

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.

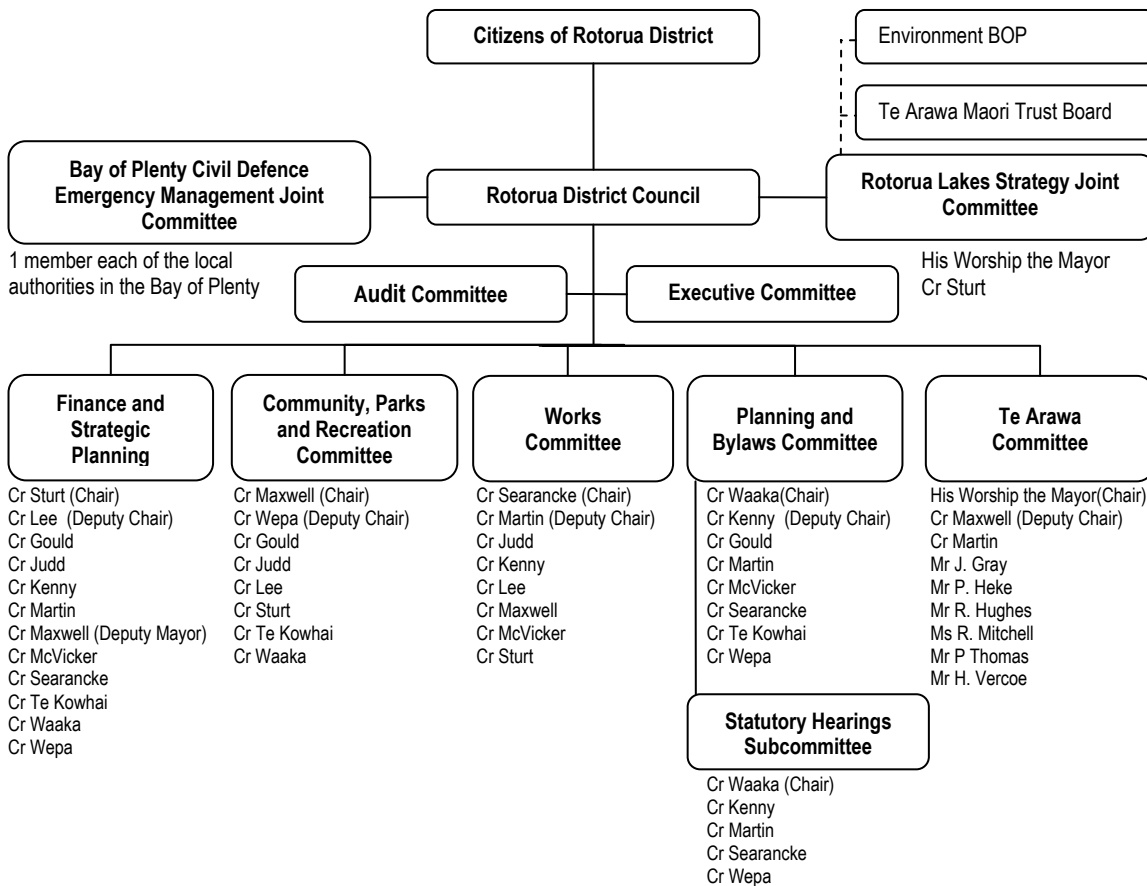
For up-to-date information on Governance check the 'About Your Council' document available from Council or on our website www.rdc.govt.nz.

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.

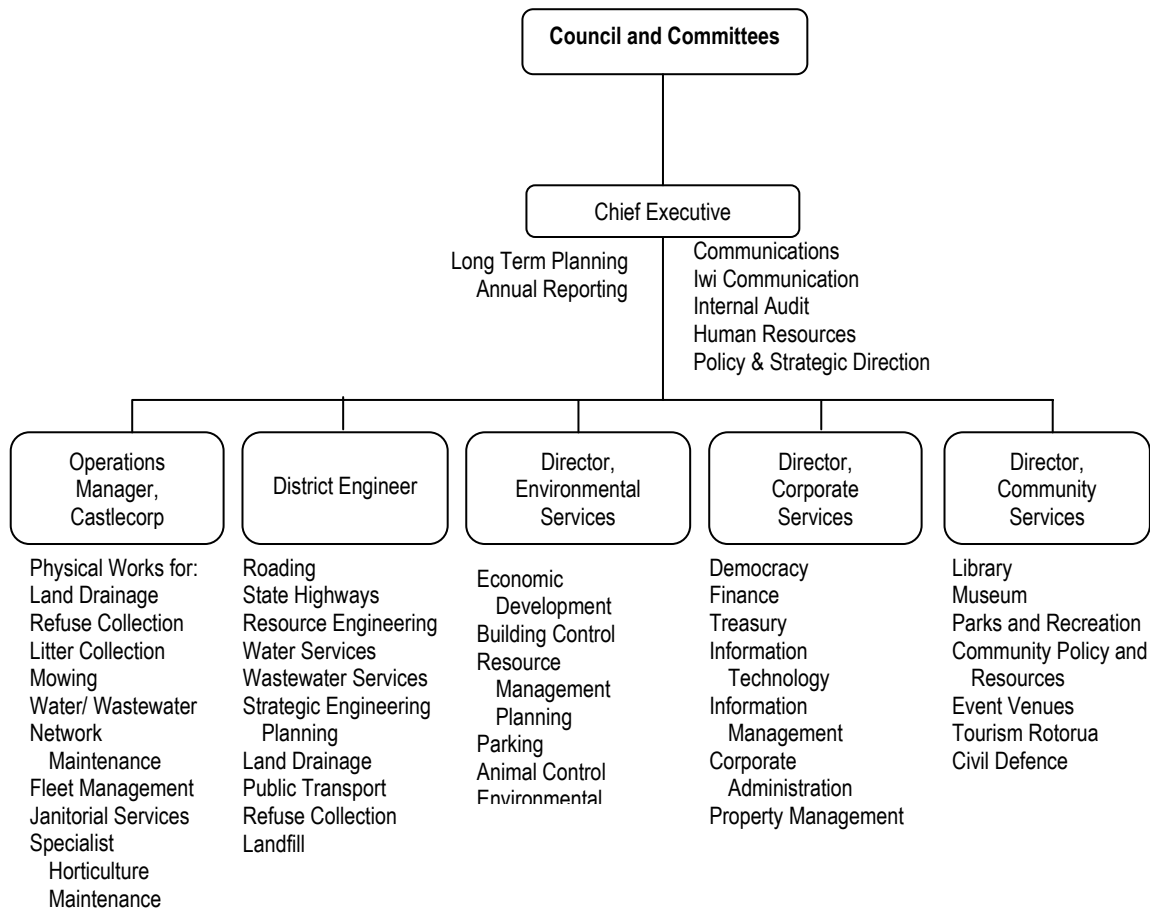
Energy Events Centre

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.