Plan. In the first preparation of the Development Contributions Schedule priority has been given to high value projects and those with a high growth component.

The Modified Shared Drivers approach takes the planned costs of a proposed project and assigns them to various drivers. The categories of drivers within the methodology are:

- Renewal
- Backlog
- Growth
- Unallocated

A summary of the Cost Allocation Methodology is as follows:

- The scope and Gross Cost of the project are reviewed. Any non-capital (operations and maintenance costs, feasibility costs) are deducted.
- Third party funding (e.g. Land Transport New Zealand) is identified and deducted.
- Catchment is established.
- A share for renewal is deducted taking into account the scope of assets being renewed and their remaining life at the time of renewal.
- Capacity and Demand information based on current levels of service is used to allocate shares to Backlog and Growth.
- Any remaining share is defined as Unallocated.
- Capacity and Useful Life information is gathered to help determine the period over which contributions should be collected.

The full and detailed methodology and cost allocation worksheets are available for inspection at the offices of Rotorua District Council.

3.3 Funding Model

The purpose of the funding model is to ensure an equitable assessment of the funding requirements to support the Development Contributions regime. The primary output of the funding model is an assessment of the required development contributions charges. These charges are listed in Appendix A.

The model takes account of:

- The funding requirements to support the cost of growth infrastructure.
- Equitable application of those funding requirements to the incoming growth community.
- Recognition that the backlog components of the growth infrastructure are funded by the existing community. The

rating charges applied to the existing community will also be applied to the incoming community as there is no differential rating process to exclude the incoming community from those rates charges. Future rating revenue from the increasing community has been estimated and incorporated into the calculation of the contributions in the Funding Model.

- Interest on funds raised to implement growth infrastructure.
- Interest on contributions received in advance of provision of growth infrastructure.

3.4 Assessment of Development Contributions

The subdivision of land, land use consent or development or building application may change the predominant land use of an existing site to create additional residential lots and obviously results in the potential for additional household units and therefore additional HUEs. Assessment of Development Contributions is based on this unit for the calculation and charging. This assessment may be done on the lodging of an application for a resource consent under the RMA, a building consent under the Building Act 2004 or an application for a service connection authorisation.

3.4.1 Residential and Lifestyle Block Applications

The only information that is required to calculate the number of HUEs, and hence the development contribution that is chargeable, is the additional number of residential allotments created by the proposed consent.

The following activities, will therefore all be assessed as 1 HUE per additional allotment:

Network Infrastructure

- Transport
- Water Supply
- Wastewater
- Land Drainage

Community infrastructure

- Facilities and activities on parks
- Public amenities

Every residential unit, whether a separate dwelling or part of an apartment complex, equals one household unit which equals one unit of demand and every lot is taken as being intended for one household unit.

Any additional Household Unit on the same lot, e.g. granny flats, will be assessed and charged a Development Contribution based on the following:

- Under 40m² No Charge (Granny Flat)
- 40 – 72m² 0.5 HUE
- Over 72m² 1 HUE

This will only apply for the first additional Household, all subsequent Household Units will be assessed 1 HUE.

Where the property is not planned to be connected to the Water Supply, Wastewater or Land Drainage Network Infrastructure no charge will be made for that activity. However note that if at a future time the property is to be connected it will attract a development contribution at building consent or at service connection.

3.4.2 Visitor Demand

The demand on the community assets and networks by visitors is significant and attributable. For engineering type assets such as roading, water and wastewater networks and infrastructure the extra demand can be calculated based on peak requirements in such periods as holidays, major conferences etc. The peak demand is taken as 100% occupancy of all accommodation and infrastructure and assets are sized accordingly. For community infrastructure, parks, and reserves more conservative HUE conversions are necessary as for instance few visitors may use the library but many will use the parks and museum. Visitor demand in these cases is taken on an activity and/or project basis using such information as is available at the time. (Refer Appendix G).

The effect of Bed and Breakfasts (B&Bs) is at present estimated as historically the control and hence collection of information about B&Bs was incomplete. This may change in the future as Council improves policy and procedure.

3.4.3 Non-Residential Applications

Non Residential Applications will include all activities except residential applications. For example business accommodation, industrial and the like. For non-residential consent applications HUEs may be calculated for each activity using one of the following methodologies:

- If demand is known (e.g. traffic movements, volume of water usage) then use the base units in Table 3-1 (as set out below in Section 3.4.3) to calculate the HUE.
- If demand is unknown, use the Gross Floor Area (GFA) conversions in Table 3-2 (as set out below in Section 3.4.3) to estimate the HUE.

The demand on services of any activity will be calculated based on an assessment of the demand when the activity is established and operational, not on the demand created temporarily during construction.

The following activities, will be assessed to determine the HUEs associated with the planned development:

Network Infrastructure

- Transport
- Water Supply
- Wastewater
- Land Drainage

Community infrastructure

- Town centre upgrades

- Public amenities (as appropriate)
- Parks and reserve facilities

Demand is Known

Table 3-1 summarises the demands of an average household unit, or HUE, for the activities in terms of base units.

Activity	Base Unit	Demand per HUE	Comments
Transport	Vehicle trips per day	8	Assume all light vehicles
Water Supply	m ³ per day	0.9 m ³	District Engineering Standards
Wastewater	m ³ per day	0.66 m ³	District Engineering Standards
Land Drainage	Impervious area	350 m ²	Assessed average impervious area per household unit
Community Infrastructure	Visitor Nights	1/(2.67 x 365)	Takes into account occupancy

Demand is Unknown

Table 3-2 summarises the conversion factors to convert the GFA of a non-residential building to an average household unit, or HUE.

Activity	Commercial	Industrial	Accommodation
	HUES per 10,000m ² Gross Floor Area (GFA)		HUE's per Visitor Night
Transport	9	9	0.001
Water Supply	16.2	16.2	0.001
Wastewater	10.8	10.8	0.001
Community Infrastructure			
	HUES per ha Impervious Surface Area (ISA)		
Land Drainage	0.29	0.29	0.29

3.4.4 Rural Land Uses

Residential developments in the rural area are treated the same as in the urban environment.

Each rural allotment will be assessed as having 1 HUE per residential dwelling on the property. Each additional

residential dwelling on a rural allotment will be assessed as an additional HUE.

The following activities, will therefore all be assessed as 1 HUE per additional dwelling:

Network Infrastructure

- Transport
- Water Supply (only if served)
- Wastewater (only if served)
- Land Drainage (only if the development lies within or upstream of a Land Drainage catchment)

Community infrastructure

- Facilities and activities on parks
- Public amenities

Non residential sheds and farm buildings associated with rural activities, which do not place additional demand on infrastructural services, will not incur a development contribution.

Industrial or commercial developments located in the rural area will be assessed for a contribution in accordance with either Sections 3.4 or 3.6.

Where the property is not planned to be connected to the Water Supply or Wastewater Network Infrastructure no charge will be made for that activity. However note that if at a future time the property is to be connected it will attract a development contribution at building consent or at service connection.

3.5 Credits

3.5.1 Historic Credits

Credit will be given for the pre-existing status of properties (prior to 1 July 2006) even if no previous financial or development contributions were paid. Credits will be associated with the existing title and calculated and assigned on a per activity basis. Note, however, if the property is not in an area of service it is not deemed to have any historic credit for that service.

General Principles

Residential credits shall be granted on the basis of the greater of 1 HUE per activity per existing allotment or 1 HUE per activity per existing dwelling unit.

Non-residential credits shall be granted on the basis of the number of HUEs calculated according to the actual existing development, if any. Such credits shall be calculated in terms of present day assessment methodology. These historic credits shall be assigned to the new allotments on a pro rata GFA basis. No credit HUEs will be allocated to undeveloped non-residential allotments existing at 1 July 2006.

Credit HUEs for all activities must be allocated to the same allotment or allotments.

3.5.2 Actual Credits

Where development contributions or financial contributions for a particular property have previously been assessed and paid, credit (HUE) shall be given for the particular activity. For the calculation of actual credits there is no historical time limit and all previous credits shall be taken into account.

3.6 Extraordinary Circumstances

Council reserves the discretion to enter into specific arrangements with a developer for the provision of particular infrastructure to meet the special needs of a development, for example where a development requires a special level of service or is of a type or scale which is not readily assessed in terms of HUEs.

If, at development stage, an application clearly has a significantly greater or lesser impact than that envisaged in the averaging implicit in the above methodology, a 'special assessment' may be called for at the Council's discretion. The applicant will be expected to provide supporting information and detailed calculations of their development's transport, water supply and wastewater demands in base units. Using the standard base unit/HUE conversions these estimates may then be converted to HUEs and charged accordingly.

For example, a 'traffic impact assessment' is a requirement for non-residential developments which may result in significant traffic effects as well as larger residential developments. It will usually be possible to compare the vehicle trips per day reported from this source with the Table 3-1. In any case, any particular land use such as, but not limited to the following may be deemed to fall into the special assessment category and the HUEs based on the impact assessment. For example for:

- Service stations with or without retail facilities
- Drive through fast food restaurants
- Bulk Floor Retail, Large Format Retail (or 'big box') developments
- Visitor Accommodation
- Learning institutes (with or without accommodation)
- Tourist industries and facilities
- Conference Centres

3.7 Summary

	Subdivision	Development
Residential	Per additional title: 1 HUE per activity	Per additional title or household unit including unit title type developments: 1 HUE per activity
Non-residential	Standard table of HUEs per activity in units of 100m ²	Standard table of HUEs per activity in units of 100m ²
Mixed Uses	To be assessed as above for the particular land use applied for.	
Special Category	On demand by Council. Applicant to provide detailed assessments of their development's transport, water supply or wastewater demands in 'base units' - using the standard base unit / HUE conversions these estimates may then be converted into HUEs and charged accordingly.	

3.8 Calculation of Development Contributions

For each infrastructural (transport, water supply, wastewater and Land Drainage) or community activity (Parks: community infrastructure) where development contributions are required, the amount payable will be calculated by multiplying the development contributions per HUE by the number of HUEs. Developers will, however, receive a historic credit for any entitlement existing prior to the proposed development, reflecting existing demand on services.

3.8.1 Residential Development

Step 1 – Catchment	Go to Appendix B and check which catchment the development lies within.
Step 2 – Pricing Schedule	Go to the Development Contributions Schedule (Appendix A) and identify the fees payable per HUE for the catchment for each activity.

Table 3-4 Process for Determining Development Contribution Charge – Residential Development	
Step 3 – Existing Entitlement (Historic Credits)	<p>Determine any credits/debits applicable to the residual title.</p> <p>For subdivisions (where the residual lot remains residential) the existing title will have a full historic credit meaning no development contribution is payable on the residual title.</p> <p>Where a second (residential) dwelling is created on an existing title the existing dwelling will have a full historic credit meaning no development contribution is payable on the existing dwelling.</p> <p>Note, each dwelling (irrespective of size) is deemed to be one HUE. Therefore additions to existing residential dwellings (for residential purposes) will therefore attract no development contribution charge.</p>
Step 4 – Confirm requirement to charge	There will be a development contribution on any additional titles created by subdivision or any additional dwelling(s) created in the absence of subdivision.
Step 5 – Number of HUES per activity	In residential development there is 1 HUE per additional lot or additional dwelling created, per activity.
Step 6 – Charge	For each activity multiply the number of HUE (Step 5) by the fees payable (Step 2). Sum the results for each activity to achieve the total charge and add GST of 12.5%.

3.8.2 Non-Residential Development

Table 3-5 Process for Determining Development Contribution Charge – Non Residential Development	
Step 1 – Catchment	Go to Appendix B and check which catchment the development lies within.
Step 2 – Pricing Schedule	Go to the Development Contributions Schedule (Appendix A) and identify the fees payable per HUE for the catchment for each activity.

Table 3-5 Process for Determining Development Contribution Charge – Non Residential Development	
Step 3 – Existing Entitlement (Historic Credits)	<p>Determine any credits/debits applicable to the residual title.</p> <p>Where additional floor area is created on an existing title the existing floor area (if any) will have historic credits based on the planned use at the time of application of the original building consent. These credits are likely to be different for each activity.</p>
Step 4 – Confirm requirement to charge	There will be a development contribution on any additional titles created by subdivision or additional building GFA created in the absence of subdivision.
Step 5 – Number of HUES per activity	Determine the number of HUES per activity using the appropriate method defined in Section 3.4.3. Reference also Appendix G.
Step 6 – Charge	For each activity multiply the number of HUE (Step 5) by the fees payable (Step 2). Sum the results for each activity to achieve the total charge and add GST of 12.5%.

3.9 Timing and Collection of the Development Contribution

3.9.1 Assessment of Development Contributions

General

Under Section 198 of the LGA 2002 Council can apply a development contribution upon the granting of:

- A resource consent (subdivision or landuse)
- A building consent
- An authorisation for a service connection.

Development contributions will be calculated and invoiced at the earliest opportunity. Council recognises however that large subdivisions are likely to develop in stages.

Council will, therefore, generally assess contributions at the subdivision consent stage.

Determination of Land use

When Council assesses a development contribution at subdivision consent stage, the expected dominant nature of activities authorised by any existing land use consent for the site and/or, in the underlying environment or zone, will determine the type of development contribution payable.

Changes in Land use

If a subsequent land use consent changes the nature of activities previously envisaged, the development contribution will be reassessed. Where this is not possible, the development contribution will be assessed at the next stage in the consent process (i.e. at the building consent stage, or at the service connection stage on residential and rural development, only where additional units of demand are created in the absence of subdivision).

Additional Household Units

While generally development contributions will be assessed at subdivision consent stage, Council's experience is that occasionally additional demand is created by additional household units on land already subdivided. In such cases, as a matter of equity, Council will assess and seek the appropriate development contribution at the building consent stage. If additional units of demand are created in the absence of subdivision or outside of the building consent stage Council will require a development contribution at service connection stage.

3.9.2 Payment of Development Contributions

In line with Appendix H (Schedule of events that will give rise to a requirement for a Development Contribution) payment of a development contribution shall occur prior to the earlier of:

- The issuance of the Section 224 completion certificate under the Resource Management Act 1991;
- Within 180 days of issuance of building consent under the Building Act 1991; or prior to the issuance of the Code of Compliance certificate.
- On the granting of a land use consent for an activity/development that will attract a Development Contributions and does not require a subdivision/building consent, if a subdivision and/or building consent will be required, then the timing of payment will be at subdivision or building consent stage, whichever is the earliest.
- An authorisation for a service connection.

Note: Further recalculation of the development contribution payable will occur if payment is not received within twelve months of the issuing the assessment. Table 3-6 summarises these milestones

Table 3-6 Timing of Development Contributions Milestones – Residential and non-Residential Applications	
Action	Timing of Action
Assessment of the Development Contribution	On granting: 1. Subdivision Consent 2. Land Use Consent 3. Building Consent 4. Authority to make service connection

Table 3-6 Timing of Development Contributions Milestones – Residential and non-Residential Applications

Action	Timing of Action
Payment of the Development Contribution	<ol style="list-style-type: none"> 1. Before issue of 224 (c) Certificate; or 2. Within 180 days of issuance of Building Consent; or Prior to issuance of Code of Compliance certificate (which ever is the earlier) 3. On granting of a land use consent that does not require a subdivision/building consent if a subdivision and/or building consent will be required, then the timing of the payment will be at subdivision or building consent stage, (whichever is the earlier). 4. On issue of authority to make service connection.

Non-Residential Applications

Where an application for subdivision or land use consent is lodged with accurate information on the proposed GFA and demand (in HUEs) for Council services, the development contribution payable will be calculated and invoiced using the processes described above.

Where an application for subdivision consent is lodged in the absence of a land use consent, or where no information on the GFA proposed for each site is provided with an application for either subdivision or land use consent, it is difficult and impractical to calculate the demand created by the development in terms of HUEs. In this circumstance Council will make an estimate of the likely GFA for calculation purposes, based on the maximum potential building coverage. Council recognises that it would be inequitable to charge the entire development contribution based on estimates. However, Council is also conscious that development contribution charges should not be unfairly passed on to future potential purchasers of subdivided sites.

The components of the development contribution charges applying are based on the maximum GFA potential of the site(s). At the time the subdivision or land use consent is issued 25% of the estimated development contribution payable will be assessed. This 25% assessment will be payable prior to issuance of a s.224(c) certificate.

Note the development contribution charges will be further assessed on all future developments on that site. The initial 25% development contribution will be treated as a credit.

3.9.3 Enforcement Powers

If payment of a development contribution is not received Council will use the powers outlined in Section 208 LGA 2002. Those provisions state that until a development contribution required in relation to a development has been paid or made under Section 198, a territorial authority may:

- (a) in the case of a development contribution required under Section 198(1)(a), -
- Withhold a certificate under Section 224(c) of the RMA 1991.
 - Prevent the commencement of a resource consent under the RMA 1991.
- (b) in the case of a development contribution required under Section 198(1)(b), withhold a code compliance certificate under Section 95 of the Building Act 2004.
- (c) in the case of a development contribution required under Section 198(1)(c), withhold a service connection to the development.
- (d) in each case, register the development contribution under the Statutory Land Charges Registration Act 1928, as a charge on the title of the land in respect of which the development contribution was required.

3.10 Remission, Reductions and Refunds

As a general rule, except in extraordinary circumstances, remissions, reductions and refunds will not be granted.

At the request of an applicant, the development contributions required on a development may be considered for remission, review or refund.

3.10.1 Consideration for Remission

A remission is an adjustment to the scheduled charge for a particular activity and development contribution area as a percentage or in dollar terms. Generally it is expected there will be few remissions. Remissions will only be invoked as a resolution of Council.

Remission (in whole or in part) of development contributions may be allowed in the following circumstances:

- The development creates no additional HUEs.
- A contribution has already been paid for the same service.
- Development contributions applicable to a particular development are deemed by Council to be excessive for any other reason. This catchall is inserted because Council recognises that there may be situations not envisaged at the time this Policy was established that justify remission. However, where units of demand are created it would only be in exceptional circumstances that Council would accept that a remission is justified. Examples where remission applications may be appropriate are as follows:
 - Strategic economic development projects that address selected high priority strategic actions developed by the Council from time to time.
 - Notified Resource consent applications that were heard by Council before 1 July 2006, but for which no written decision was available as at 1 July 2006. In this circumstance a remission would only reduce

the contribution to the amount payable under the Financial Contributions Section of the District Plan. The remission would not apply to any service where a separate development agreement would ordinarily have been required by Council.

3.10.2 Reductions

A reduction is an adjustment to the HUEs assessed for a consent application. A reduction will only be considered as part of a review requested by an applicant.

3.10.3 Review Procedures for Remissions and Reductions

Any request for remission or reduction shall be made by notice in writing to Council within 15 working days after Council has advised in writing the development contributions required on the development, and from the applicant to Council, and before development contributions required on the development are made or paid. Council will not allow remissions retrospectively.

Any claim for a reduction or remission would have to be adequately motivated and justified by the applicant and shall set out reasons for the request.

In undertaking the review:

- Council shall as soon as reasonably practicable consider the request
- Council may determine whether to hold a hearing for the purposes of the review, and if so, give at least 5 working days notice to the applicant of the commencement date, time, and place, of that hearing
- Council may, at its discretion, uphold, reduce, postpone or cancel the original amount of development contributions required on the development and shall communicate its decision in writing to the applicant within 15 working days of any determination or hearing

Where Council decides to consider a request for remission or reduction the following matters will be taken into account:

- The Development Contributions Policy
- The contributions model
- Council's funding and financial policies
- The extent to which the value and nature of works proposed by the applicant reduces the need for works proposed by Council in its capital works programme
- The level of existing development on the site.
- Development contributions paid and/or works undertaken and/or land set aside as a result of:
 - Development contributions
 - Agreements with Council
 - Financial contributions under the RMA
- Any other matters Council considers relevant.

In any case, Council retains the right to uphold the original amount of development contributions levied on any particular development.

Any agreed outcome will be recorded in a private development agreement.

3.10.4 Postponements

For the purposes of this Policy postponements on payment of a development contribution will not be applied.

3.10.5 Refunds

The refund of money and return of land will occur in accordance with Sections 209 and 210 of the LGA 2002, in the following circumstances:

- if a resource consent lapses or is surrendered
- if a building consent lapses
- if the development or a building in respect of which a resource consent or building consent was granted does not proceed
- if Council does not provide any reserve network infrastructure or community infrastructure for which a contribution has been made or paid within 10 years of that contribution being received. For the avoidance of doubt, Council will not refund a contribution where a specific project does not proceed except when the service for which the contribution was taken is not provided.

Any refunds will be issued to the current consent holder for the development to which they apply.

The amount of any refund will be the contribution paid, less any costs already incurred by the Council in relation to the development or building and its discontinuance.

The refund would exclude any costs already incurred by Council, but may include any interest earned depending on the circumstances of the case.

4. Other Matters

4.1 Private Development Agreements

Where it is in the best interests of all parties (Council, the community and the developers), the Council may enter into a Private Development Agreement with a Developer. This agreement must clearly state the Development Contributions Policy departures from the standard process and calculation, and the reasons for entering into the agreement.

4.2 Council Developments and Development Contributions

Council will pay Development Contributions on any Council commercial activity.

4.3 Goods and Services Tax (GST)

The total end-to-end process for calculation of Development Contributions is exclusive of GST. Once all the calculations are complete, GST shall be added to the final invoice as required by the legislation and/or regulation of the day.

4.4 Review Process

An applicant for a resource consent, building consent or service connection may at any time enquire as to why their application was subject to development contributions, why a particular contribution value was assessed, or any other matter relating to the development contributions.

An applicant may also seek a review. Any such request must be made in writing within 20 working days of the Council advising that a development contribution is required. The request must clearly state the site and specific application subject to the contribution, the particular contribution(s) to be reviewed, and any matters the applicant would like the Council to take into consideration when undertaking the review.

The applicant will be advised within 20 working days, of receipt of a written request for a review, of the result of the review. If as a result of the review the request is to be referred to a Council committee for further consideration, the applicant will be given 5 working days notice of the date, time and venue of that committee meeting.

NOTE: It is important to note that this review process is similar to that for remission of rates and there is no right to a hearing similar to that for a condition of a resource consent.

At this time there is no charge for the administrative costs of processing these reviews. The Council may introduce a charge at a later date.

4.5 Exemption - Boundary Adjustments

Where a consent is granted for a boundary adjustment, and no new titles are created, and no additional demand on services are created then development contributions will not be assessed.

4.6 Applications to Vary Consents or the Conditions of a Consent

Where applications are granted to vary consents or the conditions of consents, which would result in change to household unit equivalents, gross floor area or impervious surface area (to the extent of the variation), then these will be considered, for the purposes of Development Contributions, to be the granting of new consents and revised assessments will be issued.

4.7 Service Connections

Council will continue to collect service connection fees in accordance with current practice and the LGA 2002 for the following assets:

- Water supply connection
- Land Drainage connection
- Wastewater connection
- Vehicle Crossing

5. Significant Assumptions

Throughout the entire process of determining Development Contributions the Council has used the best available information. As more accurate or up-to-date information becomes available it will be used.

Any significant updates that would cause a change to the contribution will be held over until the next review of the Development Contributions Policy or Schedule at annual plan time. If the effect of the update would be to reduce the maximum contribution it may be introduced by simple notification.

Planning Horizons

A 10 year timeframe is being used as a basis for forecasting growth and applying a development contribution. This is consistent with Council's activity management planning horizons. Note however planning horizons for infrastructure may be beyond this period and influence the capital projected during the 10 year time frame.

Growth

Council has had to make the best assumptions it can regarding the anticipated growth of the District and these are still within the tolerance expected by the growth model at the current level of available growth data.

Capital Works

In order to support the anticipated growth Council has assumed that a reasonable capital works programme will be necessary. If the growth rates alter it is most likely that the capital works programme will be re-sequenced rather than dramatically changed in some other way.

Third Party Funding

While these are subject to change over time, Council has assumed that the funding policies of agencies such as Land Transport New Zealand will remain the same for the period of the Ten Year Plan.

Interest Rates

The interest rates used within the Development Contributions Funding Model are those defined in the budget assumptions for the Ten Year Plan. While interest rates are subject to fluctuation and are reviewed annually, these are reasonable assumptions over the periods of the Ten Year Plan.

Key Risks/Effects

There is a risk that the growth and uptake predictions in the growth model will not eventuate, resulting in a change to the assumed rate of development. However, modelling suggests that the impact of any change to the growth projections on the total development contribution charge for each HUE would be minor. Council will continue to monitor the rate of growth and will update assumptions in the growth and funding models as required.

There is also a risk that the lag between expenditure incurred by Council and contributions received from those undertaking developments is different from that assumed in the funding model, and that the costs of capital are greater than expected. This would result in an increased debt servicing cost and could also result in increased depreciation costs for future ratepayers. Council will continue to monitor the rate of growth and will update assumptions in the growth and funding models as required.

Appendix A

DC Schedule of Fees and Charges

Network Infrastructure

Activity	Catchment	Development Contribution per HUE (excluding GST)
Water Supply	Central Urban Area & basin	\$1,864.99
	Hamurana & basin	\$1,807.57
	Rotoma	\$999.82
	Reporoa	\$235.35
	* Mamaku	\$2,325.12
	Gisborne Point/Hinehopu (Rotoiti)	\$175.13
	Kaharoa	0
Land Drainage & Stormwater	Central Urban Area	\$337.34
Roading	District Wide combine	\$2,414.80
Waste Water	Central Urban Area & basin	\$5,224.36
	Duxton & Basin	\$8,540.25
	Mourea & basin	\$13,989.18
	Okawa Bay & basin	\$12,332.67

Community Infrastructure

Activity	Catchment	Development Contribution per HUE
Public Amenities	District Wide	\$945.55
Parks and Reserves	District Wide	\$2,003.56

Figures will be adjusted from time to time in accordance with the Development Contributions Policy.

General Comment

The DC Schedule and charges needs to be reviewed in line with any changes to the capital expenditure.

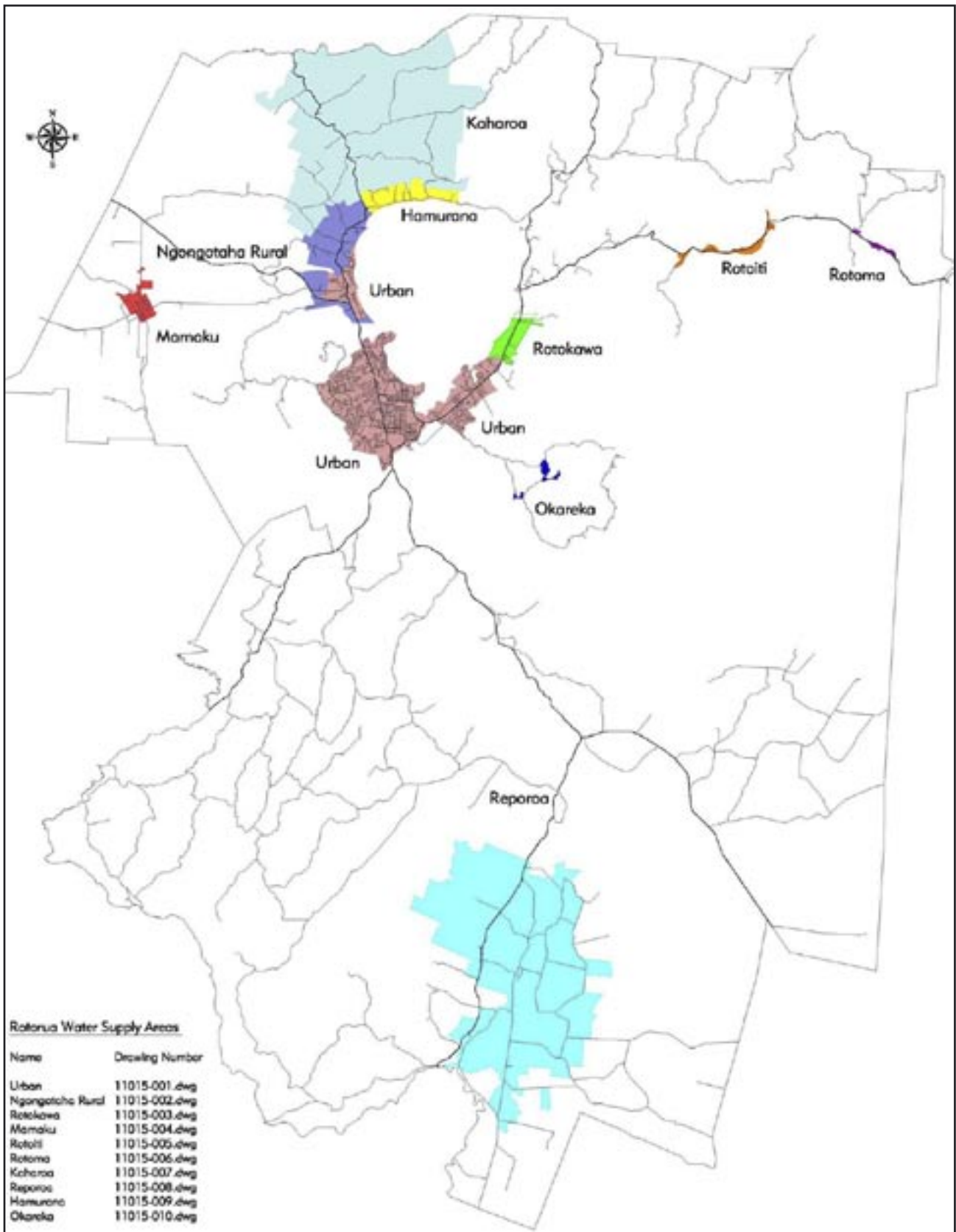
Appendix B

Catchment

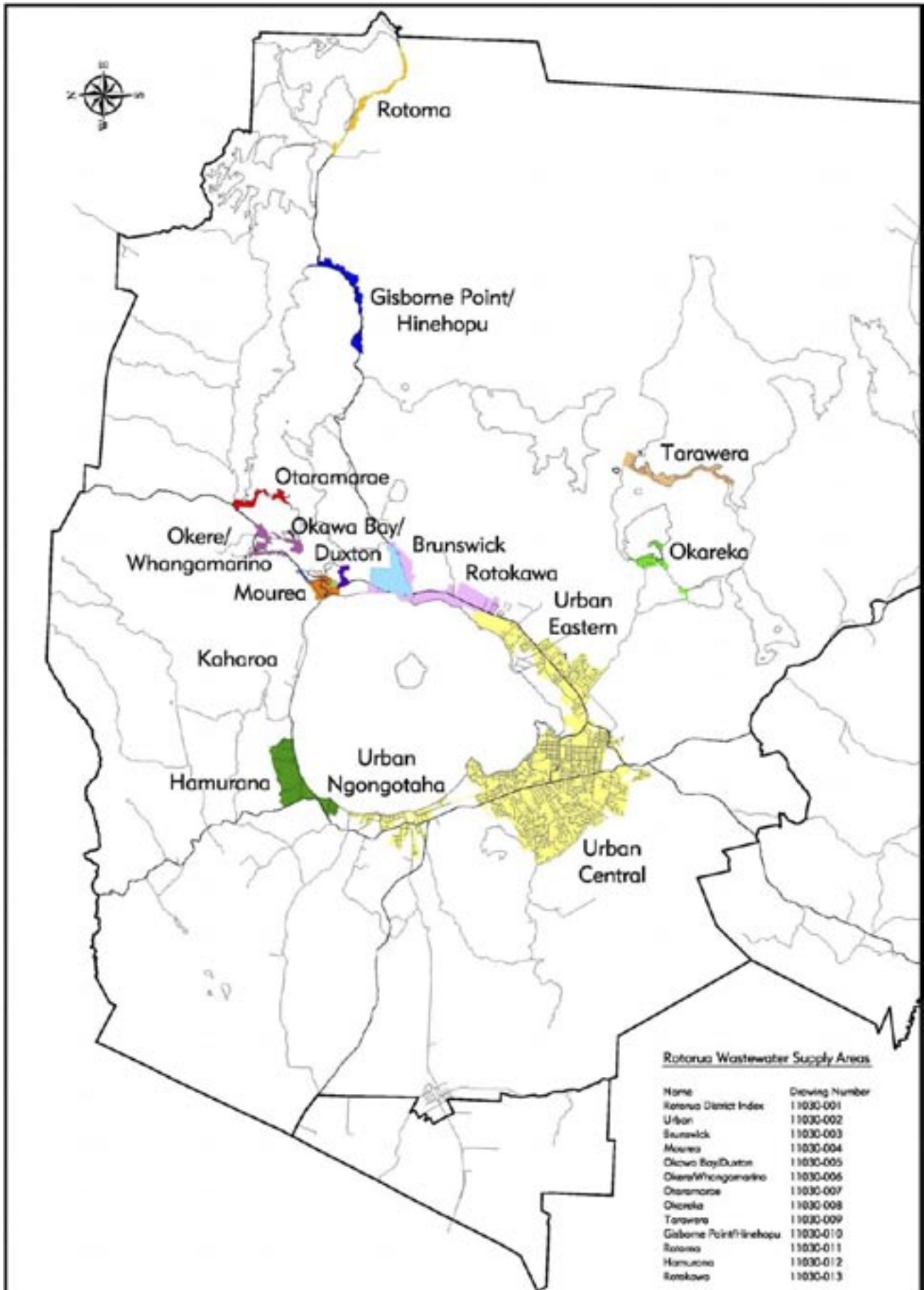
Map 1 Infrastructural Service Catchments: Water Supply (overleaf)

Map 2 Infrastructural Service Catchments: Wastewater (overleaf)

Map 1 Infrastructural Service Catchments: Water Supply



Map 2 Infrastructural Service Catchments: Wastewater



Rotorua Wastewater Supply Areas

Name	Drawing Number
Rotorua District Index	11030-001
Urban	11030-002
Brunswick	11030-003
Mourea	11030-004
Okawa Bay/Duxton	11030-005
Okere/Whangamarino	11030-006
Charamarae	11030-007
Okareka	11030-008
Tarawera	11030-009
Gisborne Point/Hinehopu	11030-010
Rotoma	11030-011
Hamurana	11030-012
Rotokawa	11030-013

Appendix C

R16.3 FINANCIAL CONTRIBUTION RULES FOR SUBDIVISION AND DEVELOPMENT

R16.3.1 Introduction

Subdivision and development are subject to financial contributions in accordance with the following Rules and the provisions of **Appendix U** and **Appendix W**. Section 108(9) of the *Resource Management Act 1991* defines financial contribution as money, land, works or services. A number of categories of financial contribution apply to subdivision and development.

The first category, outlined in **R16.3.2**, comprises financial contributions for reserves and heritage purposes.

The second and third categories, outlined in **R16.3.3** and **R16.3.4**, comprise the minimum engineering requirements for subdivision and development respectively. Council considers that subdividers and developers should provide, those works and services necessary to ensure the efficient functioning of their subdivision and development. A contribution may include requirements relating to the formation of building sites, earthworks, roads and landscaping, access ways, private ways, sanitary and stormwater drainage, water supply, and all ancillary works and services within or appurtenant to the subdivision and/or development.

The fourth category, outlined in **R16.3.5**, specifically relates to identified service lane and road widening requirements which will be imposed as a financial contribution on applications for subdivision or development.

The fifth category, outlined in **R16.3.6**, comprises upgrading contributions for subdivision and development and may include the formation of an unformed road, the upgrading of a formed road where the activity is likely to generate additional traffic, or the upgrading of an undersized sanitary sewer, water main or stormwater drain.

Rule **R16.3.7** lists miscellaneous matters regarding financial contributions for the engineering requirements, service lanes and road widening, and upgrading contributions.

R16.3.2 FINANCIAL CONTRIBUTIONS FOR RESERVES AND HERITAGE PURPOSES

Appendix U provides the method of calculation for financial contributions for reserves and heritage purposes and also specifies the maximum value of the financial contribution.

R16.3.2.1 GENERAL

All subdivision and development will be subject to the Rules for financial contributions for reserves and heritage purposes.

The Objectives, Policies and Rules for requiring a financial contribution are contained in **Part Eleven**.

At Council's discretion and as outlined in **Part Eleven**, land may be required for esplanade reserves, heritage protection or local purpose reserves and in some situations works may also be required, for example for landscaping.

R16.3.2.2 RULES APPLICABLE TO DEVELOPMENT FOR ESPLANADE RESERVES AND STRIPS

In accordance with **u1.3.5** of **Appendix U**, Council will require the vesting of esplanade reserves and/or creation of esplanade strips upon a development proposed on lots or lease areas adjoining a lake or river as defined in Section 2 of the *Resource Management Act 1991*.

R16.3.3 FINANCIAL CONTRIBUTIONS - MINIMUM ENGINEERING REQUIREMENTS FOR SUBDIVISION

Note: The Performance Standards for the following Rules **R16.3.3.1** to **R16.3.3.9** are contained in **Appendix W**. Various methods may be used to satisfy these Performance Standards. However compliance with the *Rotorua District Council Engineering Code of Practice* is deemed to satisfy the particular Performance Standards listed.

The maximum level of the financial contribution for minimum engineering requirements is the total cost of providing these requirements in accordance with the Performance Standards outlined in **Appendix W**.

R16.3.3.1 EARTHWORKS AND FOUNDATIONS

Every lot or lease area within the subdivision shall have a foundation suitable for any intended activity, which will be free from inundation, erosion, subsidence and slippage.

R16.3.3.2 ROADING AND LANDSCAPING

Roads or other means of access approved by Council shall be provided to all lots and lease areas within a subdivision. Large lot subdivision (ie. subdivision into lots or lease areas that may be further subdivided in accordance with the Rules of this Plan) within the Residential Zones, shall also make provision for satisfactory access to future potential residential lots.

Every lot that does not have frontage to an existing road or private road shall have a frontage to a road or private road to be provided by the owner(s) which will give vehicular access to that lot from an existing road or private road.

Notwithstanding the above, Council may approve an application for subdivision in any of the following situations:

- Where Council considers that vehicular access is unnecessary, it may approve access to any lot or lease area by foot only;
- Where Council considers that because of the topographical nature of the land vehicular access is impractical, it may approve access to a lot or lease area by foot only;
- Where Council is satisfied that adequate access to the lot or lease area is provided over other land pursuant to an easement of right of way.

Note: The Memorandum of Transfer or Easement Certificate must provide for and detail maintenance standards, cost sharing provisions, and means of arbitration.

In addition:

- (a) The subdivider shall form and completely construct a proposed road as shown on the scheme plan to the required Council standard, and to enable the proposed road to carry the predicted traffic loadings. This may include providing pedestrian and cycle facilities, drainage, landscaping, and planting;
- (b) The subdivider shall form and construct a carriageway over every proposed private way and private road as shown on the scheme plan.
- (c)
 - (i) No private way or private road in the Rural A Zone which services more than four potential lots (based on the minimum lot size) shall exceed 500 metres in length.
 - (ii) No private way or private road in the Rural B, D or E Zone which services more than four potential lots (based on the minimum lot size) shall exceed 200 metres in length.
- (d) The subdivider shall set aside within the road reserve areas of land for the purpose of landscaping and street tree planting to the satisfaction of Council.

R16.3.3.3 STORMWATER

The subdivider shall provide a satisfactory system for the collection, treatment and disposal of stormwater from the proposed roads, private ways, access ways, reserves and from all lots, lease areas and building sites within the subdivision.

R16.3.3.4 SANITARY SEWERAGE

The subdivider shall provide for the satisfactory disposal of sewage from each lot, lease area and building site within the subdivision.

R16.3.3.5 WATER SUPPLY

The subdivider shall provide a satisfactory water supply to all lots, lease areas and building sites within the subdivision.

R16.3.3.6 ELECTRICITY SUPPLY

The subdivider shall make suitable arrangements for the reticulation of an electric power supply for every lot, lease area and building site within the subdivision.

R16.3.3.7 GAS SUPPLY

The subdivider shall make suitable arrangements for the reticulation of a gas supply for every lot, lease area and building site within the subdivision, where existing gas reticulation is available within 100 metres of the subdivision.

R16.3.3.8 TELEPHONE SERVICES

The subdivider shall make suitable arrangements for the reticulation of a telephone service and other telecommunication services for every lot, lease area and building site within the subdivision.

R16.3.3.9 ACCESS WAYS AND PRIVATE WAYS

The minimum access and formation widths for access ways and private ways serving household units shall be provided in accordance with the following table:

NUMBER OF POTENTIAL HOUSEHOLD UNITS	ACCESS WIDTH	FORMATION WIDTH
1	3.0m	2.5m
2	3.0m	3.0m
3 – 4	4.5m	4.0m
5 - 8	6.0m	5.0m
More than 8 household units may not share private access		

For other access ways and private ways, see **Appendix W**.

R16.3.4 FINANCIAL CONTRIBUTIONS - MINIMUM ENGINEERING REQUIREMENTS FOR DEVELOPMENT

Note: The Performance Standards for the following Rules **R16.3.4.1** to **R16.3.4.8** are contained in **Appendix W**. Various methods may be used to satisfy these Performance Standards. However compliance with the *Rotorua District Council Engineering Code of Practice* is deemed to satisfy the particular Performance Standards listed.

The maximum level of the financial contribution for minimum engineering requirements is the total cost of providing these requirements in accordance with the Performance Standards outlined in **Appendix W**.

R16.3.4.1 EARTHWORKS AND FOUNDATIONS

Every building within the development shall have a foundation suitable for its intended use, free from inundation, erosion, subsidence and slippage.

R16.3.4.2 ROADING

Roads or other means of access approved by Council shall be provided to all buildings within the development. However, Council may approve the development where it is satisfied that adequate access to the development is provided over other land pursuant to an easement of right of way.

The developer shall:-

- (a) form and completely construct and drain all proposed roads, parking and turning areas; and
- (b) form and construct a carriageway over every proposed private way and private road.

Note: The Memorandum of Transfer or Easement Certificate must provide for and detail maintenance standards, cost sharing provisions and means of arbitration, in cases of easements of rights of way.

R16.3.4.3 STORMWATER

The developer shall provide a satisfactory system for the collection, treatment and disposal of stormwater from the development.

R16.3.4.4 SANITARY SEWERAGE

The developer shall provide for the satisfactory disposal of sewage from the development.

R16.3.4.5 WATER SUPPLY

The developer shall provide a satisfactory water supply to the development.

R16.3.4.6 ELECTRICITY SUPPLY

The developer shall make suitable arrangements for the reticulation of electric power to the development.

R16.3.4.7 TELEPHONE SERVICES

The developer shall make suitable arrangements for the reticulation of telephone and other telecommunication services to the development.

R16.3.4.8 BONDS

Council may require the developer or owner(s) to enter into a bond for the due compliance with the above requirements which would be arranged prior to the uplifting of a building consent, where the above requirements involve off-site works or affect the existing public road or service infrastructure.

R16.3.5 FINANCIAL CONTRIBUTIONS - SERVICE LANES AND ROAD WIDENING

In the case where land is vested for service lane or road widening the maximum level of the financial contribution will be in accordance with the identified service lane and road widening requirements listed or described in **Appendix N** and **Appendix D** respectively. In addition any costs associated with the vesting of the service lane or road widening will form part of the maximum financial contribution in accordance with the provisions of **Part Twelve**.

R16.3.5.1 Subject to **R12.6** and **R12.7** of **Part Twelve**, Council will require the vesting of land for service lanes or road widening upon subdivision or development of lots or lease areas with identified service lane or road widening requirements listed or described in **Appendix N** and **Appendix D** respectively.

R16.3.6 FINANCIAL CONTRIBUTIONS - UPGRADING REQUIREMENTS FOR SUBDIVISION AND DEVELOPMENT

The maximum level of the financial contribution for upgrading will be limited to the works necessary to meet the additional loading on the infrastructure caused by the subdivision or development, as determined by Council.

R16.3.6.1 ROADING

For the purpose of forming, diverting, or upgrading any existing road or forming any new road because of new or increased traffic owing to the subdivision or development of any land, Council may, as a condition of approval of a scheme plan or development, require the owner(s) to:

- (a) pay, or enter into a binding contract to pay, to Council a fair and reasonable contribution towards the cost of forming or upgrading roads or parts of roads within or adjacent to the subdivision or development or of any other land in the same ownership. Such forming and upgrading shall be carried out to a state or standard as determined by Council. Alternatively Council may require the owner(s) to carry out, or enter into a binding contract to carry out, that work;

and/ or,

- (b) dedicate a strip of land in the same ownership for the widening of any road.

The above requirements shall be limited to the extent to which the road serves or is intended to serve the subdivision or development.

R16.3.6.2 UPGRADING PARAMETERS FOR ROADING

- (a) Each household unit will be deemed to generate 6 vehicle movements per day (v.p.d.).
- (b) All existing roads directly serving the subdivision or development shall be formed and sealed when required to carry in excess of 70 v.p.d., except that metalled cul-de-sacs or cul-de-sac ends less than 300m in length shall also be formed and sealed even though assessed traffic volumes may be less than 70 v.p.d.
- (c) Where contributions towards footpath, kerb and channel and berm formation are required, the contribution shall be at the rate of 50% of the total estimated cost.

R16.3.6.3 WATER SUPPLY AND DRAINAGE

Council may, as a condition of its approval of the scheme plan or development, require the owner(s):

- (a) where an existing public water supply system or drainage system is available, to service the subdivision (being a system within or contiguous to the land in the subdivision) -

to pay, or enter into a bond to pay, to Council such amount as Council considers fair and reasonable for or towards the cost of upgrading the said system.

- (b) where any such system is not available, but is likely to be available within a period of five years, to pay, or enter into a bond to pay, Council such amount as Council considers fair and reasonable for or towards the cost of providing water, drainage, electricity or gas connections from that system to the subdivision or to any lots in the subdivision.

R16.3.6.4 UPGRADING PARAMETERS FOR WATER SUPPLY AND DRAINAGE

Unless otherwise provided for, the upgrading contribution required towards the cost of upgrading a service will be the total cost of upgrading such service to serve for the subdivision or development in accordance with the Performance Standards of **Appendix W**.

R16.3.7 MISCELLANEOUS FINANCIAL CONTRIBUTION REQUIREMENTS FOR SUBDIVISION AND DEVELOPMENT

R16.3.7.1 SHARING OF COST OTHER THAN UPGRADING CONTRIBUTIONS

The provisions of **R16.3.6**, with the exception of **R16.3.6.2.(c)**, do not define a basis for the sharing of the cost

of services between the subdivider or developer and Council. The share of the cost to be met by the subdivider or developer will be determined by Council at the time of scheme plan or development approval.

Council's share and upgrading costs are required to be included in the Annual Plan process which may delay provision of the appropriate service and implementation of the subdivision or development. The subdivider or developer may elect to proceed with such works at their cost.

R16.3.7.2 ENGINEERING INSPECTION FEES

To cover the cost of the inspection by Council of the Engineering Plans and Specifications, and the cost of inspection of construction, the subdivider or developer shall pay the following fees:

- (a) 1% + GST of the value of the works inspected and approved based on a schedule of quantities and estimated rates to be submitted by the subdivider or developer; or
- (b) A minimum fee as determined by Council.

All estimated rates must be fair and reasonable.

R16.3.7.3 EASEMENTS FOR PUBLIC SERVICES

All easements necessary for public services and batters, or where required by Council, are to be granted by the subdivider or developer.

R16.3.7.4 DISCHARGE PERMITS

All discharge permits shall be obtained by the subdivider or developer in their name.

R16.3.7.5 WORKS IN RESERVES, DOMAINS OR PRIVATE LAND

Wherever any works are to be constructed within a reserve or domain vested in Council, the subdivider or developer shall obtain the approval of Council. In the case of private property, written permission of both the owner(s) and the occupier(s) shall be obtained and submitted to Council along with the engineering plans. Upon completion of the works and prior to the issue of a completion certificate in the case of a subdivision, written confirmation of the property owner's satisfaction with reinstatement works shall be provided.

Drains laid on private property other than that owned by the subdivider, are subject to Section 445 of the *Local Government Act 1974* and only Council is empowered to serve the statutory notifications, etc. required. All costs involved in the serving of notices, hearing of objections and any other consequential expenditure shall be met by the subdivider or developer.

R16.3.7.6 VARIATION OF REQUIREMENTS

Any variation from the requirements which may be necessary to meet particular circumstances must be referred to Council

for specific approval and will be assessed as a Non-Complying Activity. Any reduction in standards must receive the approval of Council prior to being incorporated in plans and specifications for subdivision or development.

R16.3.7.7 COMMENCEMENT OF WORKS

On no account shall any engineering works be commenced on any subdivision or development until after the engineering plans and specifications have been approved and satisfactory notice of the works has been given to Council.

Works carried out without satisfactory notification and works not inspected will not be accepted by Council.

R16.3.7.8 TESTING

Any works required to be tested by, or in the presence of, a Council officer shall be pre-tested and proved satisfactory by the subdivider's or developer's representative before any request is made for official testing. The costs of any re-testing required (should the particular section of work under test, fail to pass the test on the first occasion) and for all Benkelman Beam testing will be charged to the subdivider in addition to the fees payable under **R16.3.7.2**.

R16.3.7.9 THERMAL GROUND

Council may impose specific requirements applicable to any subdivision or development in thermal areas. Subdividers and developers are urged to have early consultation with Council Officers before proposing any works in thermally active areas.

R16.3.7.10 INSURANCE - THIRD PARTY LIABILITY

Where the subdivider or developer carries out works on a road, or any other land not owned by the subdivider or developer, the following insurance provisions will apply:

- (a) the subdivider or developer or his/her representative will be responsible to ensure that insurance is taken out or held in the joint names of the subdivider or developer and Council. This insurance shall be of the third party/public liability type, for a minimum amount of two million dollars;
- (b) the Policy will be extended to cover all insurable risks normally applicable to subdivision or development works; and
- (c) the Policy shall have attached thereto either:
 - (i) a cross liabilities/joint insured's clause; or
 - (ii) appropriate wording which states that the Policy will be construed as though a separate Policy has been issued to each of the joint insured's.

Appendix D

Schedule of Past Projects with Residual Capacity

The following is a summary of the total cost and 'Net Growth' component of selected past projects with residual growth capacity that have been included in the calculation of the Development Contribution.

Schedule of Past Projects with Residual Capacity						
Activity	Project	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
		\$000				
Waste-water	Okawa Bay - Total Cost				443	273
	- Growth Component				8	5
Waste-water	Mourea - Total Cost			435	2,445	1,505
	- Growth Component			45	251	154
Waste-water	Duxton -Total Cost				195	293
	- Growth Component				24	36

Notes:

All dollar amounts are in actual dollars expended exclusive of GST.

A detailed breakdown is available.

The capital expenditure listed above does not include the expenditure required for Parks: reserve land.

The growth portion of capital expenditure to support the growth population from 1 July 2004 will be funded from development contributions. No part of the growth portion of capital expenditure to support the growth population from 1 July 2004 will be funded from financial contributions.

Backlog and renewal portions of capital expenditure budgets will not be funded from development contributions.

The calculations and documentation supporting the above projects are available for examination at the offices of Rotorua District Council.

Appendix E

Capital Expenditure Related to Growth

The following is a summary of the 'Net Growth' component of projects included in the Ten Year Plan and planned for implementation in the period 2006/07 to 2015/16 that have been included in the calculation of the Development Contribution.

Schedule of Planned Projects with Capacity to Support Growth							
Activity	Project	Total Cost \$ 000	External Funding \$ 000	Backlog \$ 000	Renewal \$ 000	Unallocated \$ 000	Growth \$ 000
Public Amenities	Civic Theatre Redevelopment	\$1,500		\$1,154	\$346		
Public Amenities	Energy Events Centre	\$25,100	\$18,600	\$4,186			\$2,314
Public Amenities	Library Expansion	\$1,000	\$300	\$170			\$530
Public Amenities	Centennial Development Expansion - Rotorua Museum	\$13,795	\$13,295				\$500
Land Drainage and Stormwater	Stormwater Upgrading - Catchment 15	\$2,000		\$1,587			\$413
Land Drainage and Stormwater	Stormwater Upgrading - Catchment 19	\$2,500		\$2,069			\$431
Parks and Reserves	Aquatic Centre - Expansion	\$3,150		\$703			\$2,447
Parks and Reserves	Boatrap and Jetty Upgrades	\$523		\$349			\$174
Parks and Reserves	Parklands Development - Kuirau Park	\$1,421		\$203	\$45		\$1,173
Parks and Reserves	Cemetery Development	\$580					\$580
Parks and Reserves	Ngongotaha Reserves Development	\$997		\$399	\$9		\$589
Parks and Reserves	New Playgrounds	\$240		\$120			\$120
Parks and Reserves	Sportsfield Development - Westbrook	\$835			\$16		\$819
Roading	Development assistance	\$500					\$500
Roading	Ti street Deviation	\$3,000	\$1,680	\$471			\$849
Roading	Victoria Street Expressway	\$22,224	\$12,495		\$150	\$803	\$8,776
Roading	Lake Road 4-laning	\$4,094	\$2,314	\$217	\$520		\$1,043
Roading	Malfroy/Ranolf Roundabout	\$1,084	\$614	\$195	\$12		\$262
Transportation Centre	New passenger transport terminal	\$3,100	\$1,758		\$157		\$1,185

Schedule of Planned Projects with Capacity to Support Growth							
Activity	Project	Total Cost \$ 000	External Funding \$ 000	Backlog \$ 000	Renewal \$ 000	Unallocated \$ 000	Growth \$ 000
Waste Water Treatment	City Treatment Plant	\$2,400		\$1,940			\$460
Waste Water Treatment	Hamurana Satellite Treatment	\$2,100		\$932			\$1,168
Waste Water Treatment	Land Treatment System	\$3,100					\$3,100
Waste Water Upgrades	Gravity network upgrade - Central Urban Area	\$6,300		\$2,412			\$3,888
Waste Water Upgrades	Pump stations and rising mains Central Urban Area	\$7,650		\$3,395			\$4,255
Wastewater	Brunswick Sewerage Scheme	\$8,768	\$4,235	\$2,308			\$2,226
Wastewater	Duxton Sewerage Scheme	\$562	\$254	\$239			\$69
Wastewater	Mourea Sewerage Scheme	\$4,234	\$2,655	\$1,145			\$434
Wastewater	Okawa Bay Sewerage Scheme	\$767	\$365	\$388			\$14
Wastewater	Okere Falls Sewerage Scheme	\$7,471	\$3,616	\$3,125			\$730
Wastewater	Otara Marae Sewerage Scheme	\$4,941	\$2,421	\$2,085			\$434
Wastewater	Rotokawa Sewerage Scheme	\$10,134	\$4,744	\$732			\$4,658
Wastewater	Whangamarino Sewerage Scheme	\$732	\$346	\$219			\$167
Wastewater	Gisborne point/ Hinehopu	\$10,131	\$4,850	\$3,767			\$1,514
Wastewater	Hamurana sewerage scheme	\$14,082	\$6,725	\$4,666			\$2,691
Wastewater	Okareka Sewage Scheme	\$10,775	\$5,120	\$5,062			\$593
Wastewater	Rotoma sewerage scheme	\$11,288	\$5,375	\$4,263			\$1,650
Wastewater	Tarawera sewerage scheme	\$14,126	\$6,600	\$7,050			\$475
Water Sources	Reticulation Upgrade - Basin	\$4,700					\$4,700
Water Sources	Source Development - Basin	\$1,500					\$1,500
Water Supply	Hamurana Treatment Upgrade	\$50		\$38			\$12
Water Supply	Kaharoa Treatment Upgrade	\$170		\$148			\$22
Water Supply	Mamaku Treatment Upgrade	\$100		\$51		\$27	\$22

Schedule of Planned Projects with Capacity to Support Growth							
Activity	Project	Total Cost \$ 000	External Funding \$ 000	Backlog \$ 000	Renewal \$ 000	Unallocated \$ 000	Growth \$ 000
Water Supply	Reporoa Treatment Upgrade	\$745		\$450			\$295
Water Supply	Rotoiti Treatment Upgrade	\$100		\$75			\$25
Water Supply	Rotoma Treatment Upgrade	\$80		\$36			\$44
Water Supply	Urban Treatment Upgrade	\$2,000		\$1,780			\$220

Notes:

All dollar amounts are in 2007 dollars exclusive of GST.

The capital expenditure listed above does not include the expenditure required for Parks: reserve land.

The growth portion of capital expenditure will be funded from development contributions.

Backlog and renewal portions of capital expenditure budgets will not be funded from development contributions.

The calculations and documentation supporting the above projects are available for examination at the offices of Rotorua District Council.

Appendix F

Glossary of Terms

Catchment	Separate development contribution areas exist for each asset category. For some assets, e.g. transport the development contribution area is District wide, for asset categories such as Land Drainage, water and wastewater development contribution areas are based upon existing service catchment areas as identified on the maps appended.	Funding Model	The funding model ensures an equitable assessment of the funding requirements to support the development contributions regime. The primary output of the funding model is an accurate assessment of the required development contribution charges.
Backlog	That portion of a project that relates to historical catch-up to meet the required level of service for the existing community.	Funding Period	Not less than 10 years. Otherwise lesser of asset capacity life, asset useful life, or 25 years.
Base Units	The measure used for the demand of an average household unit for each service.	GFA	Gross Floor Area
CBD	Central Business District (as defined in the Rotorua District Plan – Part 19 Definitions).	Growth	Growth means the increase in capacity of network and community infrastructure external to the boundaries of the development site required to service that development.
Commercial	Any activity, whether temporary or permanent, involving payment, exchange or other consideration.	Growth Model	For each development contribution area the Council has determined the population changes anticipated as the District expands. These are reported as 'Household Unit Equivalents' (HUEs).
Cost Allocation	The allocation of the capital costs of a project to the various drivers for the project, such as renewal, catch-up (backlog), and additional capacity to meet growth.	GST	Goods and Services Tax
Credits	Where development contributions or financial contributions for a particular property have previously been assessed and paid, credit will be given for the particular activity.	HUE	Household Unit Equivalent. A type of 'unit of demand' that relates to the typical demand for infrastructure by an average household.
Current Year	The current year is 2006/07	Industrial	Activities including associated land, infrastructure and buildings used for the manufacturing, fabricating, processing, packing or storage of goods, substances, energy or vehicles, and the servicing and repair of goods and vehicles whether by machinery or hand.
DC	Development Contribution	ISA	Area of impervious surfaces to be drained to the reticulated Land Drainage network.
Development	Any subdivision or other development that generates a demand for reserves, network infrastructure, or community infrastructure (but does not include the pipes or lines of a network utility operator).	Level of Service (LOS)	The standard of service provision for each asset.
Development Agreement	Any private agreement signed between a developer and Rotorua District Council.	LGA 2002	Local Government Act 2002
Financial Contributions	Financial contributions are provided for by the Resource Management Act (RMA) and Council's policy is set out in the Proposed District Plan. A financial contribution is a contribution from developers of cash, land, works, services or a combination of these. Financial contributions are used to offset or mitigate the adverse impacts on the natural and physical environment including utility services, of a new development.	Lot	Lot is deemed to have the same meaning as 'Allotment' under both the Local Government Act 2002, and the Resource Management Act 1991.
		LTCCP	Long Term Council Community Plan
		New Growth / New Expenditure	Relates to the growth demand and planned costs in the ten years from the current year.

Past Growth / Past Expenditure	Relates to growth capacity and cost that has been provided by past expenditure. In terms of cost it relates to actual costs incurred in past years – including the current year. In terms of demand it relates to the provided capacity for the period between implementation and the current year.
Reductions	A reduction is an adjustment to the HUEs assessed for a consent application. A reduction will only be considered as part of a review requested by an applicant.
RMA	Resource Management Act 1991
Remissions	A remission is an adjustment to the scheduled charged for a particular activity and catchment as a percentage or in dollar terms. Remissions will only be invoked as a resolution of Council.
Renewal	The gross cost of replacing an existing asset with a modern equivalent asset to the same function and capacity at the end of its life.
Service Connection	A physical connection to a service provided by, or on behalf of Rotorua District Council.
Subdivision	Subdivision is deemed to have the same meaning as 'subdivision' under the Resource Management Act 1991.
VPD	Vehicles Per Day

Appendix G

HUE Conversions

Wastewater Non-Residential HUE Conversions

Engineering Design Standards: 660 litre/household/day
(Refer also NZS 4404)

Land use Description	District Design Std	Units	HUES
Residential	660 litres/day	Dwellings	1
Employment		Ha	10.8
Accommodation		nights	0.001
Retail		Ha	10.8

Note: Wet Industry to be defined and treated as a 'special' case.

Water Non-Residential HUE Conversions

Engineering Design Standards: 900 litre/household/day
(Refer also NZS 4404)

Land use Description	District Design Std	Units	HUES
Residential	900 litres/day	Dwellings	1
Employment		Ha	16.2
Accommodation		nights	0.001
Retail		Ha	16.2

Note: Wet Industry to be defined and treated as a 'special' case.

Land Drainage Non-Residential HUE Conversions

Land use Description	District Plan Maximum Site Coverage Requirement (Impervious Surfaces)	Units	HUES
Residential	350m ²	Dwellings	1
Employment		Ha	19.8
Accommodation		nights	0.001
Retail		Ha	19.8

Roading and Transport Non-Residential HUE Conversions

Land Use	Category	Units	HUES
Residential	Households	Dwellings	1
Employment	Business	Ha	9
Accommodation	Accommodation	nights	0.001
Retail	Business	Ha	9

Community Infrastructure HUE Conversions

Land use Description	District Design Std	Units	HUES
Residential		Dwellings	1
Employment		Ha	0
Accommodation		nights	0.001
Retail		Ha	0

Transport Non-Residential HUE Conversions

Land Use	Category	VPD Per 100m ² GFA	% in Journey Type			VPD Equivalent	HUES Per 100m ² GFA
			(1)	(2)	(3)		
			100%	25%	5%		
Residential		8					1.00
Commercial premises/offices	Commercial	20	50%	30%	20%	11.70	1.46
Shopping centres	Retail	100	30%	50%	20%	43.50	5.44
Supermarkets	Retail	130	20%	50%	30%	44.20	5.53
Service stations with retail facilities	Retail	160	5%	20%	75%	22.00	2.75
Markets	Retail	5	40%	50%	10%	2.65	0.33
Bulk goods/home improvement stores	Retail	40	60%	30%	10%	27.20	3.40
Drive in fast food restaurants	Retail	200	10%	20%	70%	37.00	4.63
Restaurants	Retail	100	60%	20%	20%	66.00	8.25
Manufacturing industries	Industrial	30	60%	30%	10%	20.40	2.55
Hospitals	Health	10	60%	30%	10%	6.80	0.85
Medical services and health care centres	Health	58	50%	30%	20%	33.93	4.24
Gymnasiums	Recreation	35	70%	20%	10%	26.43	3.30

Notes:

- 1 The end destination and sole purpose of the trip is to that activity e.g. Home to work not stopping at school or any other destination
- 2 Trip is made as one of a number of linked trips
- 3 Trip is made entirely for other purposes, but the trip maker takes the opportunity to visit this location en-route to the primary destination

Appendix H

Schedule of events that will give rise to a requirement for a Development Contribution

Action	Timing of Action
Assessment of the Development Contribution	On granting: <ol style="list-style-type: none"> 1. Subdivision Consent 2. Land Use Consent 3. Building Consent 4. Authority to make service connection
Payment of the Development Contribution	<ol style="list-style-type: none"> 1. Before issue of 224 (c) Certificate; or 2. Within 180 days of issuance of Building Consent; or Prior to issuance of Code of Compliance certificate (which ever is the earlier) 3. On granting of a land use consent (other than subdivision or building consent) 4. On issue of authority to make service connection.

FINANCIAL CONTRIBUTIONS POLICY

This policy will be applied in concert with the proposed Development Contributions Policy, where the Development Contributions Policy is not applicable.

To date Council has relied on the Operative Rotorua District Plan provisions 'Part 16 Subdivision and Development' section and 'Appendix U Financial Contributions for Reserve Purposes'.

The District Plan provides:

Financial Contribution Rules for Subdivision and Development

Introduction

Subdivision and development are subject to financial contributions in accordance with the following rules, and the provisions of **Appendix U** and **Appendix W**. Section 108(9) of the *Resource Management Act 1991* define financial contribution as money, land, works or services. A number of categories of financial contribution apply to subdivision and development.

The first category is outlined in '**Financial Contributions for Reserves and Heritage Purposes**'.

The second and third categories are outlined in '**Financial Contributions – Minimum Engineering Requirements for Subdivision**' and '**Financial Contributions – Minimum Engineering Requirements for Development**'. Council considers that subdividers and developers should provide, those works and services necessary to ensure the efficient functioning of their subdivision and development. A contribution may include requirements relating to the formation of building sites, earthworks, roads and landscaping, access ways, private ways, sanitary and stormwater drainage, water supply, and all ancillary works and services within or appurtenant to the subdivision and/or development.

The fourth category, outlined in '**Financial Contributions – Service Lanes and Road Widening**', specifically relates to identified service lane and road widening requirements which will be imposed as a financial contribution on applications for subdivision or development.

The fifth category, outlined in '**Financial Contributions – Upgrading Requirements for Subdivision and Development**' may include the formation of an unformed road, the upgrading of a formed road where the activity is likely to generate additional traffic, or the upgrading of an undersized sanitary sewer, water main or stormwater drain.

Rule '**Miscellaneous Financial Contribution Requirements for Subdivision and Development**' lists miscellaneous matters regarding financial contributions for the engineering requirements, service lanes and road widening, and upgrading contributions.

Financial Contributions for Reserves and Heritage Purposes

Appendix U provides the method of calculation for financial contributions for reserves and heritage purposes and also specifies the maximum value of the financial contribution.

General

All subdivision and development will be subject to the Rules for financial contributions for reserves and heritage purposes. The objectives, policies and rules for requiring a financial contribution are contained in **Part Eleven**.

At Council's discretion and as outlined in **Part Eleven**, land may be required for esplanade reserves, heritage protection or local purpose reserves and in some situations works may also be required, for example for landscaping.

Rules Applicable to Development for Esplanade Reserves and Strips

In accordance with **u1.3.5 of Appendix U**, Council will require the vesting of esplanade reserves and/or creation of esplanade strips upon a development proposed on lots or lease areas adjoining a lake or river as defined in Section 2 of the *Resource Management Act 1991*.

Financial Contributions - Minimum Engineering Requirements for Subdivision

Note : The Performance Standards for the following Rules '**Earthworks and Foundations**' to '**Access Ways and Private Ways**' are contained in **Appendix W**. Various methods may be used to satisfy these Performance Standards. However compliance with the *Rotorua District Council Engineering Code of Practice* is deemed to satisfy the particular Performance Standards listed.

The maximum level of the financial contribution for minimum engineering requirements is the total cost of providing these requirements in accordance with the Performance Standards outlined in **Appendix W**.

Earthworks and Foundations

Every lot or lease area within the subdivision shall have a foundation suitable for any intended activity, which will be free from inundation, erosion, subsidence and slippage.

Roading and Landscaping

Roads or other means of access approved by Council shall be provided to all lots and lease areas within a subdivision. Large lot subdivision (ie. subdivision into lots or lease areas that may be further subdivided in accordance with the Rules of this Plan) within the Residential Zones, shall also make provision for satisfactory access to future potential residential lots.

Every lot that does not have frontage to an existing road or private road shall have a frontage to a road or private road to be provided by the owner(s) which will give vehicular access to that lot from an existing road or private road.

Notwithstanding the above, Council may approve an application for subdivision in any of the following situations:

- Where Council considers that vehicular access is unnecessary, it may approve access to any lot or lease area by foot only;
- Where Council considers that because of the topographical nature of the land vehicular access is impractical, it may approve access to a lot or lease area by foot only;
- Where Council is satisfied that adequate access to the lot or lease area is provided over other land pursuant to an easement of right of way.

Note: The Memorandum of Transfer or Easement Certificate must provide for and detail maintenance standards, cost sharing provisions, and means of arbitration.

In addition:

- (a) The subdivider shall form and completely construct a proposed road as shown on the scheme plan to the required Council standard, and to enable the proposed road to carry the predicted traffic loadings. This may include providing pedestrian and cycle facilities, drainage, landscaping, and planting;
- (b) The subdivider shall form and construct a carriageway over every proposed private way and private road as shown on the scheme plan.
- (c)
 - (i) No private way or private road in the Rural A Zone which services more than four potential lots (based on the minimum lot size) shall exceed 500 metres in length.
 - (ii) No private way or private road in the Rural B, D or E Zone which services more than four potential lots (based on the minimum lot size) shall exceed 200 metres in length.

- (d) The subdivider shall set aside within the road reserve areas of land for the purpose of landscaping and street tree planting to the satisfaction of Council.

Stormwater

The subdivider shall provide a satisfactory system for the collection, treatment and disposal of stormwater from the proposed roads, private ways, access ways, reserves and from all lots, lease areas and building sites within the subdivision.

Sanitary Sewerage

The subdivider shall provide for the satisfactory disposal of sewage from each lot, lease area and building site within the subdivision.

Water Supply

The subdivider shall provide a satisfactory water supply to all lots, lease areas and building sites within the subdivision.

Electricity Supply

The subdivider shall make suitable arrangements for the reticulation of an electric power supply for every lot, lease area and building site within the subdivision.

Gas Supply

The subdivider shall make suitable arrangements for the reticulation of a gas supply for every lot, lease area and building site within the subdivision, where existing gas reticulation is available within 100 metres of the subdivision.

Telephone Services

The subdivider shall make suitable arrangements for the reticulation of a telephone service and other telecommunication services for every lot, lease area and building site within the subdivision.

Access Ways and Private Ways

The minimum access and formation widths for access ways and private ways serving household units shall be provided in accordance with the following table:

Number of potential household units	Access width	Formation width
1	3.0m	2.5m
2	3.0m	3.0m
3 - 4	4.5m	4.0m
5 - 8	6.0m	5.0m
More than 8 household units may not share private access		

For other access ways and private ways, see **Appendix W**.

Financial Contributions - Minimum Engineering Requirements for Development

Note: The Performance Standards for the following Rules 'Earthworks and Foundations' to 'Bonds' are contained in **Appendix W**. Various methods may be used to satisfy these Performance Standards. However compliance with the *Rotorua District Council Engineering Code of Practice* is deemed to satisfy the particular Performance Standards listed.

The maximum level of the financial contribution for minimum engineering requirements is the total cost of providing these requirements in accordance with the Performance Standards outlined in **Appendix W**.

Earthworks and Foundations

Every building within the development shall have a foundation suitable for its intended use, free from inundation, erosion, subsidence and slippage.

Roading

Roads or other means of access approved by Council shall be provided to all buildings within the development. However, Council may approve the development where it is satisfied that adequate access to the development is provided over other land pursuant to an easement of right of way.

The developer shall:-

- (a) form and completely construct and drain all proposed roads, parking and turning areas; and
- (b) form and construct a carriageway over every proposed private way and private road.

Note: The Memorandum of Transfer or Easement Certificate must provide for and detail maintenance standards, cost sharing provisions and means of arbitration, in cases of easements of rights of way.

Stormwater

The developer shall provide a satisfactory system for the collection, treatment and disposal of stormwater from the development.

Sanitary Sewerage

The developer shall provide for the satisfactory disposal of sewage from the development.

Water Supply

The developer shall provide a satisfactory water supply to the development.

Electricity Supply

The developer shall make suitable arrangements for the reticulation of electric power to the development.

Telephone Services

The developer shall make suitable arrangements for the reticulation of telephone and other telecommunication services to the development.

Bonds

Council may require the developer or owner(s) to enter into a bond for the due compliance with the above requirements which would be arranged prior to the uplifting of a building consent, where the above requirements involve off-site works or affect the existing public road or service infrastructure.

Financial Contributions - Service Lanes and Road Widening

In the case where land is vested for service lane or road widening the maximum level of the financial contribution will be in accordance with the identified service lane and road widening requirements listed or described in **Appendix N** and **Appendix D** respectively. In addition any costs associated with the vesting of the service lane or road widening will form part of the maximum financial contribution in accordance with the provisions of **Part Twelve**.

Subject to **R12.6** and **R12.7** of **Part Twelve**, Council will require the vesting of land for service lanes or road widening upon subdivision or development of lots or lease areas with identified service lane or road widening requirements listed or described in **Appendix N** and **Appendix D** respectively.

Financial Contributions - Upgrading Requirements for Subdivision and Development

The maximum level of the financial contribution for upgrading will be limited to the works necessary to meet the additional loading on the infrastructure caused by the subdivision or development, as determined by Council.

Roading

For the purpose of forming, diverting, or upgrading any existing road or forming any new road because of new or increased traffic owing to the subdivision or development of any land, Council may, as a condition of approval of a scheme plan or development, require the owner(s) to:

- (a) pay, or enter into a binding contract to pay, to Council a fair and reasonable contribution towards the cost of forming or upgrading roads or parts of

roads within or adjacent to the subdivision or development or of any other land in the same ownership. Such forming and upgrading shall be carried out to a state or standard as determined by Council. Alternatively Council may require the owner(s) to carry out, or enter into a binding contract to carry out, that work;

and/ or,

- (b) dedicate a strip of land in the same ownership for the widening of any road.

The above requirements shall be limited to the extent to which the road serves or is intended to serve the subdivision or development.

Upgrading Parameters for Rooding

- (a) Each household unit will be deemed to generate 6 vehicle movements per day (v.p.d.).
- (b) All existing roads directly serving the subdivision or development shall be formed and sealed when required to carry in excess of 70 v.p.d., except that metalled cul-de-sacs or cul-de-sac ends less than 300m in length shall also be formed and sealed even though assessed traffic volumes may be less than 70 v.p.d.
- (c) Where contributions towards footpath, kerb and channel and berm formation are required, the contribution shall be at the rate of 50% of the total estimated cost.

Water Supply and Drainage

Council may, as a condition of its approval of the scheme plan or development, require the owner(s):

- (a) where an existing public water supply system or drainage system is available, to service the subdivision (being a system within or contiguous to the land in the subdivision) -

to pay, or enter into a bond to pay, to Council such amount as Council considers fair and reasonable for or towards the cost of upgrading the said system.

- (b) where any such system is not available, but is likely to be available within a period of five years, to pay, or enter into a bond to pay, Council such amount as Council considers fair and reasonable for or towards the cost of providing water, drainage, electricity or gas connections from that system to the subdivision or to any lots in the subdivision.

Upgrading Parameters for Water Supply and Drainage

Unless otherwise provided for, the upgrading contribution required towards the cost of upgrading a service will be the total cost of upgrading such service to serve for the subdivision or development in accordance with the Performance Standards of **Appendix W**.

Miscellaneous Financial Contribution Requirements for Subdivision and Development

Sharing Of Cost Other Than Upgrading Contributions

The provisions of 'Financial Contributions – Upgrading Requirements for Subdivision and Development', with the exception of 'Upgrading Parameters for Rooding' (c), do not define a basis for the sharing of the cost of services between the subdivider or developer and Council. The share of the cost to be met by the subdivider or developer will be determined by Council at the time of scheme plan or development approval.

Council's share and upgrading costs are required to be included in the Annual Plan process which may delay provision of the appropriate service and implementation of the subdivision or development. The subdivider or developer may elect to proceed with such works at their cost.

Engineering Inspection Fees

To cover the cost of the inspection by Council of the Engineering Plans and Specifications, and the cost of inspection of construction, the subdivider or developer shall pay the following fees:

- (a) 1% + GST of the value of the works inspected and approved based on a schedule of quantities and estimated rates to be submitted by the subdivider or developer; or
- (b) A minimum fee as determined by Council.

All estimated rates must be fair and reasonable.

Easements for Public Services

All easements necessary for public services and batters, or where required by Council, are to be granted by the subdivider or developer.

Discharge Permits

All discharge permits shall be obtained by the subdivider or developer in their name.

Works in Reserves, Domains or Private Land

Wherever any works are to be constructed within a reserve or domain vested in Council, the subdivider or developer shall obtain the approval of Council. In the case of private property, written permission of both the owner(s) and the occupier(s) shall be obtained and submitted to Council along with the engineering plans. Upon completion of the works and prior to the issue of a completion certificate in the case of a subdivision, written confirmation of the property owner(s) satisfaction with reinstatement works shall be provided.

Drains laid on private property other than that owned by the subdivider, are subject to Section 445 of the *Local Government Act 1974* and only Council is empowered to serve the statutory notifications, etc. required. All costs involved in the serving of notices, hearing of objections and any other consequential expenditure shall be met by the subdivider or developer.

Variation of Requirements

Any variation from the requirements which may be necessary to meet particular circumstances must be referred to Council for specific approval and will be assessed as a Non-Complying Activity. Any reduction in standards must receive the approval of Council prior to being incorporated in plans and specifications for subdivision or development.

Policy

Rotorua District Council will continue to use the relevant provisions of the Operative District Plan to determine financial contributions.

The District Plan review currently being undertaken will continue and be part of a special consultation process during the next 12-18 months.

POLICY ON PARTNERSHIPS WITH PRIVATE SECTOR

Background

The Local Government Act 2002 requires that every local authority adopt, by 30 June 2003, via the special consultative procedure, a policy on partnerships with the private sector.

A 'partnership with the private sector' is defined in s.107 of the Act to mean;

"...any arrangement or agreement that is entered into between one or more local authorities and one or more persons engaged in business ..."

It specifically does not include arrangements between local authorities or council organisations, nor does it include contracts for the supply of goods or services to a local authority.

The partnerships policy must include:

- i) *The circumstances (if any) in which the local authority will provide funding or other resources to any form of partnership with the private sector, whether by way of grant, loan or investment, or by way of acting as a guarantor for any such partnership; and*
- ii) *What consultation the local authority will undertake in respect of any proposal to provide funding or other resources to any form of partnership with the private sector; and*
- iii) *What conditions, if any, the local authority will impose before providing funding or other resources to any form of partnership with the private sector; and*
- (iv) *An outline of how risks associated with any such provision of funding or other resources are assessed and managed; and*
- (v) *An outline of the procedures by which any such provision of funding or other resources will be monitored and reported on to the local authority; and*
- (vi) *An outline of how the local authority will assess, monitor and report on the extent to which community outcomes are furthered by any provision of funding or other resources or a partnership with the private sector."*

Circumstances in which the Council will consider providing funding or any other resources to a partnership with the private sector

The Council will consider partnership arrangements with the private sector where:

the partnership will contribute to furthering community outcomes; and there are clear advantages in a partnership

arrangement over other possible structures; and risks are considered to be acceptable; and the Council is satisfied that the proposed partnership will help promote the communities' economic, environmental, social and cultural well-being.

Consultation

Before the Council enters into any partnership it will undertake consultation in accordance with the procedures set out in Part 6 of the Act.

Conditions (if any) that the Council may impose before providing funding

In considering any partnership proposal the Council will consider the necessity to impose conditions relating to:-

- governance;
- funding;
- management and operations;
- protection of the wider public interest;
- specific risk management mechanisms; and
- termination/exit arrangements.

The Council will, in particular, consider the extent to which conditions need to be imposed specifying:-

- how objectives and performance targets are to be set, agreed and reviewed.
- the extent to which, and the conditions under which, the Council will be liable to contribute funds to the partnership, (and may impose conditions stipulating how such funds and other financial matters relating to the partnership are to be managed).
- the requirements for monitoring, and the obligations of the partnership to provide regular reports to the Council about its performance (including identification of the extent to which the activities of the partnership have contributed towards the achievement of community outcomes).
- any particular requirements relating to the protection and enhancement of any affected Council assets.
- (if necessary) the extent to which the Council may need to retain control over matters relating to, pricing, management, and to the development of policy, during the partnership.

How risk associated with the provision of funding or other resources will be assessed and managed

A comprehensive risk assessment will be carried out before any partnership proposal is promoted or entered into.

Where the partnership proposal is significant and the Council decides to use the special consultative process, that process may identify further risks and/or assist the Council's understanding of the community's perception of risk.

Appropriate risk management mechanisms will be incorporated into every partnership agreement.

Procedures by which any provision of funding or other resources will be monitored and reported on to the Council.

Appropriate objectives, performance targets, and monitoring and reporting requirements will be included in every partnership agreement.

Appropriate procedures will also be put in place within the Council organisation to ensure that these are complied with.

How the Council will assess, monitor, and report on the extent to which community outcomes are furthered by any provision of funding or other resources to the partnership.

See 'Conditions (if any) that the Council may impose before providing funding' above.

A report listing all partnerships entered into by the Council will be included in the Council's Annual Report each year:-

- identifying the community outcome(s) to which each primarily contributes;
- reporting the results of performance measurements undertaken during the year;
- describing any identified effects that the partnership has had on the social, economic; environmental well-being of the community;
- recording the financial results of the partnership.

The Council will also include in its triennial report that is required to be issued pursuant to Section 92 of the Act, information about the extent to which the partnerships have contributed towards the achievement of community outcomes.

Notes:

Legislative references to the policy on partnerships with the private sector include sections 102(4)(e), 107 and 281(2)(d) of the Local Government Act 2002. In addition, Schedule 10(6) of the Act requires that the funding and financial policies in section 102 be included in the Long Term Council Community Plan.

In addition to the above, s.137 contains specific provisions about partnerships and joint ventures relating to "water services." These provisions are separate and additional to the policy above.

RATES RELIEF POLICIES

Remission and Postponement of Rates Policy - Brief Statement

Council proposes to adopt remission of rates policies, (and a grant in lieu of remission policy), pursuant to the Local Government (Rating) Act 2002, as follows:

- a) Remission of penalties on current overdue instalments;
- b) Remission of penalties on arrears (including past overdue instalments);
- c) Remission of rates for extreme financial hardship;
- d) Rates Postponement;
- e) Remission of rates on land used for certain purposes;
- f) Policy for grants in lieu of rate remissions (for 2006/2007)
- g) Remission of targeted rates for sewage from schools;
- h) Remission of rates for land affected by natural calamity;
- i) Remission of rates on Maori freehold land;
- j) Postponement of rates on Maori freehold land;
- k) Remission of rates for rating units held in a single subdivision block;
- l) Remission of rates for residential rating units with special rateable values;
- m) Remission of rates in extraordinary circumstances;

Council will delegate to Council officers authority to consider and approve all applications for remission or postponement of rates pursuant to Council's policies. As a general rule and where practicable documentary evidence or statutory declaration should be provided in support of a written application. Applications for remission or postponement, or a grant in lieu of remission, should be in writing.

All rates relief policies are at the discretion of Council, having regard to both the policy and circumstances.

Remission of Penalties on Current Overdue Instalments

Policy objective

The objective of this remission policy is to enable Council to act fairly and reasonably in its consideration of penalties on rates where payments have not been received by Council by due date due essentially due to circumstances outside the ratepayer's control.

Conditions and criteria for remission of penalties on overdue instalments

Council will remit a penalty on the first instalment when the full year's rates are paid before the penalty date for the second instalment.

Council will consider remission of penalties on current overdue instalments when the late payment has resulted from:

- a) significant family disruption, including death, illness, or accident to a family member as at the due date; or
- b) matters outside the ratepayer's control, including payments going astray in the post, non receipt of the instalment notice before penalty date, the late issue of a sale notice, and a late clearance payment by the solicitor on a property settlement.

Council may also consider remission of a penalty when the late payment has apparently been inadvertent and the ratepayer has a good payment history.

All remissions will be considered on their merits and remission will only be given where Council considers it just and equitable to do so. Applications for remission must be in writing.

Decisions on remission of penalties will be delegated to officers as set out in Council's delegation resolution.

Remission of Penalties on Arrears

(arrears includes non-current overdue instalments)

Policy objective

The objective of this remission policy is to enable Council to act fairly and reasonably in its consideration of penalties on rates that are in arrears, other than the current instalment, due essentially to financial hardship.

Conditions and criteria for remission of penalties on arrears in cases of hardship

Council will consider remission of penalties on arrears in cases of hardship when:

- a) a request for remission has been made in writing; and
- b) the request includes full supporting reasons and evidence satisfactory to Council; and
- c) the remission contributes to prompt settlement in full of the remaining debt or to sale of the property and clearance of the debt in the short term.

Conditions and criteria for remission of future penalties on arrears and on future instalments in cases of severe hardship

Council will consider remission of future penalties on arrears in cases of severe hardship when:

- a) a request for remission has been made in writing; and
- b) the request includes full supporting reasons and evidence satisfactory to Council; and

- c) the purpose of the request is for the ratepayer to reach and maintain a fully paid status; and
- d) the ratepayer enters into a rates settlement arrangement that provides for collection of both current rates and arrears in full over an acceptable timeframe, provided that:
- (i) the arrangement will be annulled if the applicant does not adhere to it; and
 - (ii) Council may vary the arrangement on request; and
 - (iii) Council may in extreme cases elect to also remit some or all of the penalty arrears existing at the time the arrangement was entered into if the arrangement has been adhered to and this brings about settlement in full.

All remissions will be considered on their merits and remission will only be given where Council considers it just and equitable to do so. Applications for remission must be in writing.

Decisions on remission of penalties will be delegated to officers as set out in Council's delegation resolution.

Remission of Rates for Extreme Financial Hardship

Policy objective

The objective of this remission policy is to assist ratepayers experiencing extreme financial hardship which affects their ability to pay rates.

Conditions and criteria for remission of rates for extreme financial hardship

Council will consider, on a case by case basis, all applications received that meet its criteria.

Only rating units occupied by the owner and used solely for residential purposes will be eligible for consideration for rates remission for extreme financial circumstances. This will only apply where it is the sole property of the owner.

Formal application must be made by the ratepayer or the ratepayer's authorised agent on the application form provided by Council for the purpose, providing full information as required by the application form.

When considering whether extreme financial circumstances exist, all of the ratepayer's personal circumstances will be relevant including the following factors:

- age;
- physical or mental disability;
- injury;
- illness; and
- family circumstances.

Before approving an application Council must be satisfied that the ratepayer is unlikely to have sufficient funds left over, after the payment of rates, for normal health care and proper

provision for maintenance of his/her home and chattels at an adequate standard, as well as making provision for normal day to day living expenses.

Rates Postponement

Policy Objective

To give ratepayers a choice between paying rates now or later subject to the full cost of postponement being met by the ratepayer and Council being satisfied that the risk of loss in any case is minimal.

General Approach

Only rating units defined as residential and used for personal residential purposes by the applicant(s) as their sole or principal residence will be eligible for consideration of rates postponement under the criteria and conditions of this policy.

Current and all future rates may be postponed indefinitely, or until the sale of the property, if at least one ratepayer (or, if the ratepayer is a family trust, at least one named occupier) is 65 years of age or older. Where the ratepayer is younger than 65, current and all future rates may be postponed to a date not more than 15 years from June 30th in the rating year in which the application was made. The applicant may elect to postpone the payment of a lesser sum than that which they would have been entitled to have postponed pursuant to this policy.

Owners of units in retirement villages will be eligible provided that Council is satisfied payment of postponed rates can be adequately secured.

Council will add to the postponed rates all financial and administrative costs to ensure neutrality as between ratepayers who use the postponement option and those who pay as rates are levied.

Council will establish a reserve fund out of which to meet any shortfall between the net realisation on sale of a property and the amount outstanding for postponed rates and accrued charges, at the time of sale. This will ensure, that neither the ratepayer(s) nor the ratepayer(s)' estate will be liable for any shortfall.

Criteria and Conditions

Criteria

Eligibility

Any ratepayer is eligible for postponement provided that the rating unit is used by the ratepayer for personal residential purposes (whether as a principal residence or as a holiday home). This includes, in the case of a family trust owned property, use by a named individual or couple. People occupying a unit in a retirement village under an occupation licence will be able to apply for postponement of the rates

payable by the retirement village on their unit with the agreement of the owner of the retirement village.

Risk

Council must be satisfied, on reasonable assumptions, that the risk of any shortfall when postponed rates and accrued charges are ultimately paid is negligible. To determine this, a specifically designed actuarial model has been developed that will forecast, on a case by case basis, expected equity, when repayment falls due. If that equity is likely to be less than 20%, the Council will offer partial postponement, set at a level expected to result in final equity of not less than 20%.

Where a ratepayer wishes to postpone both this Council's rates, and those set and assessed by Environment Bay of Plenty, this Council will consult with Environment Bay of Plenty to ensure that the combined council's rates do not exceed the equity provisions outlined in the previous paragraph.

Where a ratepayer wishes to postpone the rates assessed by Environment Waikato a separate application would have to be made to Environment Waikato.

Exclusions

At present, the law does not allow councils to register such a charge against Maori freehold land. Accordingly, Maori freehold land is not eligible for rates postponement (unless and until the law is changed so that the council can register a statutory land charge).

Insurance

The property must be insured for its full value and evidence of this produced to Council annually.

To assist ratepayers who are currently uninsured, Council will arrange for the development of a group insurance policy to provide all risks cover, designed to achieve cover against catastrophic loss at minimum cost. The premium will be treated as part of the postponement fee and thus come within the postponement arrangements.

Council expectations are that arrangements for the group insurance policy will be completed in time for it to come into effect from 1 July 2006.

Mortgage

Postponement of rates on a property subject to mortgage to a mortgagee will be available only if Council holds a letter from the mortgagee agreeing to the postponement.

Independent Advice

To protect Council against any suggestion of undue influence, applicants will be referred to an appropriately qualified and trained independent agency contracted by Council. The agency will work with the applicant to ensure they are aware of all aspects of the policy before deciding to proceed with postponement. A certificate confirming this will be required by Council before the postponement is granted. The cost of this is included in the application fee.

Rates Able to be Postponed

All rates are eligible for postponement except for: targeted rates for water supplied by volume (water-by-meter rates) and lump sum options.

Security

Postponed rates will be registered as a statutory land charge on the rating unit title. This means Council will have first call on proceeds of any revenue from the sale or lease of the rating unit.

Postponement will not be granted if a statutory land charge cannot be registered on the unit title.

Council has the right to decline postponement if the property is situated in a known hazard zone.

Conditions

Any postponed rates (under this policy) will be postponed on the following conditions:

- (a) Until the death of the ratepayer(s) or named individual or couple, (in this case the Council will allow up to 12 months for payment so that there is ample time available to settle the estate or, in the case of a trust owned property, make arrangements for repayment); or
- (b) Until the ratepayer(s) or named individual or couple ceases to be the owner or occupier of the rating unit. (If the ratepayer sells the property in order to purchase another within the Council's district, Council will consider transferring the outstanding balance, provided it is satisfied that there is adequate security in the new property for eventual repayment); or
- (c) If the ratepayer(s) or named individual or couple continue to own the rating unit, but are placed in residential care, Council will consider them to still be occupying the residence for the purpose of determining when postponement ceases and rates are to be paid in full; or
- (d) Until a date specified by Council. Council will charge an annual fee including interest on postponed rates for the period between the due date and the date they are paid. This fee is designed to cover Councils administrative and financial costs and may vary from year to year.

Fees

Annual Fees

Annual fees will be charged in accordance with the fees outlined in the Funding Impact Statement.

Application Fee

An application fee will be charged in accordance with the fees outlined in the Funding Impact Statement. This will be added to the postponed rates.

Financial Costs

The financial cost will be charged in accordance with the interest rate outlined in the Funding Impact Statement. This will be added to the postponed rates.

Payment

The postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would have been entitled to have postponed pursuant to this policy.

Review or Suspension of Policy

The policy is in place indefinitely and can be reviewed subject to the requirements of the Local Government Act 2002 at any time. Any resulting modifications will not change the entitlement of people already in the scheme to continued postponement of all future rates. Council reserves the right not to postpone any further rates once the total of postponed rates and accrued charges exceeds 80% of the rateable value of the property as recorded in Council's rating information database. This will require the ratepayer(s) for that property to pay all future rates but will not require any payment in respect of rates postponed up to that time. These will remain due for payment on death or sale.

The policy consciously acknowledges that future changes in policy could include withdrawal of the postponement option.

Procedures

Applications must be on the required form which will be available from any Council office.

The policy will apply from the beginning of the rating year in which the application is made although Council may consider backdating past the rating year in which the application is made depending on the circumstances.

Once adopted, this policy will be implemented from 1 July 2006.

Applications for postponement under this part of the policy will be determined by officers of council, acting under delegated authority from Council as specified in the delegations resolution.

Remission of Rates on Land Used for Certain Purposes

Policy objective

To facilitate the ongoing provision of non-commercial community services and non-commercial recreational opportunities for the residents of the District.

The purpose of granting rates remission to an organisation is to:

- Assist the organisation's survival; and
- Make services of the organisation more accessible to the general public, particularly disadvantaged groups. These

include children, youth, young families, aged people, and economically disadvantaged people.

Conditions and criteria for remission of rates on certain types of land

This part of the policy will apply to land owned or occupied by a charitable, sports or recreation organisation, and which is used exclusively or principally for sporting, recreation or community purposes. For the purposes of this policy the terms "occupied" means exclusive use of all or part of a rating unit.

The policy does not apply to organisations operated for private pecuniary profit.

Applications for remission must be made on the prescribed form (available from the Council offices). Application for rate remission should be made to the Council prior to the commencement of the rating year.

Organisations making application should include the following documents in support of their application:

- Statement of objectives; and
- Constitution or rules or equivalent; and
- Financial accounts; and
- Information on activities and programmes; and
- Details of membership or clients.

The policy shall apply to such organisations as approved by the Council as meeting the relevant criteria.

For the 2006/2007 rating year, Council will continue to approve remissions to organisations that qualified for remission in the 2005/2006 year provided the qualifying criteria still apply.

No remission will be granted on targeted rates for water supply, sewage disposal or refuse collection.

Council may at its discretion utilise the interim policy for grants in lieu of rate remissions, in place of and instead of this remission policy.

Policy for Grants in Lieu of Rate Remissions

This policy is not part of Rotorua District Council's rate remission policies, but is included here as part of Council's community assistance programme. Its purpose is so that organisations which will no longer be entitled to rate remission (because they are no longer the ratepayer under the Local Government [Rating] Act 2002) can receive an equivalent grant so that the net effect on them is similar in 2006/2007 to what it was or would have been in 2002/2003 (under the Rating Powers Act 1988).

Policy Objective

To provide assistance in lieu of rates relief to organisations who lease properties and who use their properties for welfare, education, community service, social, cultural or recreation purposes.

To avoid or mitigate any adverse financial impact of the provisions in the Local Government (Rating) Act 2002 on affected organisations due to their no longer being eligible for rate remission.

Conditions and criteria for grants in lieu of rate remissions

This policy will apply to groups which were entitled to a discretionary rate remission in 2002/2003, but which no longer have access to such remission because they do not own the land they use and occupy. The policy applies to properties of the categories previously granted remission pursuant to the second schedule, Part I, of the Rating Powers Act 1988.

The organisations will be charitable and the land will be used exclusively or principally for sporting, recreation, or community purposes.

Applications for remission must be made on the prescribed form (available from the Council offices). Application for a grant in lieu of rate assistance should be made to Council prior to the commencement of the rating year.

Organisations making application should include the following documents in support of their application:

- Statement of objectives; and
- Constitution or rules or equivalent; and
- Financial accounts; and
- Information on activities and programmes; and
- Details of membership or clients.

The policy shall apply to such organisations as approved by Council as meeting the relevant criteria. For the 2006/2007 rating year, Council will approve grants in lieu of remission to organisations that qualified for remission in the 2002/2003 year provided the qualifying criteria still apply.

No assistance will be granted on targeted rates for water supply, sewage disposal or refuse collection.

Remission of Targeted Rates for School Sewerage

Policy objective

The objective of this remission policy is to enable Council to fairly and reasonably rate schools for sewerage disposal having regard to the number of water closets and urinals needed for the number of pupils and staff rather than for the actual number of water closets and urinals available.

Conditions and criteria for remission of targeted rates for sewerage disposal from schools

Targeted rates for sewerage disposal from schools will be remitted to the extent that they exceed the rates on the deemed number of water closets and urinals:

- a) The deemed number of water closets and urinals will be the lesser of one water closet and urinal for every 20 persons (teachers and students) or part thereof on the roll at 1 April in the preceding financial year, and the actual number of water closets and urinals.
- b) A school is defined as a state school under section (2) (1) of the Education Act 1989, or an integrated school under section (2) (1) of the Private School Conditional Integration Act 1975.

Schools will be required to file an annual return of teacher and student numbers in the prescribed form in order to qualify for the remission.

Remission of Rates for Land Affected by Natural Calamity

Policy objective

The objective of this remission policy is to enable Council to act fairly and reasonably in its consideration of remission of rates on land affected by natural calamity.

Conditions and criteria for remission of rates for land affected by natural calamity

Council will consider remissions of rates on land affected by natural calamity:

- a) when applied for in writing, and
- b) where the use that may be made of the land has been detrimentally affected by erosion, subsidence, submersion, or any other natural calamity.

Remission of Rates on Multiple-owned Maori Freehold Land

Policy objectives

The objectives of this remission policy are:

- a) to recognise situations where there is no occupier or person gaining an economic or financial benefit from the land;
- b) to set aside land that is better set aside for non-use because of its natural features (whenua rahui);
- c) to recognise matters related to the physical accessibility of the land;
- d) where part of a block is occupied, to grant remission to the portion of land not occupied;
- e) to enable Council to act fairly and reasonably where utilisation is considered to be uneconomic if rates are payable as assessed.

Conditions and criteria for remission of rates on multiple-owned Maori freehold land

Council will remit in whole or in part, rates on multiple-owned Maori freehold land that comes within the following criteria:

- a) the land is unoccupied and no income is derived from the use or occupation of that land; or
- b) the land is better set aside for non-use (whenua rahui) because of its natural features and is so set aside; or
- c) the land is inaccessible and is unoccupied; or
- d) the land is the unoccupied portion of a block where only a portion is occupied.

Council will consider remission in part of rates on multiple-owned Maori freehold land, having regard to the circumstances, when:

- a) applied for in writing; and
- b) the land value exceeds the value that is relevant for the purpose for which the land is or will be used; and
- c) remission of part of the rates assessed will enable the land to be utilised.

Postponement of rates on Multiple-owned Maori freehold land

Council's policy in respect of postponement of rates on multiple-owned Maori freehold land follows past policy. This is to not postpone rates but to use the remission policy where appropriate.

Remission of Rates for Rating Units Held in a Single Subdivision Block

Policy Objective

The objective of this remission policy is to support the development and holding of subdivision land for residential lots.

Conditions and criteria for remission of rates for rating units held within a single subdivision block

Council will remit the uniform annual general charge plus targeted rates for the availability of a Council service on all but one rating unit where all these rating units are:

- a) owned by the same person or persons; and
- b) held as the unsold rating units of a development subdivision;
- c) originally contiguous or separated only by a road, railway, drain, water race, river, or stream.

Remission of Rates for Residential Rating Units which have had Special Rateable Values

Policy Objective

This is a transitional policy.

The objective of this remission policy is to continue to allow general rates relief on those residential properties in areas where rating values are influenced by demand for multi-unit residential housing or where these residential properties are subject to commercial / industrial zoning.

Conditions and criteria for remission of general rates for rating units which have had special rateable values.

This remission will apply only to those rating units with special rateable values recorded as at 1 July 2002.

The amount of relief to be granted will be based on the proportion that the special rateable value was in the previous rating year to the rateable value.

Remission of Rates for Queen Elizabeth II National Trust Open Space Covenants

Policy Objective

The objective of this remission policy is to provide rates relief where land is legally protected under a QEII Open Space Covenant.

Conditions and criteria for remission of rates for QEII Open Space Covenants

Council will consider remissions of rates on land that have a QEII Open Space Covenant:

- a) when applied for in writing; and
- b) where the land or portion of land has a legal binding QEII Open Space Covenant registered on the title.

Remission of Rates in Extraordinary Circumstances

Policy Objective

It is recognised that not all situations in which the Council may wish to remit rates will necessarily be known about in advance and provided for in Council's specific policies.

The purpose of this part of the policy is to provide for the possibility of rates remission in circumstances which have not been specifically addressed but in which, for the reasons set out below, Council considers it appropriate to remit rates.

Conditions and criteria for remission of rates in extraordinary circumstances

Council may remit rates on a rating unit where it considers it just and equitable to do so because:

- a) Extraordinary circumstances have arisen by virtue of the transition from the Rating Powers Act 1988 to the Local Government (Rating) Act 2002 that means it would be fair and equitable to grant relief (including relief granted on a transitional basis); or
- b) The property is in the business rural rating category (if such category remains in the Council differentials) and would be subject to hardship that could cause a loss of a beneficial service to the local community; or
- c) Extraordinary circumstances have arisen by virtue of transition to the new rating policy for 2006/2007; or

The amount of any such relief will be determined by Council having regard to the quantum of additional rates caused by the extraordinary circumstances.

Remission of Targeted Rates where Ratepayers have paid a Voluntary Lump Sum Capital Contribution towards the Capital Cost of a Sewerage Scheme

Policy objective

The objective of this remission policy is to cancel targeted rates for the capital cost of sewerage schemes where ratepayers have made a voluntary lump sum capital contribution to pay for the share of the capital cost in lieu of paying targeted rates over time.

This policy derives from the expressed wishes of some ratepayers during consultation processes to pay an up front voluntary lump sum capital contribution rather than a targeted rate each year.

Conditions and criteria for remission of targeted rates for rating units where the share of the capital cost of a sewerage scheme has been paid by voluntary lump sum contributions

Targeted rates for the share of the capital cost of a sewerage scheme will be remitted where the share of capital cost has been paid by voluntary lump sum capital contribution by the specified date.

The specified date is the final date by which payment is to be made as identified and resolved by Council, or such later date and terms as approved by Council in its sole direction.

Discount for Early Payment of Rates

A discount will be allowed for early payment of rates in compliance with the following conditions:

- a) The discount will be allowed to any ratepayer who pays the total annual rates as specified on the rates assessment by the due date for the first instalment;
- b) The discount will not apply to charges for water by meter;
- c) The discount will be at a rate fixed annually by resolution.

FUNDING IMPACT STATEMENT

The Funding Impact Statement is required to include the information set out in clause 10 of Part 1 of Schedule 10 of the Local Government Act 2002 and sections 13 to 19 of the Local Government (Rating) Act.

Revenue and Financing Mechanisms

Council has decided to use the following revenue and financing mechanisms to cover the estimated expenses for each financial year covered by the plan. In relation to each year covered by the plan, there is an indication of the level or amount of funds to be produced by each mechanism.

Description (GST exclusive) (thousands)	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Rating Mechanisms										
Rates	30,916	32,255	33,574	34,876	36,156	37,406	38,623	39,798	40,886	42,000
Uniform Annual General Charge	10,035	10,460	10,891	11,318	11,737	12,147	12,546	12,932	13,289	13,656
Less RDC Rates	-777	-795	-814	-834	-852	-870	-888	-906	-925	-944
Water Rates	2,732	3,114	3,516	3,651	3,766	3,877	3,992	4,209	4,303	4,398
Sewerage Rates	8,335	9,727	10,117	10,847	11,518	11,865	12,198	12,515	12,803	13,096
Sewerage Capital Rates	99	300	1,093	1,123	1,459	1,881	1,920	2,545	2,958	3,005
Refuse Rates	1,631	1,705	1,780	1,854	1,918	1,979	2,039	2,096	2,148	2,201
Water by Meter	2,735	3,140	3,529	3,708	3,868	4,023	4,172	4,318	4,455	4,597
Water By Meter Penalty	7	8	8	9	9	10	10	11	11	12
Lakes Enhancement Rate	380	398	416	434	450	465	481	495	509	522
Less Water By Meter	-153	-160	-168	-175	-184	-191	-197	-204	-209	-214
Total From Rating Mechanisms	55,941	60,153	63,943	66,809	69,843	72,592	74,896	77,807	80,227	82,330
Dev. Contributions	250	621	852	1,447	2,276	3,240	3,724	4,576	5,088	5,622
Resource Managemene Contributi	600	612	624	637	649	662	676	689	703	717
Subsidies & Grants	16,462	29,352	22,640	15,265	20,254	15,091	16,216	10,508	11,350	14,283
Investment Revenue	32	32	32	32	32	32	32	32	32	32
Fees and Charges	4,589	4,636	4,741	4,957	5,070	5,187	5,306	5,431	5,556	5,683
Trading Revenue	13,846	14,771	15,820	18,993	18,124	18,900	19,977	20,525	21,094	21,703
Profit on Disposal	1	1	1	1	1	1	1	1	1	1
Non-Operating Revenue	1,692	1,740	1,790	1,840	1,892	1,945	2,000	2,056	2,114	2,173
Other Revenue Sources	37,472	51,764	46,499	43,171	48,298	45,058	47,931	43,818	45,938	50,214
Total Revenue Funding Mechanisms	93,414	111,917	110,442	109,980	118,141	117,651	122,827	121,625	126,165	132,544
Finance Mechanisms										
Debt (Net Funding)	42,833	17,456	20,175	13,320	8,596	-1,097	4,055	-1,320	-16,256	-8,530
Sale of Assets	363	1,255	3,870	2,922	207	1,129	255	171	9,667	301
Sinking Funds (Net funding)	0	0	0	0	0	0	0	0	0	0
Net Council and Created Reserves	1,248	-308	-651	-708	-769	-834	-905	-979	-1,060	-1,145
Collection of Advances	-686	-15	-21	78	77	73	73	72	68	13
Transfer Equity										
Working Capital Funding	-11,111	380	670	727	788	853	924	998	1,079	1,005
Total Funding from Financing Mechanisms	32,647	18,769	24,043	16,339	8,899	123	4,402	-1,058	-6,502	-8,356
Total Revenue and Financing Mechanisms	126,060	130,685	134,485	126,320	127,040	117,774	127,228	120,567	119,663	124,188

Rates set for 2006/2007

Council has set the following rates, pursuant to the Local Government (Rating) Act 2002, for the 2006/2007 rating year:

- a) A uniform annual general charge;
- b) A differential general rate;
- c) Targeted rate for lakes enhancement;
- d) Targeted rates for water supply;
- e) Targeted rates for sewage disposal;
- f) Targeted rates for capital costs of sewerage schemes;
- g) Targeted rates for refuse collection.

Uniform Annual General Charge

Council sets a uniform annual general charge for each rating unit (GST inclusive).

The amount to be collected is \$11,289,021.

The uniform annual general charge has been set at a fixed amount per rating unit approximately 70% of the maximum allowed, excluding metered water from the calculation.

2006/2007	\$420.00
2005/2006 was	\$400.00

Targeted Rate for Lakes Enhancement

Council sets a lakes enhancement rate by way of a uniform amount for each rating unit that pays a UAGC (GST inclusive).

The amount to be collected is \$427,376.

The lakes enhancement rate is set at:

2006/2007	\$16.00
2005/2006	\$14.63

General Rates

Council sets a general rate on land value on a differential basis (GST inclusive).

The amount to be collected is \$34,780,854.

The general rate will be collected from eleven differential rating categories (four differential rating groups)

The General Rates definitions for these categories are in the Rating Policy.

	Rate per \$ of land value
Residential rating group	
1 Residential - General - Urban	0.00625
2 Residential - General - Rural	0.00438
3 Residential - Vacant - Urban	0.00563
4 Residential - Vacant - Rural	0.00407
5 Residential - Two Unit - Urban	0.00688
6 Residential - Multi Unit	0.02658
Farming rating group	
7 Farming - General	0.00407
Business rating group	
8 Business - Inside CBD	0.02627
9 Business - Urban Outside CBD	0.02627
10 Business - Rural	0.01626
Council rating group	
11 Council property	0.02627

Targeted Rates for Water Supply

Council has set targeted rates for water supply to properties within the respective service areas (refer to the Wastewater and Water activities in part B) on a differential basis.

For these purposes:

A **"rating unit connected"** is one to which water is supplied from a Council water supply service.

A **"serviceable rating unit"** is one to which water is not connected, but the whole, or some part of which is within 100 meters of a Council water supply area.

The Targeted Rates for water supply are as follows (GST inclusive):

Urban (Plan number 11015 Sheet 1)	Charging unit	2006/2007	2005/2006
The amount to be collected is \$5,325,750 (GST inclusive) (Metered water \$2,252,250; General water rate \$3,073,500)			
A differential targeted rate of:			
<ul style="list-style-type: none"> A fixed amount on each separately used or inhabited part of a rating unit connected (whether or not metered) 	<ul style="list-style-type: none"> Annual for rating units connected 	\$158.00	\$144.40
	<ul style="list-style-type: none"> Quarterly for metered supply 	\$39.50	\$36.10
<ul style="list-style-type: none"> A fixed amount on each serviceable rating unit (at 50% of the fixed charge for a rating unit connected). 	Annual	\$79.00	\$72.20
A targeted rate on each metered separately used or inhabited part of a rating unit of a fixed amount per cubic metre supplied in excess of 58,000 litres.	Per cubic metre, quarterly	\$0.69	\$0.64

Mamaku (Plan number 11015 Sheet 4)	Charging unit	2006/2007	2005/2006
The amount to be collected is \$60,750 (GST inclusive)			
A targeted rate of a fixed amount per connection on each rating unit connected.	Quarterly	\$32.25	\$26.50
A targeted rate on each metered rating unit of a fixed charge per cubic metre supplied to the rating unit.	Per cubic metre, quarterly	\$0.43	\$0.36
Rotoiti (Plan number 11015 Sheet 5)	Charging unit	2006/2007	2005/2006
The amount to be collected is \$61,875 (GST inclusive)			
A differential targeted rate:			
• A fixed amount per connection on each rating unit connected.	Quarterly	\$24.10	\$21.00
• A fixed amount (being 50% of the above amount) on each serviceable rating unit.	Annual	\$48.20	\$42.00
A targeted rate on each metered rating unit of a fixed amount per cubic meter supplied to the rating unit.	Per cubic metre, quarterly	\$0.38	\$0.27
Rotoma (Plan number 11015 Sheet 6)	Charging unit	2006/2007	2005/2006
The amount to be collected is \$47,250 (GST inclusive)			
A differential targeted rate:			
• A fixed amount per connection on each rating unit connected.	Quarterly	\$59.50	\$59.00
• A fixed amount (being 50% of the above amount) on each serviceable rating unit	Annual	\$119.00	\$118.00
A targeted rate on each metered rating unit of a fixed amount per cubic metre supplied to the rating unit.	Per cubic metre, quarterly	\$0.83	\$0.76
Kaharoa (Plan number 11015 Sheet 7)	Charging unit	2006/2007	2005/2006
The amount to be collected is \$168,750 (GST inclusive)			
A targeted rate of a fixed amount per connection on each rating unit connected.	Quarterly	\$68.00	\$67.50
A targeted rate on each metered rating unit of a fixed amount per cubic metre supplied to the rating unit.	Per cubic metre, quarterly	\$0.25	\$0.25
Reporoa (Plan number 11015 Sheet 8)	Charging unit	2006/2007	2005/2006
The amount to be collected is \$403,875 (GST inclusive)			
A differential targeted rate:			
• A fixed amount per connection on each Domestic/Non-Farming rating unit connected	Quarterly	\$30.00	\$26.00
• A fixed amount per connection on each Farming/Dairy-Factory rating unit connected.	Quarterly	\$43.50	\$35.00
A differential targeted rate:			
• A fixed amount on each metered Domestic/Non-Farming rating unit per cubic metre supplied in excess of the 83 cubic metres per quarter.	Per cubic metre, quarterly	\$0.36	\$0.31
• A lower fixed amount on each metered Farming/Dairy-Factory rating unit per cubic metre supplied in excess of 206 cubic metres per quarter.	Per cubic metre, quarterly	\$0.21	\$0.17

Hamurana (Plan number 11015 Sheet 9)	Charging unit	2006/2007	2005/2006
The amount to be collected is \$56,250 (GST inclusive)			
A differential targeted rate:			
• A fixed amount per connection on each rating unit connected	Quarterly	\$21.50	\$19.00
• A fixed amount (being 50% of the above amount) on each serviceable rating unit.	Annually	\$43.00	\$38.00
A targeted rate on each metered rating unit of a fixed amount per cubic metre supplied.	Per cubic metre, quarterly	\$0.30	\$0.23
Okareka (Plan number 11015 Sheet 10)	Charging unit	2006/2007	2005/2006
The amount to be collected is \$33,750 (GST inclusive)			
A differential targeted rate:			
• A fixed amount per connection on each rating unit connected	Quarterly	\$17.50	\$17.50
• A fixed amount (being 50% of the above amount) on each serviceable rating unit.	Annually	\$35.00	\$35.00
A targeted rate on each metered rating unit of a fixed amount per cubic metre supplied.	Per cubic metre, quarterly	\$0.28	\$0.23

Targeted Rates for Sewage Disposal

Council sets the following targeted rate on a differential basis for sewage disposal in the urban and eastern areas:
A differential targeted rate calculated as a fixed amount per toilet connected to the sewerage system on each rating unit as follows (GST inclusive):

Urban (Plan number 11163 Sheet 2) and Eastern (Mourea, Okawa Bay and Duxton Hotel areas) (Plan number 11163 Sheets 4 and 5)	Proportion of the uniform sum	2006/2007	2005/2006
The amount to be collected is \$9,376,875 (GST inclusive)			
Category 1 - means the rating units with 1 to 4 toilets (water closets or urinals)	100% of the uniform sum	\$305.00	\$273.50
Category 2 - means the rating units with 5 to 10 toilets (water closets or urinals)	85% of the uniform sum	\$259.25	\$232.48
Category 3 - means the rating units with 11 or more toilets (water closets or urinals)	80% of the uniform sum	\$244.00	\$218.80
Availability - means the rating units which are serviceable rating units.	50% of the uniform sum	\$152.50	\$136.75

Targeted Rates for Capital Cost of Sewerage Schemes

Council sets the following targeted rates on a differential basis for sewerage schemes in the Mourea, Marama Point, Okawa Bay and Duxton Hotel areas (GST inclusive).

Okawa Bay (Plan number 11163, Sheet 5)	Charging Unit	2006/07	2005/06
The amount to be collected is \$28,070 (GST incl) A fixed amount on each household unit equivalent (HUE)	Per HUE Annually	\$519.82	\$477.55
Mourea (Plan number 11163, Sheet 4)	Charging Unit	2006/07	2005/06
The amount to be collected is \$49,025 (GST incl) A fixed amount on each household unit equivalent (HUE)	Per HUE Annually	\$335.79	\$289.00
Marama Point (Plan Number 11163, Sheet 14)	Charging Unit	2006/07	2005/06
The amount to be collected is \$20,938 (GST incl) A fixed amount on each household unit equivalent (HUE)	Per HUE Annually	\$268.44	\$289.00
Duxton (Plan number 11163, Sheet 5)	Charging Unit	2006/07	2005/06
The amount to be collected is \$14,102.14 (GST incl) A fixed amount	Annually	\$14,102.14	\$12,972.15

These targeted rates will be remitted if the ratepayer pays the Voluntary Lump Sum Capital Contribution by 25 August 2006 as listed below:

Voluntary Lump Sum Capital Contributions

Council sets the following amounts (GST inclusive) for ratepayers who elect to pay a one off voluntary lump sum capital contribution towards the capital cost of these sewerage schemes.

Okawa Bay	Per HUE	\$6,256.00
Mourea	Per HUE	\$4,041.00
Marama Point	Per HUE	\$3,231.00
Duxton		\$169,726.00

Targeted Rates for Refuse Collection

(Plan number 10196, Sheets 1 and 2)

Council set targeted rates for refuse collection from each residence, farm, and business unit within the respective service areas on a differential basis for refuse collection in urban and rural areas respectively, where the service is provided, as follows (GST inclusive):

Refuse Collection (Plan numbers 10196-002 [urban] and 10196-001 [rural])	Charging Unit	2006/2007	2005/2006
The total amount to be collected is \$1,834,875 (GST inclusive) (2006/07)			
Urban (weekly collection)	Annual	\$65.45	\$56.60
Urban (CBD twice-weekly collection)	Annual	\$130.90	\$113.20
Rural (weekly collection)	Annual	\$67.95	\$59.10

Rates Postponement

To cover costs, the following fees and charges are set for the 2006/2007 rating year. All fees and charges for this will be added as either a one-off or annual charge as the case may be, to the approved applicants rate account.

Initial Charges - One-Off (GST Inclusive)	Charging Unit	2006/2007
Application Fee	One-Off	\$100.00
Contribution to Counselling	One-Off	\$300.00
Half Year Interest Charges		
Interest calculated on Councils marginal borrowing rate 6 monthly on all amounts outstanding		
Annual Charges (GST inclusive)		
Annual Account Fee	Annual	\$50.00
Administration Fee	Annual	1.00%
Reserve Fund Fee	Annual	0.25%
Property Insurance *	Annual	TBA

* Property Insurance: A ratepayer must submit a current insurance certificate annually. If the ratepayer cannot afford separate cover Council will arrange cover.

Due dates for payment of rates

All rates (including targeted rates for water supply charged annually, but excluding targeted rates for water supply charged quarterly) will be payable in four instalments by the due dates, as follows:

<u>Instalment</u>	<u>Due Date</u>
Instalment Number 1	25 August 2006
Instalment Number 2	25 November 2006
Instalment Number 3	25 February 2007
Instalment Number 4	25 May 2007

Targeted rates for metered water supply charged quarterly (separately) will be payable within 30 days of invoice.

Discount for Prompt Payment

A discount, at a rate set annually, is allowed to any ratepayer who pays the total rates, charges, and levies as specified on the rates assessment, (excluding targeted rates for water supply charged quarterly), by the due date for the first instalment. The discount for 2006/2007 is 2%.

Penalties on unpaid rates

- **Current overdue rates instalments:**
A penalty will be added to any part of an instalment that remains unpaid after the due date for payment of the instalment. The penalty will be 10% of the unpaid instalment.
- **Arrears of rates (including past instalments):**
 - A further penalty of 10% will be added on rates assessed in any previous financial year and which remain unpaid on 12 July 2006.
 - A further penalty of 10% will be added on rates assessed in any previous financial year, plus any previous further penalty, and which remain unpaid on 12 January 2007.

Penalties on unpaid water invoices

- **Current overdue invoices for water supply charged quarterly:**
A penalty will be added to any part of an invoice that remains unpaid after the due date for payment of the invoice. The penalty will be 10% of the unpaid invoice.
- **Arrears of water rates (including past instalments):**
A further penalty will be added to unpaid water invoices (including penalties) at the beginning of the next financial year. The penalty will be 10% of the unpaid amount. A further penalty will be added on water invoices still owing 6 months after the above further penalty was added. The penalty will be 10% of the unpaid amount.

INDICATIVE GENERAL RATES 2006/2007

Overall general rates will increase 5.5% (excluding the impact of growth from subdivisions). This will not necessarily be the amount by which each ratepayer's share of general rates will increase or decrease. Other factors are involved. These are:

- The impact of the triennial revaluation of land value; and
- Changes to two business group differentials, as discussed in the policy statement.

The main influence will come from how much the land value of each property has moved in relation to other properties, both in the same differential group and in other differential groups.

The following chart shows average increases. The lower rates of increase in the urban business groups affect the incidence of rates between differential groups and thus across all ratepayers.

	Average Land Value		Average % Increase
	2002	2005	
Residential - vacant - urban	56,950	103,072	81%
Residential - vacant - rural	55,634	104,815	88%
Residential - two unit	53,380	103,526	94%
Residential - multi-unit	96,374	167,968	74%
Residential - general - urban	45,777	88,894	94%
Residential - general - rural	103,523	202,043	95%
Farming - general	462,099	841,595	82%
Business rural	149,970	272,692	82%
Business - urban outside CBD	134,657	235,501	75%
Business - Inside CBD	350,749	404,120	15%

Note that properties that were the same value in 2002 will generally have increased to different values in 2005. This means the schedule may not give a meaningful indication of what may have happened to each particular property. For a more specific indication, refer to the Rate Calculation Worksheet that follows the schedule.

Note also that this schedule deals only with general rates and the UAGC. Other rates are listed on the Rates Calculation Worksheet.

RATES CALCULATION WORKSHEET

Instructions on how to complete the Worksheet 2006/2007

To calculate the Rotorua District Council rates on your property please complete the worksheet below.

An example property with a property land value of \$90,000 (approximate average residential urban land value) has been prepared to help you complete the worksheet for yourself.

You will need to refer the Funding Impact Statement for certain other details. Water scheme availability and volume charges may be found. Where a property is not residential and more than one pan exists, please refer to Targeted Rates for Sewage Disposal.

Rate or Charge	Property land value:	Example Calculation	Your Property		
		\$90,000	\$		
		Sample Rate	Your multiplier	Your rate	
Uniform Annual General Charge	420.00	x 1	420.00	x 1	420.00
Lakes Enhancement Rate	16.00	x 1	16.00	x 1	16.00
Differential rate					
Residential group					
Residential - General - Urban	0.00625	x \$90,000	562.50	x	
Residential - General - Rural	0.00438			x	
Residential - Vacant - Urban	0.00563			x	
Residential - Vacant - Rural	0.00407			x	
Residential - Two Unit - Urban	0.00688			x	
Residential - Multi Unit	0.02658			x	
Farming rating group					
Farming - General	0.00407			x	
Business rating group					
Business - Inside CBD	0.02627			x	
Business - Urban Outside CBD	0.02627			x	
Business - Rural	0.01626			x	
Targeted water rate					
Urban	158.00	x 1	158.00	x	
Mamaku	129.00			x	
Rototiti	96.40			x	
Rotoma	238.00			x	
Kaharoa	272.00			x	
Reporoa - Domestic	120.00			x	
Reporoa - Farming	174.00			x	
Hamurana	86.00			x	
Okareka	70.00			x	
Water scheme availability charge – not connected.	\$	<i>See pages 332 to 334 to identify correct charge</i>		x	
Metered water volume charge	\$			x	
Targeted sewerage rate					
Residential	306.00	x 1	306.00	x	
Multiple toilets – See page 328	\$			x	
Targeted Rates for Capital Cost of Sewerage Scheme					
Okawa Bay	509.20			x	
Mourea	310.94			x	
Targeted refuse collection rate					
Urban	65.45	x 1	65.45	x	
CBD	130.90			x	
Rural	67.95			x	
Total Rates and Charges incl. GST			\$1,527.95	My Rate	\$

LONG TERM FINANCIAL OBJECTIVES

Rotorua District Council's Long Term Financial Objectives

To achieve the objective of wise financial stewardship that promotes current and future interests of the community, the Council's high level focus is on:

Operating Surplus

Ensure future revenue levels achieve an operating surplus that can maintain current service levels while providing for inter-generational equity and funding consistent with the long term debt objective.

Adopting prudent funding and financial policies to provide predictability and certainty about sources and levels of funding.

Ensuring transparent decision making processes are in place to allow choices to be made about activities Council undertakes and funds.

Identifying corporate-wide strategies/initiatives that add value to achieving community outcomes and/or make continuous efficiency gains.

Revenue

Ensure sufficient revenue to meet the operating surplus objective with predictability and certainty about sources and levels of funding.

Revenue: Recovering an appropriate share from users of services after taking into account factors such as fairness, equity, well-being and ability to pay, as scheduled in Council's Funding and Financing policy

Rating: Maintaining a long term consistent level of rating that keeps rates increases as close as possible to CPI and growth after factoring in the current generation's contribution towards major capital improvements.

Infrastructure pricing: Maintaining long term stable price paths directed at ensuring infrastructure is provided with sufficient quality and capacity, when needed, at sustainable prices.

Expenses

Ensure expenses are consistent with the operating surplus objective and maintain agreed service level requirements.

Maintaining the capacity to provide agreed levels of service to meet the community's aspirations in economic, environment, social and cultural areas, balanced with the reality that Council has access to limited resources.

Debt

Manage total debt at prudent levels that comply with the Treasury policy (interest below 15% total rates income; cash operating activities exceed interest expense by two times; no more than \$40 m or 50% of existing external borrowing (whichever is the greater) refinanced in one year).

Recognising the need to take a long term (at least 10 years) view of debt levels and risk management strategies to ensure financing costs are minimised and sustainable, given revenue levels available to the Council.

Net Worth

Continue to increase net worth for current and future generations.

Maintaining asset infrastructural networks at sustainable levels now and into the future, to ensure the district has appropriate capacity and quality of assets at the right time and in the right place.

Balancing the budget on a Council-wide basis each year by maintaining loans, rates and other revenue increases within the above policy constraints. Any years not meeting the above policy constraints will have formal approval by council for any exception to the above general policies.

POLICY ON SIGNIFICANCE

Background

The Local Government Act 2002 (s.278), hereinafter referred to as 'the Act' requires that every local authority adopt, by 30 June 2003, via the special consultative procedure, a policy on "significance".

The terms "significant" and "significance" are defined in s.5 of the Act as follows;

"Significance, in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for,—

- a) the current and future social, economic, environmental, or cultural well-being of the district or region;
- b) any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter;
- c) the capacity of the local authority to perform its role, and the financial and other costs of doing so."

"Significant, in relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision, or other matter has a high degree of significance."

Section 90 requires that the policy must set out:
 "...(the) general approach to determining the significance of proposals and decisions in relation to issues, assets or other matters; and
 any thresholds, criteria or procedures that are to be used by the local authority in assessing the extent to which issues, proposals, decisions or other matters are significant."

Section 90 also requires that the policy list all strategic assets.

The Council's general approach to determining the significance of proposals and decisions in relation to issues, assets, or other matters

The Council will consider every issue, proposal, decision, or matter requiring a decision on a case by case basis to determine whether the matter is significant.

In determining whether the matter is significant, the Council will consider the following:

- The likely impact/consequences of the decision on the current and future social, economic, environmental and cultural well-being of the community; and

- The likely impact that the impact / consequence(s) of the decision might have on achievement of the agreed community outcomes for the district; and
- (If any proposed action involves a decision in relation to land or a body of water) the likely impact/consequence(s) of the decision on the relationship of Maori and their culture and traditions with their ancestral land, water, sites, waahi tapu, valued flora and fauna and other taonga; and
- The parties who are likely to be particularly affected by, or interested in, the issue, proposal, decision or matter and the likely impact/consequences of the decision from the perspective of those parties (including if the decision is likely to affect a large number of residents and ratepayers to a moderate or greater extent; or a small number of residents and ratepayers to a large extent); and
- The financial and non-financial costs and implications of the decision; and
- The extent (if any) to which the issue, proposal, decision or matter (or type of issue, proposal, decision or matter) has had a history of generating public interest within the Rotorua District, the Bay of Plenty Region, or New Zealand.

Thresholds and criteria that the Council will use in assessing the extent to which matters are significant

The more significant or material the likely impact of the required decision, the more likely it will be that the matter is 'significant'.

Significant decisions will include, but will not be limited to, the following:-

- A proposal or decision requiring more than \$10 million of budgeted, or \$2 million of unbudgeted, expenditure;
- A proposal or decision to significantly alter the intended level of service for any significant activity - including a decision to commence or cease such activity (s.97(1)(a));
- A proposal or decision to transfer ownership or control of a strategic asset (s.97(1)(b),
- A proposal or decision to construct, replace or abandon a strategic asset (s.97(1)(c));
- A proposal or decision that will, directly or indirectly, significantly affect the capacity of the Council, or the cost to the Council, in relation to any activity identified in the Long Term Council Community Plan (s.97(1)(d));
- A proposal or decision to change the mode of delivery of any significant activity (s.88);
- The sale of all or a majority of the Council's shareholding in any council-controlled trading organisation, or council-controlled organisation;

- A proposal to enter into a partnership with the private sector to carry out a significant activity.
- For the avoidance of doubt, this policy does not apply to:
 - Carry forwards
 - Rejections
 - Maintenance
 - Emergency works

- Shares in Rotorua Regional Airport Limited and Civic Assurance; and
- Rotorua Regional Airport infrastructure.
- Waste Management Infrastructure consisting of:
 - Rotorua Landfill
 - Rotorua Recycling Centre
 - Transfer Stations

The Council's general approach to determining decisions in relation to issues, assets, or other matters

Decisions pursuant to this policy will be made in accordance with the provisions of the Council's proposed governance statement that is required to be prepared pursuant to Section 40(1) of the Act.

If the matter is deemed to be significant, the Council will decide whether the special consultative procedure should be used – or if the requirement to 'appropriately observe' (see s.76(3)(b)) the provisions of Sections 77, 78, 80, 81 and 82 will be sufficient.

The Council's strategic assets

Strategic assets are defined in s.5 of the Local Government Act 2002 as:

"Strategic asset, in relation to the assets held by a local authority, means an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority's capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community; and includes—

- a) any asset or group of assets listed in accordance with section 90(2) by the local authority; and
- b) any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and
- c) any equity securities held by the local authority in—
 - i) a port company within the meaning of the Port Companies Act 1988;
 - ii) an airport company within the meaning of the Airport Authorities Act 1966."

The assets and groups of assets that the Council considers to be "strategic assets" are:-

- The Council's roading network; and
- The Council's wastewater network and treatment plant; and
- The Council's water supply network; and
- The Council's stormwater network; and
- The Council's public library, museum, pensioner housing, community halls, event facilities, international stadium, aquatic facilities, parks and reserves, nursery, cemeteries and crematorium; and

Note

Legislative references to "significance" include sections 5, 90 and 278 of the Local Government Act 2002. In addition, Schedule 10 (7) of the Act requires that a summary of the significance policy be included in the Long Term Council Community Plan.

COUNCIL ORGANISATIONS AND COUNCIL-CONTROLLED ORGANISATIONS

There are a number of organisations where Council has the right to appoint a representative and/or has a shareholding. Under the Local Government Act these organisations are defined as Council Organisations (COs), Council-Controlled Organisations (CCOs) and Council-Controlled Trading Organisations (CCTOs).

These organisations assist Council in pursuing its purpose and meeting the demonstrated needs of the Rotorua community. Those appointees to the organisations have the necessary skills, knowledge, and experience to take on their respective tasks. Council has a policy on the appointment of Directors to assure this is the case.

Where Council is involved with a CCO or CCTO, it must provide further information in the LTCCP. The two organisations in this category are the Rotorua Regional Airport Limited and the Waikato Region's Local Authority Shared Service Limited (LASS). Further information about the Airport and LASS, and their statements of Intent is provided in this section of the plan.

Council Organisations

QE Hospital Trust
Tourism Advisory Board
Rotorua Community Youth Centre Trust
Rotorua District Community Arts Council
Pukaki Trust
Ngati Rangitiorere Consultative Group
Te Amorangi Trust

Council-Controlled Organisations

Local Authorities Shared Services (LASS)

Council-Controlled Trading Organisations

Rotorua Regional Airport Limited

Exempted Organisations

Kauae Cemetery Trust Board

LOCAL AUTHORITIES SHARED SERVICES LIMITED (LASS)

Statement of Intent

The local authorities of the Waikato Region have worked closely together over a number of years on mutually beneficial joint projects. These projects have demonstrated the benefits that can be gained both in terms of outcomes achieved and reduction of costs to the community.

Taking this a step further, the local authorities have begun to develop new shared service initiatives, including a valuation database to provide on-line, up to date, information for all councils. The initiative has been formalised by the establishment of the Local Authority Shared Services Limited (LASS).

Local authorities of the Waikato Region have established LASS as a Council-Controlled Organisation by way of a company, in which each local authority will have a single share. This company will be used as an umbrella for future development of shared services through the Region.

Share Holders

Local Authority Shared Services Limited is jointly owned by the 13 local authorities of the Region, being: Waikato Regional Council (Environment Waikato), Hamilton City Council, Franklin District Council, Hauraki District Council, Matamata-Piako District Council, Otorohanga District Council, Rotorua District Council, South Waikato District Council, Taupo District Council, Thames-Coromandel District Council, Waikato District Council, Waipa District Council and Waitomo District Council.

Council Policies and Objectives Relating to CCOs

While Council does not have any significant policies or objectives about ownership and control of the company, the establishment of the company, "Local Authority Shared Services Limited" was subject to public consultation as part of the 2004 Long Term Council Community Plan. Council has a Policy on the Appointment and Remuneration of Directors.

The Constitution of Local Authority Shared Services Limited sets out the principles according to which the company will be operated and governed. This includes shareholders rights and the appointment of directors. The annual Statement of Intent identifies the activities and intentions of the Company for the year and the objectives to which those activities will contribute.

Company Objectives

The objective of the company is to provide local authorities of the Waikato Region with a vehicle to develop shared services and provide them to local authorities.

Nature and Scope of Activities

The principle nature and scope of the activity for the company is to:

1. Provide shared services to all local authorities within the Waikato Region. The company also intends to sell processes and systems as set up under individual agreements to local authorities outside the Region.
2. Pursue all opportunities to develop shared services that may benefit the community, either through enhanced services or reduced cost.
3. Give consideration to developing shared service products which a majority of local authorities of the Region believe are of value. The objective is to provide the most effective access to regional information that may be of value to the community using modern technology and processes.
4. Explore all possible avenues to provide these services itself or contract them from outside parties, each depending on a rigorous business case.

Directors

The current directors of Local Authority Shared Service Limited are noted below:

Director	Position	Councils Director Represents
Harry Wilson (Chairperson)	CEO Environment Waikato	Environment Waikato
Tony Marryatt	CEO Hamilton city Council	Hamilton City Council
John Inglis	CEO Waipa District Council	Waipa, Otorohanga and Waitomo District Councils
Langley Cavers	CEO Hauraki District Council	Thames-Coromandel, Hauraki and Matamata-Piako District Councils
Phillipa Wilson	CEO Franklin District Council	Franklin and Waikato District Councils
Peter Guerin	CEO Rotorua District Council	Rotorua, South Waikato and Taupo District Councils

The initial product developed is a shared valuation database. It is envisaged that the company will continue to develop new products to be made available to the local authorities within the Waikato Region. At the same time, other opportunities may be explored in partnership with local authorities outside the Region to develop new products such as aerial photograph provision, GIS systems and emergency management systems.

Performance Targets

The initial performance targets shown are best estimates and will be reviewed on a year by year basis to ensure that the products being offered continue to provide state of the art and cost effective processes for the shareholders.

The Performance Targets are that:

- All products are to be fully costed including development costs and to be recovered by way of revenue over a maximum of a five year period.
- The company will enter into long term contracts of at least three years duration with each of the participating parties in relationship to any product development so as to ensure the costs of development are spread equitably between the partners and over a realistic time frame.
- Guarantees will be obtained from the participating parties to provide for the capital and cash requirements of the organisation and to ensure that, based on prevailing interest rates, the cost of the development of new products is covered.
- A positive cash flow will be maintained such that the equity ratio is maintained at least 40%.
- Customers will be surveyed annually to ensure that there is at least a 90 percent satisfaction with the services being provided.

ROTORUA REGIONAL AIRPORT LTD

Statement of Intent

Introduction

Rotorua Regional Airport Limited –

- is a limited liability company pursuant to the Companies Act 1993.
- is a Council-controlled Trading Organisation pursuant to Section 6 Local Government Act 2002.

This Statement of Intent –

- is prepared in compliance with Section 64 and the Eighth Schedule of the Local Government Act 2002.
- sets out the objectives and scope of activities proposed to be carried out by the Rotorua Regional Airport Ltd (RRAL) in the 3 year period commencing 1 July 2005.

The Local Government Act 2002 requires that Council-controlled organisations –

- review their Statement of Intent prior to the commencement of each financial year.
- have a financial year ending 30th June each year.

The Eighth Schedule of the Local Government Act states that the purpose of a statement of intent is to -

- state publicly the activities and intentions of a council-controlled organisation for the year and the objectives to which those activities will contribute.
- provide an opportunity for shareholders to influence the direction of the organisation.
- provide a basis for the accountability of the directors to their shareholders for the performance of the organisation.

On 31st July 2002 Rotorua District Council purchased the 50% shareholding in RRAL held by Central Avion Holdings Limited. The Council now holds 100% of the shares in RRAL.

During the 2004-2005 financial year the Infrastructure assets of Rotorua Regional Airport Limited were transferred to the Rotorua District Council. RRAL remains the airport operating company leasing the assets from the company's sole shareholder, Rotorua District Council.

The Rotorua District Council is responsible for the ongoing capital development of the Airport. The operating company's (RRAL's) goals are primarily concerned with optimising the use of the infrastructure.

Mission Statement

"A user friendly, attractive airport 'hub' which meets the regional need for domestic and trans-Tasman airline services and is a safe, commercially viable operation optimising the social and economic benefits to the community shareholder."

Goals

Maintenance of domestic jet services

RRAL will look to facilitate continued jet services.

Establishment of trans-Tasman passenger services

RRAL continues to assist RDC with obtaining the planning consents required to extend the airport runway. RRAL continues to invite airlines to commence trans-Tasman flights as soon as we are able to host them.

An attractive customer friendly airport facility

The Stage one terminal development is complete. The new air conditioned terminal is host to a Robert Harris café and retail area providing all travelers with a great place to visit. RRAL will use local imagery to present a fantastic, positive representation of our wonderful city and region.

Minimum cost and optimum benefit to community shareholder

RRAL has already and will continue to work hard to ensure that long term tenancy agreements maximise the revenue generating capacity of the airport.

Objectives

- Meet the airport needs of the district and region
- Maintain an effective working relationship with the shareholder and landlord
- Meet the needs of the community for growth in aircraft movements and passenger numbers
- Establish scheduled trans-Tasman services
- Operate company as a 'stand alone' commercial business
- Optimise net earnings potential for reinvestment in airport development
- Mitigate adverse effects caused by airport operations and development
- Maintain a safe, secure airport facility
- Provide for general aviation activity consistent with primary purpose of providing for airline passenger services

Strategies

- Maximise revenue potential of terminal expansion – food/beverage, retail, and advertising
- Mitigate adverse effects caused by airport operations and development – noise, dust, flight path clearance
- Facilitate introduction of scheduled and charter services on Rotorua trans-Tasman routes by fostering relationships with airline customers
- Develop and increase existing revenue streams – secure parking, space rental, new services
- Reach compliance with international Civil Aviation Authority security regulations to enhance likelihood of trans-Tasman operations
- Work with RDC to develop parking and roading facilities to enhance the 'look and feel' of the airport facility
- Contribute to initiatives to secure the right to have an international airport servicing Rotorua
- Provide RDC with advice to assist with infrastructure development planning

Governance

The board's approach to governance dictates:

- that the company operate as a legal entity in its own right separate from its shareholder¹
- that all decisions are made by the board of directors² in accordance with the company constitution and statement of intent
- the maintenance of an effective working relationship with the shareholder on issues of strategic importance

Nature and Scope of Activities

The primary nature and scope of activities for the company is to operate an airport at Rotorua.

These activities include:

- Retaining the Civil Aviation Authority Aerodrome Operator Certificate by abiding by the laws and requirements outlined in the Civil Aviation Act.
- Operating a facility suitable for the required use of the public in a safe, lawful and efficient manner.

Over the next three years the company will actively pursue opportunities for passenger and revenue growth. RRAL will endeavour to present the airport facility to all users at a standard which residents and ratepayers can be proud of.

Capital Expenditure Proposals

RRAL capital expenditure will be limited to the budgeted replacement and repair of company owned assets.

Financial Forecasts

The following table forecasts the Company's anticipated financial performance for the three year period ending 30th June 2009. Please note: the financial forecasts contained within this document are based upon the projections of Price Waterhouse in their capacity as financial advisors to Rotorua District Council.

Table 2: Financial Forecasts

Year ending 30 June :	2007	2008	2009
Total revenue	3,848,234	4,380,517	5,141,328
Total expenses	3,701,884	4,229,776	4,986,065
Surplus / deficit before tax	146,350	150,741	155,263
Provision for tax	48,296	49,744	51,236
Surplus / deficit after tax	98,054	100,997	104,027
Term Debt	0	0	0
Total assets (net current liabilities)	994,000	994,000	994,000
Total shareholders' funds	1,094,000	1,094,000	1,094,000
Net profit after tax to average shareholders' funds	9%	9%	9%
Debt equity percentage	0%	0%	0%

¹ Section 15 of the Companies Act 1993 refers

² Section 128 of the Companies Act 1993 and Section 60 of the Local Government Act 2002 refer

Performance Targets

The company will report to the shareholders on the following performance indicators:

- The ratio of net profit before and after tax/interest/revaluations (before extraordinary items) to average shareholder funds
- The ratio of net profit before and after tax/interest/revaluations to average total assets (including revaluations, net current liabilities).
- Interest cover ratio

Table 3: Performance Indicators

Year ending 30 June :	FORECAST		
	2007	2008	2009
Return on Shareholders Funds (after tax and interest)	7%	7%	7%
Return on Average Shareholders Funds (before tax and interest)	10%	10%	10%

Capital Structure

The Capital Structure is comprised of 1,000 \$1 shares owned by Rotorua District Council.

Dividend Policy

The company's policy prior to Council purchasing a 100% shareholding has been to distribute by way of dividend to shareholders 40% of net profit after tax provided where it is prudent to do so.

The shareholder has waived its right to require RRAL to pay a dividend provided that the company invests an equivalent amount into airport development.

Shareholders' Funds/Assets

Table 2 shows total projected shareholders' funds.

Shareholders' funds include share capital and reserves.

Assets include current assets and non-current assets which comprise fixed assets at historical cost and amortised over the expected life of the asset and deferred taxation.

Debt : Equity Ratio

The company aims to maintain a debt equity percentage below 40 – 45%.

Interest Cover

The company aims to have an interest cover above 2.

Acquisition of Shares

The company will not subscribe for, purchase, or otherwise acquire shares in any company or other organisation without first being authorised to do so by a special resolution of shareholders.

Shareholder Information

The company will provide shareholders with information on its current and future activities at a level sufficient for shareholders to assess the performance of the company against its objectives.

The company will endeavour to disclose as much information on its operation as is practicable and consistent with commercial and confidentiality considerations. As a minimum this will involve:

- Half Yearly:
Compliance with Section 66 Local Government Act 2002 including -
 - a year-to-date unaudited statement of profit and loss compared with budget and result for the same period of the previous year.
 - balance sheet at the end of the period
 - statement of source and application of funds
 - updated performance indicators
 - narrative on major developments, trends, and any revisions to financial forecasts in the light of performance which will be the subject of discussions with the shareholders
- Annual:
Compliance with Sections 67 and 68 Local Government Act 2002 including -
 - annual report and accounts
 - budget for coming year
- As Necessary:
 - details of any new developments not covered in the annual budget and Statement of Intent.
 - any other information justifiably sought by the shareholder

Compensation

Except for shareholder advances, the board is not proposing any activities for which it would seek compensation from any local authority¹

¹ Clause 9(j) of the Eighth Schedule of the Local Government Act 2002 refers

Company Valuation

The book value of shareholders' funds as at 30th June 2005 was:

Shares:

Rotorua District Council (100%)	\$1,000
Total Book Value of Shares	\$1,000

Capital Reserve and Retained Earnings: \$ 1,093,309

The value of the company's assets at 30th of June 2005 was:

Asset Type	\$	Basis
Land	0	Valuation
Improvements	0	Valuation
Plant & equipment	\$233,199	Book Value

Accounting Policies

Accounting policies will be consistent with legal requirements in the Companies Act and generally accepted accounting standards as promulgated by the Institute of Chartered Accountants of New Zealand modified as necessary for the circumstances of the company.

Auditors

Section 70 of the Local Government Act 2002 requires that Council-controlled Organisations be audited by the Auditor General.

Public Notification

The Act requires that any completed statement of intent and each modification adopted must be made available to the public within 1 month after the date on which it is delivered to the shareholders or adopted, as the case may be.

EMPLOYEE RELATIONS

Introduction

This report provides some insight into the practices and processes that we follow to ensure Council is a good employer and one of the highest performing local authorities in New Zealand.

NRB Survey

Council staff have consistently maintained a high performance rating by residents. In 2005 some 70% of the residents rated the staff performance at very or fairly good. Staff have continued to be rated by residents above their peer group nationally.

Staff Development

As with all local authorities this Council has a wide range of career paths on offer with work places ranging from a labourer/driver, to planner, to engineer through to chief executive.

The Council does its best to encourage both professional and personal development by identifying individual training requirements through the Performance Development Review process (P.D.R).

The Challenge is an Australian competition in which New Zealand Local Authorities compete. The Challenge is a contest of "Management Teams" of 6 people from Councils who address a range of issues based on a theme.

The N.Z. winner of the Challenge then competes against the winner of each Australian state in an Australasian final. To date the Council has used the Challenge as a leadership training exercise and selects the team with this in mind, together with the willingness of staff to take part, rather than basing selection purely on maximising our chances of winning.

Health and Safety

We are focused on a safe working environment and continue to strive to improve the overall health and safety record of our operations including those contractors and other organisations that we work with. Our Health & Safety record continues to improve each year. Occupational Safety & Health Inspectors continue to acknowledge that Council is very good at proactively ensuring that staff work in a safe environment.

Staff Numbers

The total number of staff employed by Council for the period ending 30 December 2005 was 465 full time equivalents. Staffing levels are anticipated to remain similar over the next 10 years.

Staff Support Systems

Council has a number of initiatives to support staff health and well-being. One of the initiatives most used is the Employee Assistance Programme (EAP) which provides staff with an independent counselling service for both work and personal issues that are impacting on their work performance or have the potential to.

Free flu injections are also provided for staff as are Hepatitis injections for those staff working in Waste Water Reticulation activities. Ongoing hearing tests are also provided for staff working in noisy work sites.

Subsidised school holiday programmes for children of staff are also provided and have proven to be very popular.

Managing Diversity

Te Waka Awhina O Aotearoa was established in 1991 and is an annual national conference that exists to provide appropriate and timely training for Maori within local and regional government to discuss, debate and learn about the various social, economic and political issues that impact on Maori. It is also a vehicle for establishing a national Maori network for Maori involved in local and regional government.

The 2003 Conference was hosted for the first time by our Council. As well as participating, our staff played a central role in organising the hui with a number also attending. Annual participation in te Waka Awhina is one example of how Council manages diversity in the workplace.

Council is committed to making sure that staff at all work sites within Council have the same opportunities to contribute to, and share in, the successes.

Other initiatives that have been implemented for managing diversity are:

- Cultural Awareness Programmes
- Te Reo and Tikanga Maori – Maori language and customs workshops

Remuneration Committee

Council has a Remuneration Committee made up of the Chief Executive, job analyst, three staff members elected 'at large' and one Union nominated representative from the Public Service Association.

Equal Employment Opportunities Policy and Programme

Rotorua District Council is committed to the principle of equal opportunity in the recruitment, employment, training and promotion of its employees and has a stated policy to this effect. This commitment is not only because of legal (Local Government Act) and moral obligations, but also because EEO makes good business sense. EEO is about good management practices; it is about valuing and encouraging diversity; about developing our human resource and about attracting the best people to our jobs. As such, Rotorua District Council will implement a purposeful programme of action to ensure its activities and services are carried out with an awareness of, and an intent to eliminate discrimination in the areas of race, colour, ethnic origin, gender, religion, marital status, family responsibilities, age, people with disabilities, political opinion and sexual orientation.

SUMMARY OF WASTE MANAGEMENT PLAN



Summary

The Waste Management Plan was prepared under the Local Government Amendment Act (No. 4) and incorporates the provisions of that Act.

A copy of the full plan is available from the Engineering Department of Council.

This Waste Management Plan is focused around the following key principles:

Integrated Waste Management

To manage waste in accordance with the recognised hierarchy of:

- Reduction
- Reuse
- Recycling
- Recovery
- Treatment
- Disposal

Education / Consultation

To develop and implement this Plan seeking maximum input from the community, and to inform and educate regarding methods of achieving the objectives of this Plan.

Environmental Protection

To ensure that the processes employed in implementing this Plan are carried out in a manner that poses the minimum risk to the environment and the health and safety of the community.

Funding and Incentives

To ensure that, as far as practical, the cost of managing wastes are applied to the generators of those wastes, so that waste production is not subsidised by the rest of the community and to provide incentives for reduced waste generation.

Services and Implementation

For effective and efficient delivery of services, activities described in this Plan shall be undertaken either by Council or by contract to Council, at the discretion of the Council.

Bylaws

At various times Council may implement Bylaws to achieve the objectives of this Plan.

SUMMARY OF WATER AND SANITARY SERVICES ASSESSMENT

1. Introduction

The Local Government Act 2002, Part 7, Subpart 1 requires the Rotorua District Council to make assessments of water and sanitary services available to communities within the District.

Water services includes water supply, sewerage and stormwater, and **sanitary services** includes public conveniences, cemeteries and crematoria. Solid waste services are not included under this assessment.

2. Definition of Community

In defining the communities to be assessed it was decided that communities for the purposes of this assessment should not necessarily be geographical in nature, but could be based on areas or groups of people of a common need. Together, the communities cover the whole district, its residents and visitors.

3. Water Supply

3.1 Urban and Rural RDC supplies

The urban area of Rotorua is serviced by the Urban Water Supply comprising the Central, Ngongotaha and Eastern zones. Extensive information on water services is provided in the Asset Management Plan for the supply. The same applies to the Rural supplies which are Mamaku, Rotoiti, Rotoma, Kaharoa, Reporoa, Hamurana and Okareka.

No risks due to the absence of a water supply are identified, although it is recognised that improvements are necessary in a number of areas to comply with the Drinking Water Standards for NZ (DWSNZ) 2000 and the proposed DWSNZ 2005. Budgets are already allocated for Protozoa treatment over the next two years. Public Health Risk Management Plans as required by the impending Health (Drinking Water) Amendment Act will also identify and minimise other risks.

3.2 Rural Farming, Residential and Work/Accommodation/Education

Information on services to each property has never been collated, nor is it cost-effective to do so. However, some existing information has been sourced, and a survey of all inhabited rural properties was carried out. This survey had a 49% response rate.

3.3 Demands, Options and Council's Intended Role

The following current and future (potential) demands have been assessed from the information assembled:

- treatment for Arsenic where present in groundwater
- alternatives to lake water sources
- extension of the Reporoa supply to some properties at Mihi
- possible demand due to development in the Rotorua Eastern Suburbs
- possible industrial development in the Waipa Valley
- improvements for Kaingaroa Village
- promotion from Health Authorities of Fluoride adjustment

Options to meet these demands include:

- Council-initiated and run water supplies, either utilising consultants and contractors or by own forces, or a combination of the two. This is only likely to be viable in more densely-populated areas.
- private bores or small clusters of houses on one bore, dependent on groundwater quality and availability.
- roof-sourced water, using modern collection and storage systems which can significantly improve water quality.
- consideration of benefits, public opinion and technical information related to Fluoridation.

Council's role in meeting these demands

- regulator to ensure compliance with the Building Act.
- educator/facilitator, in the case of properties seeking individual solutions.
- monitor/information gathered on water quality to further ascertain demands for physical services.
- where services are required, infrastructure and service provider as appropriate.

4. Wastewater

4.1 Urban

The Urban area of Rotorua is serviced by the Rotorua Urban Wastewater Scheme. This is managed according to Council's Asset Management Plan and Environment Bay of Plenty Resource consent, and poses no significant risk to health or the environment.

4.2 Rural

The remainder of the District is served almost exclusively by septic tanks. In most of the more sparsely populated rural areas there are few issues with disposal of wastewater.

However, there are a number of localities (mostly adjacent to lakes), where contamination of groundwater and lake water poses serious health and environmental risks.

Council is also proposing to provide sewerage reticulation for most lakeside communities within the next ten years, and will review quality issues in several other localities in more detail to ascertain the need for improvements in service.

Council has already considered a number of options, responsibilities and roles to deal with these risks, and is planning the construction of sewerage schemes over the next ten years for the communities:

- Mourea/Okawa Bay
- Brunswick/Rotokawa
- Okareka
- Okere/Otaramarae
- Gisborne Point/Hinehopu
- Hamurana
- Tarawera
- Rotoma

5. Stormwater

5.1 Urban and Rural

Rotorua District is well-served by a well-maintained network of pipes, channels and natural watercourses, utilising as much as possible the natural contour of the land. The network is designed to protect dwellings from a flood with a probability of 0.02 (1 in 50 year flood) and land from a flood with a probability of 0.1 (1 in 10 year flood).

Council has undertaken detailed analysis of the composition and impact of its major stormwater discharges and found these to be minor.

6. Cemeteries

Council maintains and manages 5 cemeteries in the District. These are Rotorua and Kauae in the city; and Reporoa, Mamaku and Ngakuru.

These are managed according to relevant laws and regulations, and comprehensive records are kept and no public health or environmental risks have been identified with cemetery services.

Council is currently investigating options for use of Council reserve land or purchase of a suitable block for provision for burials for the next 100 years.

7. Crematorium

Council operates one Crematorium which services the District, located in the grounds of the Rotorua Cemetery.

The operation is strictly controlled by well-documented operations and maintenance procedures, and there are no issues related to future demand.

8. Public Toilets

Council has 13 public toilets in the CBD and 49 located in various Urban and Rural reserves throughout the District. These are subject to maintenance contracts and service standards, and no public health issues are evident.

Council has a policy in place which will provide for future demand, based on community usage.

A copy of the full Water and Sanitary Services Assessment is available from the Engineering Department of Council.

DEFINITIONS

As many of Council's policies and documents are prepared to comply with legislation, they can end up with a lot of uncommon technical terms or jargon in them. If you don't understand what is being talked about in this document, please contact us for an explanation. Some of the terms used in the plan are explained below.

Activity

What we do as a Council, or what is done on our behalf to provide services.

Annual Plan

The Annual Plan is an action plan produced each year that sets out how Council has prioritised LTCCP activities and allocated budgets for that particular year. Annual Plans are produced in the intervening years when the LTCCP is not reviewed.

Annual Report

The purpose of the annual report is to compare Council's actual performance for the year with that which was projected in the LTCCP and Annual Plan for the same period. The report has an accountability and informative role. The relative importance of these roles may vary for different users. Accountability is the requirement for Council to account to ratepayers, residents and other interested parties for its performance over the last year. This requires financial reports that:

- Identify objectives and targets established by formal process.
- Measures actual achievements against those objectives and targets.

Such objectives and targets are both financial and non-financial. The Annual Report is therefore an important link in Council's planning process and annual communication cycle. The diagram below shows how the various other public documents integrate with this Annual Report. The following describe the purpose of each document in the diagram. It is hoped that this will aid in understanding the role of this Annual Report.

Asset Management Plans

These documents are prepared to describe how Council proposes to manage major assets i.e. infrastructural assets in order to achieve various goals and objectives and include the levels of service against which performance will be

measured; life cycle management plans; policies procedures and timetables for cost effect acquisition, maintenance, operation and disposal of assets to meet agreed levels of service; and cashflows.

Assumptions, Risks and Uncertainties

In order to develop the Ten Year Plan, assumptions about the future are required to prepare forecast financial information. A framework to evaluate the risks and uncertainties of these assumptions was developed using NZS 4360:1999.

Backlog

That portion of a project that relates to historical catch-up to meet the required level of service for the existing community.

Capital Expenditure

The cost of providing assets that will be used over a number of years to help provide council services. These assets cover a wide range of things, examples include new computers, vehicles, pipelines, sewerage treatment plants, roads and reserves.

Community Outcomes

By law, Council must work with other organisations and the community to identify the long term aspirations that people have for the district. These community outcomes then help to ensure resources are prioritised and used effectively. Council also has to monitor progress towards outcomes and report this back to the community at least every three years. We call this programme "Bright Future Rotorua".

Depreciation

This is a financial provision made each year based on the diminishing value of assets and how long they should last, so that when they wear out they can be renewed.

Development Contributions

Appendix F Glossary of Terms in Part C Section 2 Development Contributions Policy also has a number of definitions of term used in that policy and the financial summaries.

District Plan

This document deals with environmental management and significant resource management issues of the District.

Group/Activity Group

Activities that are similar in nature, or that contribute to similar or the same community outcomes, are grouped together in the plan to make it clearer how Council is prioritising and allocating resources.

Growth

Growth means the increase in capacity of network and community infrastructure external to the boundaries of the development site required to service that development.

Key Strategic Decisions

Where there is a proposed major change in an activity group, either in terms of what we do or in relation to the money for doing it, important decisions have been or will need to be made. It is useful to be aware of these decisions as they reflect Council's priorities.

Levels of Service and Targets

This a way of measuring the delivery of services. In terms of accountability they are used to monitor our performance and we report back to the community each year in our Annual Report on whether or not we have met the targets. In addition they allow the community to tell us if they think Council is providing the right level of service with its activities.

Long Term Council Community Plan

(LTCCP or Ten Year Plan)

This is Council's key strategic planning document and is required to be produced by law. It sets out what Council will do over the next 10 years and how this will promote community outcomes. As well as describing Council's activities, the plan outlines how they will be funded. Also included are key policies and matters for consultation with the community. Before the Plan is reviewed and finalised every three years, a draft is produced along with a summary and the public is encouraged to make a submission providing views on what is proposed in the draft plan.

Operating Expenses

These are the costs needed to run the day to day operations of council activities. Operating costs include power, telephone, interest costs and grants and depreciation.

Renewal

Means to replace an asset that already exists. For example, replacing a length of pipeline because it has worn out, is renewal.

Treasury Policy

This document is Council's response to the liberalisation of borrowing powers in the Amendment Act which, in return for increased autonomy, requires policies for "borrowing" and "investments" to be promulgated, and because the two issues are so closely interlinked a single comprehensive Treasury Management Policy has been prepared.

Year

For Council a year does not refer to a normal calendar year but to our financial year. Therefore a year starts on 1 July and finishes on 30 June the next calendar year. The 2006/2007 year would mean the period from 1 July 2006 to 30 June 2007.

DIRECTORY

Council Offices

Rotorua District Council
Civic Centre
1061 Haupapa Street
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Auditors

M. Taris
Audit New Zealand
Tauranga
On behalf of the Auditor General

Bankers

Bank of New Zealand
Cnr Fenton and Hinemoa Streets
Rotorua

Solicitors

Davys Burton Ltd
1109 Fenton Street
Rotorua

Insurers

Civic Assurance
PO ox 5521
Wellington

SATELLITE OPERATIONS

Aquatic Centre

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Fax: 07 349 1785

Castlecorp

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Email: castlecorp@rdc.govt.nz

City Focus

City Centre
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Fax: 07 346 3954
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Destination Rotorua Economic Development

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Website: www.rotorua-business.com

Event Venues

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Email: event.venues@rdc.govt.nz
Website: www.eventvenues.co.nz

Library

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Email: Library@rdc.govt.nz
Website: www.rotorualibrary.govt.nz

Museum of Art & History, Te Whare Taonga o Te Arawa

Government Gardens
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Website: www.rotoruumuseum.co.nz

Tourism Rotorua Travel Office

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