

Rotorua District Council
Te Kaunihera ā rohe o **Rotorua**

Ten Year Plan
2009-2019
Volume 1





rotorua partner programme

The Rotorua Partner Programme includes the following organisations helping fund a range of important projects for the Rotorua community:

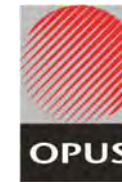
Inaugural Foundation Partners



Foundation Partners



Corporate Partners



Project Partners



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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, and these variances may be material. The Ten Year Plan 2009-19 Statement of Proposal (including prospective financial statements) was adopted and authorised for public consultation at the extraordinary meeting of Council on 26 March 2009. Council considered submissions made to the Ten Year Plan 2009-19 Statement of Proposal at meetings on 18 - 22 May and 8 - 11 June, and has made any necessary amendments. The significant changes are summarised at the end of Volume 2, Section 3. The Ten Year Plan 2009-19 was adopted by Council on 29 June 2009.



P.J. Guerin
Chief Executive

Part A Shaping Rotorua



Amendment to Ten Year Plan 2009-19 – Targeted Rate for Stormwater & Land Drainage

During the Annual Plan 2011/12 consultation process, council agreed to create a new targeted rate for a portion of the stormwater and land drainage activity, using undifferentiated capital value for its allocation.

For details on this targeted rate refer to the separate document 'Amendment to Ten Year Plan 2009-19 – Targeted Rate for Stormwater & Land Drainage'.

E te iwi whanui o Rotorua
Nga mihi nui ki a koutou katoa.

He Kaupapa Here tenei e tautoko nuitia ana i nga tirohanga me nga tumanko
kua whakamaheretia e te hapori mo nga tekau tau kei mua i a tatau.

I te mutunga mai o te whakawhitiwhitinga korero ngatahi me te hapori o
Rotorua katahi ka whakatauiratia ake me pehea e taea ai e te Kaunihera te
manaaki me te kokiri i nga painga me nga hua o te Kaupapa here mo nga
tekau tau kei mua i te aroaro.

Hutia te rito o te Harakeke
Kei hea te komako e Ko
Ki mai ki ahau he aha te mea nui o te ao
Maku e ki atu he tangata he tangata he tangata.

To the people of Rotorua. Warm greetings to you all.

This Ten Year Plan supports the community's vision and aspirations.

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

When the heart is torn from the flax bush
Where will the Bell Bird sing?
You ask me what is the greatest thing on Earth
My reply is, it is people people people

*Ki mai ki ahau he aha te mea nui o te ao
Maku e ki atu he tangata he tangata he tangata.
You ask me what is the greatest thing on Earth
My reply is it is people people people*

foreword from the mayor and chief executive.



His Worship the Mayor
Kevin Winters JP (right)
and Chief Executive
Peter Guerin

Kia ora koutou.

Many residents of Rotorua, property owners, businesses, organisations, investors and others with an interest in the district, accepted our invitation to play a role in shaping the future of this district.

It was encouraging to see so many people keen to engage with their council and to have a say on our draft Ten Year Plan. More than 750 submissions were received and around 150 people also took the opportunity to meet with us in person to give their thoughts about what the council could be focusing on over the next ten years. This feedback was invaluable and we are grateful to all who took the time to participate. A summary of the significant changes made to the draft Ten Year Plan is provided at the end of Volume 2 of this final document.

At the end of June, we adopted this new Ten Year Plan covering the period 2009 to 2019. It is a blueprint to guide the future direction of Rotorua District Council - 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 over the next ten years. And it will help us to achieve the aspirations of Rotorua people – your community outcomes.

At the same time the plan acknowledges the current global environment and demonstrates responsible fiscal restraint.

Under current legislation the plan has a ten year focus. It has meant professional planning, detailed forecasting, careful costing and addressing funding issues for well into the future. Your council has made some very responsible yet progressive decisions in this Ten Year Plan. We have prepared it within a framework that attempts to balance three overriding themes:

- economic growth;
- sustainability; and
- affordability.

There has been comprehensive scrutiny of all costs in an effort to keep rate increases as low as possible. Given the current economic recession, Council has taken a 'steady as she goes' approach, with the view that it is important to:

- Keep moving forward with current commitments eg Civic Theatre upgrade, sewerage schemes and extensions to the Museum
- Maintain existing levels of service in all areas with the exception of community grants where some reductions are proposed
- Explore a range of new projects where funding partners can be found.

More importantly, the council will achieve these things while holding overall rates increases to just two percent in the first year and within the level of inflation for the remaining nine years of the Ten Year Plan. We are particularly pleased that these are amongst the lowest rate increases of any council in the country.

Many in the community have sent a clear message that they want the council to take a much more proactive leadership role in addressing local economic issues being faced in as a result of the current recessionary environment. And they expect action to be given priority and be supported by realistic funding. As a result we have developed a number of initiatives aimed at local economic stimulation and growth, including establishment of the new Grow Rotorua Development Fund with a \$3.5 million budget in each of the first two years of this plan.

We have had to carefully consider the need for our district to prosper and to make real progress, and then balance this with the community's ability to pay for our future needs. Councillors have been very sensitive to the funding limitations of our community. However we are confident that with the 'steady as she goes' approach, Council is setting in place a well planned and affordable direction and as a result we believe this community has a sound and sustainable future.

In developing this Ten Year Plan many residents have joined with us to play a vital role in shaping the future of Rotorua – a place that is...

*admired globally and treasured locally;
unique places and remarkable communities.*

Kevin Winters JP
Mayor

P J Guerin
Chief Executive

Report to the readers of

Rotorua District Council's Long-Term Council Community Plan for the ten years commencing 1 July 2009

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

The Auditor-General is required by section 94(1) of the Local Government Act 2002 (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.

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

Opinion

Overall Opinion

In our opinion the LTCCP of the District Council incorporating volumes 1 and 2 dated 29 June 2009 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.

In forming our overall opinion, we considered the specific matters outlined in section 94(1) of the Act which we report on as follows.

Opinion on Specific Matters Required by the Act

In our view :

- 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 and assumptions used to prepare the LTCCP provide a reasonable and supportable basis for the preparation of the forecast information; and
- the extent to which the forecast information and performance measures within the LTCCP 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 29 June 2009, 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: 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. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

report of the auditor general **cont.**

Our audit procedures included assessing whether:

- the LTCCP provides the community with sufficient and balanced information about the strategic and other key issues, choices and implications it faces to provide an opportunity for participation by the public in decision-making processes;
- the District Council's financial strategy, supported by financial policies as included in the LTCCP is financially prudent, and has been clearly communicated to the community in the LTCCP;
- the presentation of the LTCCP complies with the legislative requirements of the Act;
- the decision-making and consultation processes underlying the development of the LTCCP are compliant with the decision-making and consultation requirements of the Act;
- the information in the LTCCP is based on materially complete and reliable asset or activity management information;
- the agreed levels of service are fairly reflected throughout the LTCCP;
- the key plans and policies adopted by the District Council have been consistently applied in the development 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 complies with generally accepted accounting practice in New Zealand;
- the rationale for the activities is clearly presented;
- the levels of service and performance measures are reasonable estimates and reflect the key aspects of the District Council's service delivery and performance; and
- the relationship of the levels of service, performance measures and forecast financial information has been adequately explained within the LTCCP.

We do not guarantee complete accuracy of the information in the LTCCP. Our procedures included examining on a test basis, evidence supporting assumptions, amounts and other disclosures in the LTCCP and determining compliance with the requirements of the Act. We evaluated the overall adequacy of the presentation of information. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Council and the Auditor

The District Council is responsible for preparing an 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 audit of the Statement of Proposal for adoption of the LTCCP and the annual audit, we have no relationship with or interests in the District Council.



B H Halford
Audit New Zealand
On behalf of the Auditor-General
Tauranga, New Zealand

Matters relating to Rotorua District Council's adopted amendment to the Ten Year Plan subsequent to this report

This report dated 30 June 2011 relates to the Ten Year Plan (TYP) for the 10 years commencing 1 July 2009, approved by Rotorua District Council (the District Council) on 29 June 2009. Subsequent to this, the District Council adopted an amendment to its TYP for the 10 years commencing 1 July 2009 to introduce a new targeted rate for stormwater and land drainage on 30 June 2011. The District Council has not prepared an amended TYP that incorporates the amendment adopted on 30 June 2011. Consequently, to form a view of the TYP of the District Council, the content of the TYP to which this report relates should be considered in conjunction with the District Council's adopted amendment. There is no legislative requirement for us to report on the adopted amendment and we have not done so.

Matters relating to the electronic presentation of the report to the readers of the Ten Year Plan

This report relates to the Ten Year Plan (TYP) of Rotorua District Council (the District Council) for the ten years commencing 1 July 2009 which was approved by the District Council on 29 June 2009 included on Rotorua District Council's web-site. The District Council's governing body is responsible for the maintenance and integrity of the District Council's web site. We have not been engaged to report on the integrity of the District Council's web site. We accept no responsibility for any changes that may have occurred to the TYP since it was initially presented on the web site.

The report refers only to the TYP named above. It does not provide an opinion on any other information which may have been hyperlinked to/from the TYP, including the adopted amendment to the TYP published by the District Council and which has not been incorporated with the content of the TYP to which this report relates. 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 TYP incorporating parts A to C approved on 29 June 2009 and the related audit report dated 29 June 2009 to confirm the information included in the TYP presented on this web site.

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

overview of the ten year plan

Overview of Ten Year Plan

Introduction

Preparation of this Ten Year Plan has been especially difficult in the context of the current economic environment. However, it is important not to allow the tough economic times projected for the next two years to influence the entire ten year period covered by this plan. The economy operates in cycles and is forecast to improve in the next one to two years as the inevitable recovery begins. Therefore the council will put every effort into keeping costs, and therefore the price of services provided, as low as possible over the next one to two years. The purpose of this section is to:

1. Provide an overview and some context into the strategic directions of the district and council, along with the influences for the next ten years.
2. Highlight some of the issues that the Council has made choices on, following community feedback.
3. Outline the financial effects of providing services Council has chosen to undertake.

Strategic context - drivers of change

The Bright Economy Advisory Board (BEAB) was established in 2005 to guide implementation of the Rotorua Economic Development Strategy and to advise Council on economic matters affecting the business sector. As part of this process the board engaged Professor Wayne Cartwright who used the 'Future Insights' process to identify nine drivers of change. They are:

1. Energy price and availability of supply
2. More frequent and severe weather events
3. Shifting lifestyles, work styles and family structures
4. Increasing global disruption and anxiety
5. More difficult global and NZ economic conditions
6. Infrastructural investment lags

7. Technological opportunities for change
8. Geological activity
9. The unique role of Maori culture in Rotorua.

Four years on, these drivers are still relevant to the social, economic, environmental and cultural world Rotorua exists in. They continue to influence Council's thinking for economic strategies and other activities.

A vision for the district

As part of the council's 2007 exercise to develop a vision, mission and values, staff shared their thoughts on what a vision for the district might encompass. The concept developed was as follows and this has achieved general acceptance:



A vision for the district provides an umbrella over the various other strategies, such as the Rotorua Economic Development Strategy, and was used in the preparation of the 2009-19 Ten Year Plan.

This vision is an integral part of interpreting how Council will contribute to the district's community outcomes, which are shown in the following diagram.



What might the district look like in 2019?

This section is intended to signal some of the important changes that could potentially have taken place in Rotorua District by 2019. It is one view of Rotorua in ten years time.

Growth

There could be 2,500 new homes and 5,000 more people living in the district. On average there could be 6,000 more visitors staying in the district each night than there are today. The increased number of residents and visitors would require infrastructure for 20% more people than the current population.

Safety

The district would have low crime and violence. Residents and visitors would have fewer accidents and injuries than similar urban areas. Resourcing from government agencies would ensure adequate provision of services that an international city needs in areas of policing, health, social services, recreation, transport, environmental protection and economic development.

overview of the ten year plan cont.

International City

Rotorua could be an international city recognised for its urban and rural design, including the Lakefront, CBD, reserves and other public amenities. This focus on urban design would have increased safety, property values and the overall attractiveness of the city to visitors. Developers, investors and residents alike would have embraced a vision that has added value to the net wealth of businesses and individuals.

Visitors

There could be half a million extra visitors from Australia through the Rotorua airport, making a significant contribution to the economy by way of events, conferences, shows, new business start-ups, property values, growth in the accommodation sector and other tourism related activities. There could be a new five-star hotel as part of a joint venture between Iwi, Council and private developers, with funding coming from private investors.

This hotel would allow Council to progress the Lakefront development to an international standard. Ratepayers would have made a reasonable contribution to the Lakefront development but the majority of the international element would be funded from the joint venture partnership. The Lakefront would be even more of a community focal point than today, attracting residents and visitors alike. It would be integrated with the CBD through to Rotorua Central, and also with Government Gardens.

Forest Ownership

Forest ownership would have started transferring from Crown Forest Licence holders to the new Maori owners with a corresponding shift in wealth. There could be considerable value added to logs in the district using new science from Scion, along with traditional wood processing. There could be a consolidation of processing plants throughout the North Island and

Rotorua could again be the centre of wood processing. The recreational aspects of forestry, such as mountain biking, would be growing. Long term arrangements would exist with the new forest owners for adventure recreation in forests.

New Business

Over the next ten years Rotorua would have made considerable advance in attracting more diversified technology and science-based industry to the district. Scion would have played a large role in this type of new business start-up. The geothermal resource would have been developed in a sustainable commercial way.

Local Government

There is the possibility of some reform of local government in the Bay of Plenty which could allow for more efficient provision of services, making Rotorua rates more affordable than any other similar district council. Accordingly, there would be a high degree of satisfaction with the cost, quality and quantity of council services for both regulatory and non-regulatory activities.

Lakes and Air

Lakewater quality for the four priority lakes would have improved vastly and the Trophic Level Index (TLI) of all lakes would be generally on target. Rotorua lakes may even be the subject of much international discussion, particularly the possible success of changing land use to help improve water quality. These changes would have been achieved with little net economic disadvantage to landowners or the district. Air quality would have further improved to the extent that the need for intensive monitoring would have disappeared and there could be corresponding improvements in health outcomes for residents.

Community Wealth

The personal economic fortunes of all residents would have improved and average income levels would be above the national average.

Anticipated Economic Outlook for Rotorua – the next two years

There is a view that New Zealand may not be as susceptible to recessionary pressures as many other economies because:

- The government has introduced bank guarantee provisions, which ensure no further finance company or bank collapses.
- We do not have the level of sub-prime mortgages in New Zealand that the US has faced and which has contributed to the economic crash in the first place;
- New Zealanders are, by and large, a resilient nation and adaptable to changing fortunes;
- Our major trading partner is Australia (50% of exports) which is also expected to be more resilient to current economic conditions;
- The bulk of our exports are food, which is the third most important requirement, behind water and air;
- Some family disposable incomes have improved through recent lower interest rates, fuel prices and the Consumer Price Index (CPI) being below 3%;
- The economy had no 'slack' prior to the recession. In fact there was pressure for recruitment of appropriately skilled employees;
- 2010 should be a better year than 2009.

Overall, Rotorua is no more insulated from the current economic recession than any other district within New Zealand.

Dairy

Incomes for dairy farming are expected to drop significantly. The payout forecast for 2010 is a significant drop on 2009. It is difficult to know what effect this will have on farmers' balance sheets. It is understood that in past years debt has been necessary to maintain their productive capabilities. This will mean that many may face financial hardship or, at the very least, their discretionary spend could be eliminated for the next two years.

overview of the ten year plan **cont.**

Forestry

The forestry sector, as with other sectors, is feeling the effects of the global recession. Log prices are likely to stay low and it will not be helped by Russia's recent decision to abandon proposed export tariffs. Therefore New Zealand forestry would be competing with low priced Russian exports. The scene for wood processing is mixed. Those wood processing companies with markets reliant on the US, Europe and Asia may struggle. Others which have a stronger domestic or Australian emphasis may find it less difficult. The overall downturn is also likely to impact on the contracting sector supporting the forestry industry.

Tourism

There are already very clear signals that international visitor numbers could be significantly down on last year. However, summer has seen visitor numbers benefitting from a shift in travel by New Zealanders from international to domestic - and Rotorua's consequently higher share of the domestic market - and growth in Australian visitors. Overall the international tourism market looks bleak for next year.

Income

It is highly likely that wage and salary levels will remain similar to 2009. Many retirees will have reduced income because of lower interest rates or dividends and the poor performance of superannuation schemes over recent years. It is also expected that unemployment numbers will increase and more people on fixed incomes will put pressure on the district's growth in GDP. It is likely that there will be an increase in expats returning home from other domestic and overseas destinations. This could initially lead to higher occupancy per dwelling.

On the positive side household incomes should increase and expenditure decrease because of reduced interest on mortgages, lower fuel prices and overall lower CPI. Rotorua's GDP will depend on how householders use this additional net income.

Education

It is possible that school students will stay longer at secondary school either through lack of job opportunities or their acknowledgment of a need for higher qualifications. This will also have an effect on tertiary education in the district.

Social

The difficult economic conditions could lead to an increase in crime and violence. There would be a much greater need for social services, policing, health and other support for the unemployed.

Financial

Short term borrowing costs will reduce with the official cash rate (OCR) reducing, providing opportunities for new capital investment. However a number of businesses may fail because of the 'risk adverse' nature of the financial sector. There will probably be sales pressure on virtually all sectors in Rotorua.

Property

The property market in Rotorua has not been as volatile as other parts of New Zealand, such as Auckland and Western Bay of Plenty. This means that capital gains are not as high but also, as the property market tightens, values do not collapse as they have in some other cities. The property market may also benefit from trans-Tasman services. There is evidence to suggest that trans-Tasman services will bring increased property investment from Australia, driving up the net value of the property market.

Treaty and Iwi

Treaty of Waitangi settlements are expected to continue throughout the next two or three years. In Rotorua District that should have a strong, positive impact on the local economy.

Central Government

Central government support and intervention within communities over the next one to two years as part of its economic stability package will be helpful. Evidence of that has already occurred with increased funding for local and state highway networks.

What Rotorua Can Do

Branding and Marketing

Opportunity is created by ensuring the Rotorua Regional Airport is trans-Tasman capable, with scheduled air services from two Australian east coast destinations as soon as possible. This will need a redirection of marketing away from other international destinations to Australia, and to domestic campaigns. Marketing needs a strong regional brand to support it. Branding is being developed to help the industry market their products in Australia. Marketing of the district from an economic perspective needs to be stepped up, not just from a tourism perspective but also as a place to live, work, play and invest.

Central Government

Other government agencies will need to ensure that they have considered the impacts of this economic recession and have an appropriate response. Police will need to be more vigilant for crime and violence when incomes are stretched. Council also needs to work with Police to try and complete the proposed Community Safety Order legislation. Schools will need to prepare for larger roles, and tertiary institutions need to have additional courses appropriate for people who will want to take advantage of higher education during periods of unemployment.

The Ministry of Social Development (MSD) will need to understand how to address accommodation needs of the homeless and Lakes DHB will need to make sure they retain funding for services. We also need to ensure we are prepared to deal with possible pandemics. MSD will also need to have considered what resources it requires to assist families through these difficult times, from a benefit perspective and in terms of training and development.

overview of the ten year plan **cont.**

Finance

It will be important for Rotorua, through its various lobbying avenues, to secure the maximum funding opportunities from central government.

There is an opportunity to use the low cost of capital and low contractors' rates to advance or accelerate capital projects, and to consider new projects that may otherwise not have been on Council's agenda. One opportunity that needs serious investigation is geothermal electricity generation.

Recovery

It will be important for the community to be ready for the inevitable economic recovery. The current economic crisis Rotorua finds itself in is probably the toughest since the 1930s. But recovery should occur over the next two years. It is absolutely critical that Rotorua be ready for this recovery by monitoring the signs of recovery closely, retaining staff without redundancy as much as possible, and keeping business and other community sectors informed.

Issues consulted on

The Ten Year Plan was prepared with a longer term view of what Rotorua District might look like in 2019. However, Council can not ignore the difficult economic outlook of the next two years.

We have therefore focused on three key themes in developing the plan. Under each theme we identified a number of very important issues. Additional detail for some of these issues is also provided in the Activity Group sections. The three key themes and major issues introduced in the next section of this plan are:

Economic growth

- Attracting inwards investment and wealth creation initiatives
- CBD revitalisation and Lakefront development integration
- Grow Rotorua Development Fund
- District marketing

Sustainability

- Energy and geothermal use
- Waste 2 Gold
- Waste minimisation

Affordability

- Maintaining levels of service
- Increasing user pays
- Funding renewals and a balanced budget
- Airport capital expenditure funding
- Changes to rating system

These issues are also covered in the respective Activity Group sections along with other important topics including:

Governance and Strategic Direction Group

- Cost management
- Communities for Climate Protection
- Local Government organisation in the Bay of Plenty
- Customer service

Social and Cultural Group

- Rotorua Civic Theatre Stagehouse redevelopment
- Cemeteries
- Community safety
- Healthy homes
- Maintaining current assets (renewals)
- New capital
- Skate parks
- Homeless people
- Grants
- Events
- Fees and charges

Environmental and Regulatory Group

- District Plan
- Urban design
- Ngati Whakaue: Wharenui Road development
- Air quality
- Integrated planning

Tourism and Economic Development Group

- Trans-Tasman air services
- District marketing
- Economic development
- Broadband

Infrastructural Group

- Climate change
- Stormwater and land drainage
- Transport
- Rotorua lakes water quality
- Wastewater
- Water supplies.

consultation on draft ten year plan

Overview of Consultation Process

Eight page tabloid summaries of the draft Ten Year Plan and submission forms were distributed to every household and private mail box in the district, with additional copies mailed to out-of-town property owners. The summary, full draft plan and submission form were also made available for inspection at a number of council locations, and on the council website from where online submissions could be made.

A series of public meetings provided opportunities for residents to find out more about the council's proposals, and the chance to ask questions and comment on the draft Ten Year Plan. A communication campaign included newspaper public notices, media releases and radio commercials, drawing attention to the consultation process and encouraging the community to participate and give feedback.

A total of 762 submissions were received and 131 submitters took the option of speaking to the mayor and councillors in person about their submissions, over a five day period. Submissions tended to be supportive of the 2% general rates increase proposed in the draft Ten Year Plan for 2009/10 and of proposals to hold general rates increases to within inflation for the remaining nine years.

Other major issues identified by many submitters included waste minimisation, various rates issues (including the Business and Economic Development targeted rate proposal), forest recreational access, geothermal use, CBD revitalisation and the Lakefront development proposal.

All submissions were acknowledged in writing and submitters will also receive correspondence informing them of the relevant decisions made by the council in adopting the Ten Year Plan 2009-19.

Survey Results

As part of the process of feedback on the draft Ten Year Plan, 355 submitters completed a survey form identifying which council services they thought needed more attention, which were OK at current levels, and which could have less spent on them. In broad terms, most submitters thought that council resources presently allocated to the various activities were generally "about right."

The top seven activities that submitters thought needed more attention were:

- recycling facilities
- community safety
- attracting events
- processing building consents
- parking availability
- road safety
- district roads.

The top activities that submitters wanted to see fewer resources allocated to were:

- parking enforcement
- community arts
- tourism marketing
- assisting community groups
- City Focus events and entertainment
- processing building consents
- processing planning consents.

And those specifically identified as being at about the right levels were:

- downtown cleaning
- library
- rubbish collection
- museum
- parks, gardens & reserves
- visitor information centre (i-SITE)
- event facilities.

Other Feedback

The council has also compared these survey responses to preliminary results from the 2008 NRB (National Research Bureau) survey into community perceptions of council services and activities. The NRB survey comprises independently undertaken research targeting 400 demographically representative and randomly selected respondents from across the district.

A separate review of service levels and of RDC's performance framework, undertaken by consultants Synovate NZ, has also been considered by the mayor and councillors.

Focus for 2009/10

As a result of feedback the council has decided that in the coming year (2009/10) particular attention will be given to improving community satisfaction with the following activities and services:

- recycling: allocating more resources to recycling
- waste minimisation: preparing a detailed report outlining options to increase levels of service, including kerbside recycling, for possible implementation in the 2010/11 year.
- community safety: achieving more general awareness of the cooperation that exists to improve community safety, among the Police, Ministry of social Development and RDC.
- events attraction: increasing Rotorua's competitiveness and ability to attract significant events that boost the local economy.
- processing building consents: more effective measurement of satisfaction levels so improvements can be targeted if required.
- parking and roading: investigating and analysing a range of options that have been identified in officer reports.

three key themes

Three key themes for the future

This section provides a high level overview of the key themes that underpin this Ten Year Plan. Under each of the key themes we have identified a number of specific issues that Council sees as critical to its direction and which underpin much of this plan. These issues have implications for our community and for the services Council delivers.

A large part of the funding is directly from communities through rates and debt.

Council has tried to keep rate increases as low as possible and over the last 10 years has consistently achieved some of the lowest increases in the country. However, our community expects excellent facilities and this places significant pressure on council funding. Council has been very successful in obtaining external funding for a range of projects and has benefited from substantial local support through the Rotorua Partner Programme.

Council believes this approach must continue if we are to progress some of the key issues outlined in this section. In particular, we believe we must work more closely with the private sector through public/private partnerships, to deliver a number of critical projects proposed over the coming ten years.

This Ten Year Plan sets out activities that will be achieved while holding overall rates increases in 2009/10 to just 2%*, and fees and charges to within the levels of inflation (CPI). The remaining nine years of this plan will see overall rates and fee increases limited to between 3.5% - 4% (or within 1% of the Consumer Price Index).

* adjusted for growth of 1.5%

Three key themes have influenced the decisions in this Ten Year Plan:

- Economic Growth
- Sustainability
- Affordability



three key themes **cont.**

1. Economic Growth: Stimulating the local economy

Exactly how the global recession will affect the Rotorua economy is as yet unclear. However, it is unlikely that the tactical responses that have served us well over the last three years will still be as effective, or indeed valid, in the future. Flexibility in responding to changing circumstances will be critical.

A proposal in the draft Ten Year Plan signalled the possibility of Council purchasing the crown forest licence for the Whakarewarewa Forest from the present owners as a means of protecting public recreational opportunities in the forest. However the council acknowledges subsequent opposition to this proposal by the new land owners and will not proceed with the licence purchase. Instead the council intends liaising with the land owners and licence holders with the aim of ensuring that recreational and amenity values of this iconic area continue to be available to future generations. Retention of commercial recreational opportunities in local forests is seen as a significant opportunity for enhancing Rotorua's economy.

During consultation on the draft plan there was strong support within the community for the council to take a much more proactive leadership role to stimulate the local economy, and for this to be given appropriate priority and funding commitment because of the recessionary environment being experienced. In principle this was supported by both the Chamber of Commerce and Bright Economy Advisory Board. The strategic goals set out in the draft Ten Year Plan have not changed in the final plan but the mechanisms to achieve those goals have.

Attracting inwards investment and wealth creation initiatives

What we are going to do:

The council has decided to address this important issue by attracting inwards investment and economic initiatives - budget \$150,000 in 2009/10 year. The goal is to create jobs and entrepreneurial activity by attracting investment and employment from outside. The first stages of this project will include:

- Analysing emerging global and national growth industry sectors.
- Identifying the competitive advantages of Rotorua's economy.
- Reviewing recent industry development and planning initiatives, including 'greenfield' and 'brownfield' development.
- Liaising with key business and industry sectors to review development opportunities.
- Determining priority areas for attracting investment and business opportunities.
- Developing an action plan for attracting inwards investment and wealth creation initiatives.
- Developing resources and materials necessary to support the plan.
- Engaging fixed-term contractors or employees to implement the action plan.

CBD revitalisation and Lakefront development integration

What we are going to do:

The council has decided to address this important issue by increasing the budget for CBD revitalisation and Lakefront integration programmes - \$200,000 in 2009/10. The increase in CBD revitalisation investment will be used to ensure progress can be made on a range of CBD revitalisation projects, including:

- Developing additional themed precincts to follow-on from the successful Eat Street precinct.
- Creating a night market to attract people into the CBD in evenings.
- Adding professional urban design to all CBD development work.
- Integrating themes and principles already identified in the Lakefront concept plan, into CBD developments.
- Developing a master plan for the CBD.
- Identifying potential CBD redevelopment projects in association with equity partners.

The Rotorua community is fortunate to have the large format retail area, Rotorua Central mall co-located with the CBD and main street retail strip. This provides a unique opportunity that does not exist in many cities. However it comes with challenges and pressures on the existing retail areas.

At the other end of the CBD we have the magnificent Lakefront which has not had the level of attention, in terms of its design and integration with the CBD, that perhaps it should have. Over the last 12 months Council has had consultants exploring new design opportunities with key Lakefront opinion leaders and wider-community leaders.

The goal of this project is to ensure the Lakefront makes a proper contribution to the social and economic well-being of our city. Integration with the CBD and a cohesive linkage through Tutanekai Street to Rotorua Central is critical.

The Lakefront development will be a long term project. However the vision will be established early to ensure there is a consistent and committed contribution by Council over many years.

It is likely that some of the development, particularly the Lakefront, will require public/private partnerships through joint ventures with Iwi and others. These joint ventures will be of a very long term nature and require a level of understanding of commercial elements of the Lakefront development, not previously explored by this community. If done well, these development opportunities can make an enormous contribution to the city's economic growth.

three key themes **cont.**

Two projects have been included in the Ten year Plan. \$8m has been allocated in 2011/12 for a new pier and \$1m in 2016/17 for reserve upgrades.

Council has not included any other funding in the draft Ten Year Plan as it believes that much of the development can be funded through public/private partnerships. This kind of approach has been successfully applied in Auckland's Viaduct Basin and along the Wellington waterfront.

Grow Rotorua Development Fund

What we are going to do:

The council has decided to address this important issue by establishing a Grow Rotorua Development Fund - \$3.5m in each of 2009/10 and 2010/11 years. Establishment of the Grow Rotorua Development Fund is a proactive response on Council's part to submissions to the draft Ten Year Plan. While the objectives of the fund have been identified as follows, actual investment projects will be determined once a robust policy with clear rules is developed during the first three months of the 2009/10 financial year. The fund is to be used specifically for:

- a) Reducing the impact of the economic recession on businesses and the community.
- b) Improving local GDP and growth beyond the recession period.
- c) Improving community capacity by growing the economy, population, new business and recreation opportunities.

The policy setting out how this fund will operate, will address such matters as:

- The likely scale of any new enterprise that may be attracted to the district.
- The number of new jobs that any new enterprise would create, including related skills, qualifications and experience.
- The unique potential of any new enterprise to add vitality and variety to the district's economy and community.
- The ability of a new enterprise to complement existing businesses.
- The previous track record of a new enterprise (and those associated with it) in other communities and/or countries.
- Compatibility with the district's current economy (including tourism, forestry, farming and associated service industries).

Establishment of the Grow Rotorua Development Fund will allow strategic investment decisions to be made on behalf of, and for the benefit of, the wider community. Decisions will be taken that help counter the effects of the current economic downturn, and in a more proactive way than would have otherwise been possible within the parameters of the earlier draft Ten Year Plan.

Rotorua District Council is looking forward to working with business sector representatives and the wider community to develop detailed policy for the Grow Rotorua Development Fund.

District marketing

What we are going to do:

The introduction of trans-Tasman scheduled air services creates a range of new opportunities for marketing Rotorua. A brand and marketing campaign is being developed for the wider region. Once complete Destination Rotorua Tourism Marketing and other regional tourism organisations will fund various campaigns. The current marketing spend (to be funded predominantly by businesses through the proposed Business and Economic Development Targeted Rate - (see rates review section), is being refocused on the Australian market.

For 2009/10 Council has not increased its annual marketing spend within the Destination Rotorua Tourism Marketing budget. This may mean a slower start to visitor levels from trans-Tasman services than expected, and less immediate economic benefit to the district.

Council has been conservative in budgeting for marketing activities. Funding for marketing campaigns in eastern Australia will come from a reduction in marketing expenditure in areas such as North America and Europe.



three key themes **cont.**

2. Sustainability: Sustainable development approach to activities and services

The council must take a 'sustainable development' approach to its activities, as required by the Local Government Act 2002, recognising the well-being of the community today and for future generations. Through its Ten Year Plan Council shows how it is supporting and developing the community, directly and through partnerships, in a way that protects the interests and needs of future generations. While most people associate the term 'sustainability' with environmental issues, the council is also committed to an approach that is economically sustainable for the duration of the Ten Year Plan. At the start of this Ten Year Plan phase, the country is in a recessionary period. Therefore planning and rating requirements for the next three years reflect the community's ability to afford proposed activities and services.

Council's 'leadership' approach to sustainability also reflects the current social, economic and political setting in New Zealand including fluctuating energy costs, global financial market crises, national targets for pollution control and greenhouse gas emissions, and debate over such legislation as the Emissions Trading Scheme and the Waste Minimisation Act 2008.

Energy and geothermal use

What we are going to do:

Council is a member of the Communities for Climate Protection (CCP) programme run by the International Council for Local Environmental Initiatives (ICLEI). Council has now adopted emission targets and developed a corporate action plan to reduce energy use. It has contracted a part-time Energy Manager to help deliver a major reduction in energy usage across all services. In addition, Council has six consents for geothermal use and they provide energy for the museum, Energy Events Centre, nursery, aquatic centre and wastewater treatment plant.

The council will explore the opportunity for greater commercial use of geothermal consents, including partnering with other interested organisations to develop efficient geothermal energy use applications. The benefits of this would include making Council more self-sufficient and reducing the cost of operations. It would also help reduce the risks associated with electricity outages. Areas of major concern are the wastewater treatment plant (pumping of effluent) and museum (management of air-conditioning to protect artworks and taonga from hydrogen sulphide gases), event venues (in operating conferences, concerts, sports events etc) and operation of Council's Civic Centre during civil defence emergencies.

This is a new area of interest for Council and one that has the potential to significantly reduce the cost of operations, reduce risks and improve services.

No specific budgets have been included in the Ten Year Plan. Council has assumed that public/private partnerships may be used to progress these projects or new expenditure will be funded from direct savings in operational spending.

Waste 2 Gold

What we are going to do:

The wastewater treatment plant (WWTP) is an efficient system for treating sewage from the city's 58,000 residents and 5,600 business premises. The outputs of the wastewater treatment plant are:

- Water containing nutrients, including nitrogen and phosphorus, which is pumped to settling ponds in the Whakarewarewa Forest and then spray irrigated on parts on the forest on a rotational basis.
- Sludge, which is sediment that cannot be treated any further. Currently, the sludge is 'de-watered' and then transported to the landfill for disposal. This process will be prohibited from 2012 onwards under a National Environmental Standard.

Scion was engaged to identify alternative options for the treatment of the sludge and has now proposed a solution that has very high levels of sustainability. This has been branded 'Waste 2 Gold'.

The underlying principle of the Waste 2 Gold programme is to promote the conversion of waste carbon into useable energy. It involves developing technology platforms to maximise recovery of embodied energy from low-value carbon substrates, generate added value co-products, and minimise the environmental footprints of waste carbon generators and energy users.

three key themes **cont.**

This project, if successful, will provide a sustainable long term solution for the disposal of the wastewater treatment plant's sludge. Council believes it is important to progress this project over the next ten years.

Council is working closely with Scion and has to date funded approximately \$500,000 for research. We are committed to building a small scale pilot plant during the 2009/10 year. Council and Scion are jointly seeking a central government grant from the landfill waste levy scheme currently being set up, to pay for the cost of the pilot plant.

A pilot plant will enable Council and Scion to confirm whether a full scale plant will be effective. At this stage there is some risk that the pilot would not be successful and Council would need to consider other options. If that occurs Council will need to move quickly to comply with the prohibition on sludge being landfilled, that will come into effect in 2012.

\$7 million has been included in 2011/12 to build an operational plant. It may cost more to build a plant to service this community, but Council is confident that a private partner can be found to help fund this project.

Waste minimisation

What we are going to do:

As a result of feedback during the consultation phase on the draft Ten Year Plan the council has called for a detailed investigation and report into the best way to deliver recycling services for the future. This report will also consider options for a kerbside recycling collection service. The report will be completed in the early part of the 2009/10 year so that any decisions to amend existing waste policy and current practice can be implemented from the commencement of the 2010/11 year.

The council is conscious that over recent years there have been many requests for a kerbside recycling service. However to date the prevailing view has been that existing recycling options were working well and with lower costs than if a kerbside collection service had been introduced. Additionally the In-Town Recycling Centre's five year management contract and is not due for retendering until 2010 and this has to be taken into consideration. However the new report will help the council to decide what changes, if any, need to be made to waste minimisation programmes in the district.

In anticipation of a possible increase in recycling service levels, the council has included \$800,000 in each year of the Ten Year Plan with effect from 2010/11. But prior to this, considerably more analysis will be undertaken to help determine exactly what changes need to be put in place.

Recycling options:

Included in the waste minimisation investigation and report to be undertaken in 2009/10 will be a consideration of a number of recycling issues and options, including:

Recycling Issues	Some Options
<ul style="list-style-type: none"> ■ Frequency of service 	<ul style="list-style-type: none"> ■ Weekly ■ 2 weekly ■ Monthly
<ul style="list-style-type: none"> ■ Collection container 	<ul style="list-style-type: none"> ■ 50 litre bin, 120 litre, 240 litre ■ Wheelie bins ■ Households supply own
<ul style="list-style-type: none"> ■ Contractor 	<ul style="list-style-type: none"> ■ Castlecorp (ie in-house) or tender out
<ul style="list-style-type: none"> ■ Sorting of material 	<ul style="list-style-type: none"> ■ Household sorting at the kerb ■ At time of collection ■ At recycling centre
<ul style="list-style-type: none"> ■ Pricing of service 	<ul style="list-style-type: none"> ■ Separate targeted rate ■ Include with current rubbish collection rate ■ General rate ■ Pay contractor directly
<ul style="list-style-type: none"> ■ Future of current In-town Centre 	<ul style="list-style-type: none"> ■ Continue on a reduced scale ■ Close and refer those without kerbside service to landfill recycling site
<ul style="list-style-type: none"> ■ Business 	<ul style="list-style-type: none"> ■ No service ■ Extend to commercial premises

three key themes **cont.**

3. Affordability: Holding rates rises to an affordable level over the 10 years.

A major effort has been made to reduce costs, taking advantage of savings that will accrue from an internal procurement review and being especially conservative with budgeting. This has seen an overall cost reduction in excess of \$1.3 million. The effect of these savings has been to hold the general rate increase to 2% for 2009/2010 (after adjusting for growth in the rating base of 1.5%). The economic recession is seen as an important factor in determining the affordability of rates and other fees and charges set by Council to fund services.

Maintaining levels of service

What we are going to do:

Council will maintain current levels of services, except where there is already a commitment to change the level of service, or a commitment to build new facilities. These development commitments include:

- Civic Theatre (back stage redevelopment)
- Museum stage 3
- Lakeside communities' wastewater schemes
- Aquatic centre redevelopment.

Council will continue the current approach of seeking to secure substantial funding from external sources, such as central government, Rotorua Trust or the Rotorua Partner Programme, to support major investments in community facilities. This approach has been successful to date, although the current economic environment may make it more challenging.

Council committed \$4 million to the Civic Theatre backstage redevelopment in the 2006-16 Ten Year Plan. The project, previously forecasted at \$8.2 million, has been scaled down to \$5.7 million. A fundraising working group is charged with finding private partners for the remaining \$1.9 million. The council will also explore public/private partnerships to extend facilities and services at the aquatic centre.

This plan also provides for a reduction in the levels of some community grants - the only proposed service level decrease.

Maintaining service levels identified in this plan mean that the general rates will increase by 2% (after allowing for growth in the rating base) for 2009/10 and limited to between 3.5% - 4% (or within 1% of the Consumer Price Index) for the remaining 9 years of this plan.

Increasing user pays

What we are going to do:

User charges are an important funding mechanism for Council, which has resolved to identify new user charges where available and increase user charges by at least CPI levels each year. Areas where charges are expected to rise for 2010 are:

- Aquatic Centre
- Building and planning fees
- Animal control
- Environmental health inspections

Funding renewals and a balanced budget

What we are going to do:

Section 100 of the Local Government Act 2002 requires councils to budget each year's operating revenue to meet the year's operating expenses (a balanced budget). Financial information must be prepared in accordance with Generally Accepted Accounting Practice (GAAP). GAAP includes NZ International Financial Reporting Standards, (NZIFRS) and these standards require that a provision for depreciation be included.

Therefore a balanced budget may mean Council collects more revenue (rates from the community) because calculated depreciation on council assets may be higher than the funding actually required to keep it adequately maintained (renewal spending).

Council has chosen to rely on its asset management plans to set annual funding requirements so as to maintain assets in their current condition, rather than identified depreciation. Council does not want to generate cash reserves.

Council has set its revenue prudently, ensuring:

- assets are adequately maintained throughout the Ten Year Plan
- levels of service are maintained for those assets
- there is 'inter-generation equity' between current and future ratepayers.

Council does not fully fund depreciation, therefore it is not building up 'cash reserves' to replace assets or to deal with future problems. From an accounting perspective council does not operate a 'balanced budget' across all 10 years of this plan.

Some examples of why this approach is prudent include:

- Council's subsidy rate from NZ Transport Agency (NZTA) for renewals is 53% meaning ratepayers will only be required to fund 47% of renewal costs. Therefore only 47% of subsidised roading asset depreciation will be funded. Consequently the unfunded portion will be 53% of depreciation.
- The Energy Events Centre (EEC) should last well in excess of 50 years and any decisions about how it will be replaced will be made then. Council's contribution to build the EEC was less than 25% of the \$28 million cost. Council believes that a similar approach would be used in the future to replace the EEC, so does not see it as prudent to build up large depreciation reserves from current ratepayers in order to fund its future replacement.
- The new sewerage schemes being constructed in the district over the next ten years will require only minor expenditure over the next 20 – 25 years. Therefore, not funding depreciation on the lakeshore schemes will have no effect on the service over the next 20 – 25 years.

three key themes **cont.**

Airport capital expenditure funding

What we are going to do:

The single largest investment Council has made for many years is in developing the Rotorua Regional Airport infrastructure to accommodate trans-Tasman scheduled services. This capital expenditure is due for completion in July 2009, and work is well underway on developing branding for a wider-Bay of Plenty marketing initiative.

The capital development is self funding and there is no general rates income used. Previous Council decisions identified that this activity would be funded entirely from the Airport Development Levy, lease payments from Rotorua Regional Airport Limited (RRAL) and other external sources. Those other external funding sources are:

- Borrowing
- Share issues
- Grants.

A range of scenarios has been prepared using a mix of the above funding sources, and they are:

- A potential funding source may include assistance from Environment Bay of Plenty's Regional Infrastructure Fund in the form of grant, loan or equity investment
- A loan, or equity, from Rotorua Trust (Rotorua Energy Charitable Trust) on commercial terms
- Equity capital from a share issue to the Rotorua business sector, particularly the visitor industry, and the wider community.

Council believes the airport will be a financially successful asset over the next 10 to 15 years. In the more immediate term, as trans-Tasman services build, net income will be used to fund interest costs and therefore any equity issues will be with little or no dividend for the initial 2 to 5 years. Some sensitivity analysis has been undertaken to show that it is important to have a range of funding sources over and above borrowing by the council.

A significant portion of Council's medium term debt is associated with the airport development. However, Council's overall debt levels are low and will reduce over the ten years of the plan.

This investment will make a significant difference to the level of employment and economic value added to the Rotorua district and wider Bay of Plenty region.

Changes to rating system

What we are going to do:

Council signalled in the last Ten Year Plan that it would review its rating policy and that it saw merit in considering a system based on capital value.

Council received significant feedback on the proposed capital value model released for public consultation in 2008. This feedback included 1400 formal submissions and a petition.

Council abandoned proposals to move the rating system to one based solely on capital values but identified a number of key themes from submissions that would assist in developing a new rating proposal.

A new rating system has now been developed. The major changes to the new system are:

1. Increasing the Uniform Annual General Charge (UAGC) to \$550 (close to the legal maximum).
2. Targeted rates charged to all properties to pay for urban and rural roads. These rates to be charged on capital value.
3. Targeted rates applied to business properties to fund business and economic development. Included in this targeted group will be short term accommodation providers (B&Bs, lodges etc) that operate from residential properties.
4. A much smaller general rate, allocated using land values.

The policy around other targeted rates, such as refuse collection, sewerage and water, remain unchanged.

More information on changes to the rating system is detailed in the rating policy (see volume 2, page 59).

The new rating system reduces some of the impact of major changes resulting from the 2008 revaluations eg. less significant increases for farming properties.

The new targeted rate means businesses will now pay a separate rate to fund most of Council's spending on economic development, Destination Rotorua Tourism Marketing, Rotorua Travel Office, and Events & Venues. However, there will also be a decrease in the general rate differential paid by business. Overall, the proportions of rates paid by different sectors (residential, farming and business) remain largely unchanged although individual impacts may vary because of changes to the rating system or revaluations.

Other changes signalled for the future are a progressive increase of the UAGC towards the legal limit (30% of general rate), and a progressive decrease of the general rate differential paid by business over time.

financial summary

Financial summary

Introduction

As has been mentioned earlier in this section, the economic forecast for the next one to two years has had a significant influence on preparation of the Ten Year Plan and budgets. There has been considerable scrutiny of budgets by management and elected members.

Highlights of the financial information include:

- A 2% increase in general rates revenue required for 2009/10 (after allowing for growth in the rating base) and 3.5-4% (or within 1% of CPI) for the remaining 9 years. Council has also changed the rating system and this will mean that all ratepayers will see a new targeted rate called Roading on their rates notices. Also included is a new targeted rate for business called Business and Economic Development. However, all ratepayers will see a decrease in the general rate portion.
- Fees and charges increasing by around 3% per annum.
- Targeted rates for water, refuse and sewerage increasing by 3% per annum over the 10 years. However, individual targeted rates for the different schemes, particularly water, may vary between 0% and 14%.
- Council debt, after allowing for inflation, will decrease from \$139 million in 2009/10 to \$113 million by the end of 2018/19.

The balance of this section provides a summary of the financial statements and explanation of the big changes.

Funding Options

There has been careful scrutiny of all costs in an effort to keep rate increases as low as possible. Council is taking a 'steady as she goes' approach to the current economic recession with the view that it is important to:

- Keep moving forward with current commitments eg Civic Theatre upgrade, sewerage schemes and extensions to the museum
- Maintain existing levels of service in most areas
- Explore a range of new projects where funding partners or contributions can be found.

The council believes that the 'steady as she goes' approach is prudent, and provides a balance between affordability and ensuring the district develops and prospers.

Council's operations are identified under five groups. These groups are detailed in the Activity Plans section of the document and are:

- Governance and Strategic Direction
- Social and Cultural
- Environmental and Regulatory
- Tourism and Economic Development
- Infrastructural.

In summary, Council's financial strategy outlined in this plan is to:

- Spread capital expenditure, as much as possible, over the ten years.
- Limit capital expenditure on lifting levels of service. Less than \$95 million of the forecast \$488 million is related to improvements in levels of service and \$72 million is related to new sewerage schemes.
- Reduce internal costs to keep rates increases as low as possible. 2% is proposed for 2009/10 and between 3.5-4% (or within 1% of CPI) for the remaining 9 years.

- Increase fees and charges annually by at least CPI. In recent years some user fees have not moved at all while others have increased significantly every few years.
- Pay off high levels of debt for self funding reserves more rapidly over the ten years of this plan through income or targeted rates, eg airport and the self funding accounts for water and wastewater.
- Fund renewal requirements to maintain our assets in their current condition but not fully fund depreciation or build up cash reserves.

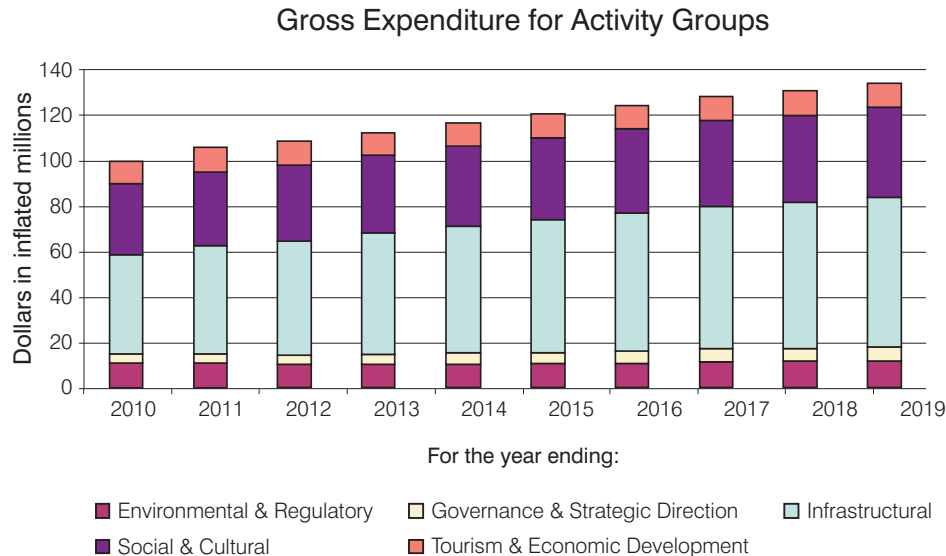
financial summary **cont.**

Operating Income and Expenditure

The council is forecasting that its operating expenditure will increase from \$99 million to \$134 million (or approximately 35%) between 2009 and June 2019. These increases are a result of:

- Growth – there will be more households in the district (see growth assumptions section for more detail)
- Price increases – contract fees, oil prices and inflation mean it will cost more to conduct business
- Service level increases – the council will be providing a higher level of service in some areas
- Depreciation (renewals) and interest payment costs changing.

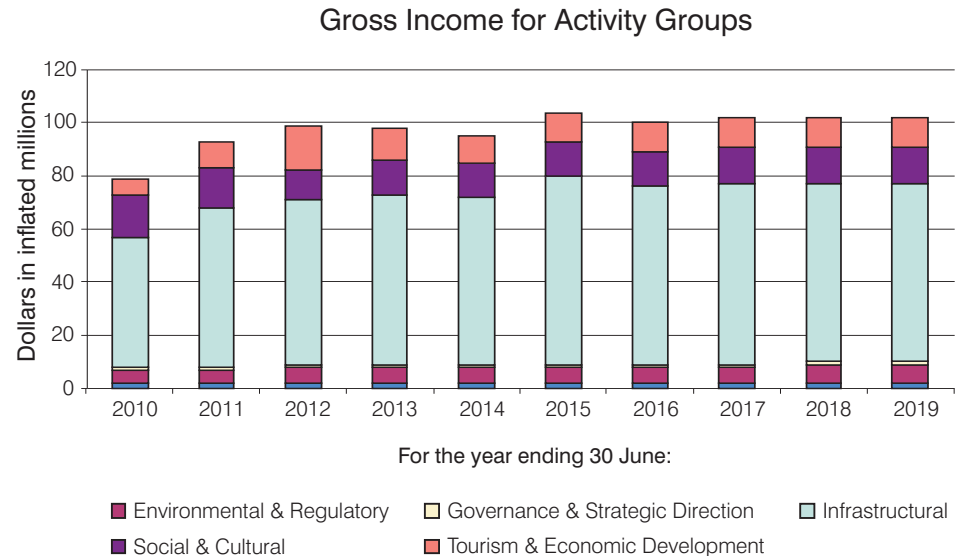
The following graph provides a breakdown of forecast gross operational expenditure, by activity group.



Council's revenue is forecast to increase from \$79 million to \$103 million (or approximately 31%) between 2009 and June 2019. These increases are the result of:

- Rating revenue - annual increases in general and targeted rates, including new targeted rate revenue such as new wastewater schemes being developed
- Fees and charges - increases for some council services
- Grants, subsidies and donations - for projects provided by external agencies or bodies
- Growth - in visitor and resident use of services.

The following graph provides a breakdown of the forecast gross income by activity group. It excludes general rate revenue.



financial summary **cont.**

Capital Expenditure

Over the next ten years Council is forecasting to spend \$488 million on capital expenditure. Of this \$172 million is for ongoing maintenance (renewals) of assets. Renewals are those parts of the infrastructure that need replacement from time to time and are effectively expenditure to ensure the infrastructure can continue providing the level of service it has in the past. This is a normal part of wear and tear of any infrastructural asset. There is a good understanding of component assets and their economic lives, so it is reasonably straightforward to plan and budget for their replacement.

\$173 million is for growth related expenditure. Expenditure on growth assets is to provide for increased demand beyond the assets' current capacity, and \$65 million is funded from development contributions. Council uses borrowing to fund capital expenditure and over time recovers the cost from developers.

Backlog expenditure is required to return the infrastructure's capacity back to previous service levels. \$48 million is forecast through the Ten Year Plan.

\$95 million is allocated for increases in levels of service for other assets and is funded by loans.

Council is proposing to invest \$84 million in community infrastructure and \$349 million in utilities infrastructure.

Capital Expenditure by Type

For the year ending 30 June:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<i>Dollars in millions</i>										
Renewal	18	19	16	16	19	13	14	17	18	22
Backlog	8	10	12	12	2	1	1	1	1	1
Growth	18	26	18	12	25	33	13	13	13	1
Levels of Service	28	16	13	6	6	7	7	5	4	4
Total	71	71	59	45	52	54	35	36	37	28

Capital Expenditure by Council Group

For the year ending 30 June:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<i>Dollars in millions</i>										
Governance & Strategic Direction	5	4	1	2	2	3	-	1	-	-
Social & Cultural	19	14	12	6	6	4	4	5	8	6
Tourism & Economic Development	7	1	1	1	1	1	1	1	1	1
Infrastructure	37	50	43	34	40	45	28	27	25	19
Castlecorp	2	1	1	1	1	1	1	1	1	1
Total	71	71	59	45	52	54	35	36	36	28

financial summary cont.

Council Debt

Loans are important tools used by local government to ensure fairness in funding capital expenditure over the life of assets. It is a requirement to ensure that the benefits of an asset are funded by both today's ratepayers and future generations proportionate to the benefits they receive. Loans are the only practical way of achieving this.

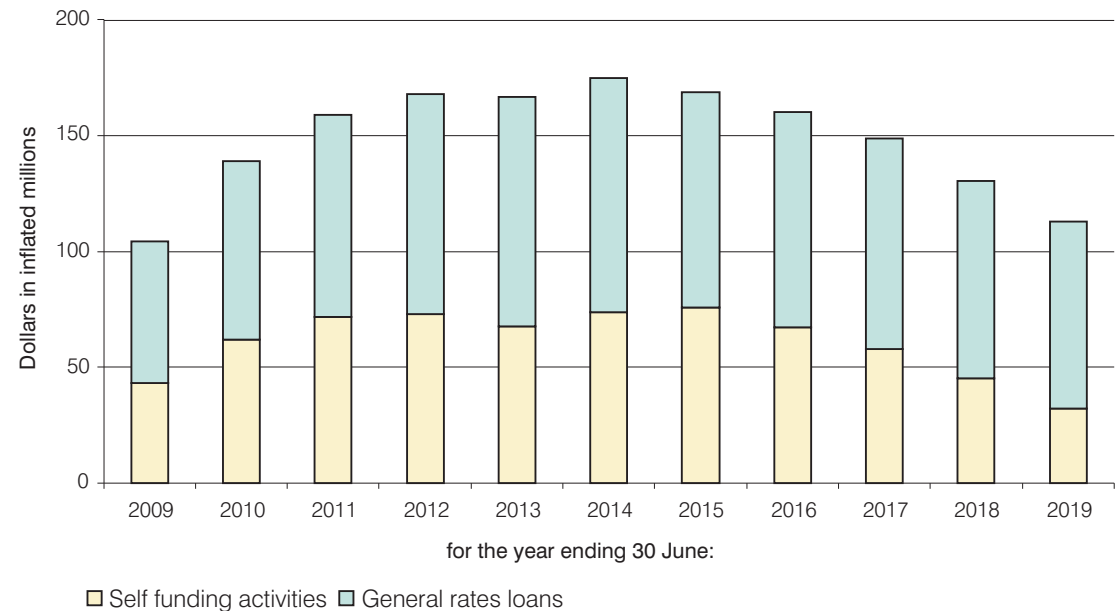
The long term debt is expected to increase from \$139 million in 2010 to a high of \$175 million in 2014. This is reduced to \$113 million in year ten of the Plan. The main reasons for the increase in debt are linked to Council's capital expenditure programme which includes \$201 million of expenditure over the next 3 years and then a major investment in the Victoria Street arterial commencing in 2014. This is discussed further in the Infrastructure Group Activity Plans. The debt is generally that associated with the self-funding activities such as wastewater and water.

The overall long term debt starts to reduce in the last 5 years of the Ten Year Plan because:

- the assumption that rates will increase by between 3.5-4% (or within 1% of CPI). This allows more debt to be repaid over the latter years of the Ten Year Plan.
- in the latter years trans-Tasman scheduled services increase providing greater surpluses which are used to reduce the self funding account debt balance.

Total Long Term Debt

as at 30 June	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<i>Dollars in millions</i>										
Reserve Accounts	62	72	73	68	74	76	67	58	45	32
General Rates Loans	77	87	95	99	101	93	93	91	85	81
Total debt	139	159	168	167	175	169	160	149	130	113



financial summary cont.

Prospective Statement of Financial Performance

for the year ending 30 June	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<i>Dollars in millions</i>										
Revenue										
Rates	34	35	37	39	41	43	45	47	49	51
Other revenue	79	93	98	97	95	103	100	103	102	103
Total revenue	113	129	135	136	136	146	145	149	151	154
Expenditure										
Operating	68	70	72	74	77	79	84	87	90	93
Finance	7	10	11	12	12	12	12	11	10	9
Depreciation	24	25	26	26	28	29	29	29	30	31
Total expenditure	99	105	109	112	116	120	124	128	130	134
Surplus for year	14	24	27	24	20	26	21	21	20	20

The prospective statement of financial performance includes the following headings:

General rates

Rates include the General Rate and the Uniform Annual General Charge (UAGC). Council is proposing to transfer Transport and a portion of Events and Venues, Economic Development and Tourism/Marketing costs from general rate to targeted rates. The income from these targeted rates is included in other revenue.

Other revenue

This includes all targeted rates (water, refuse, sewerage, roading and economic development), fees and charges, and all capital grants and donations. These rates have been increased by at least CPI in most cases. There are also new targeted rates proposed for Brunswick, Brunswick (Stages 4 & 6) and Rotokawa in 2009/10 to fund a share of new capital expenditure required for the eastern sewerage truck main to the Urban Wastewater Treatment Plant, and provide additional capacity.

Operating

Operating expenditure increases by the relevant cost factor over the ten years of the plan (refer to the Adjusters table on page 12 of Volume 2 of this Plan under the Significant Forecasting Assumptions section).

Finance

Interest costs fluctuate with overall debt levels. The average cost of new borrowing is assumed to be 7%. This is very conservative at present, given that Council can currently raise loans at less than 6%. However it is considered reasonable as an average over the next ten years.

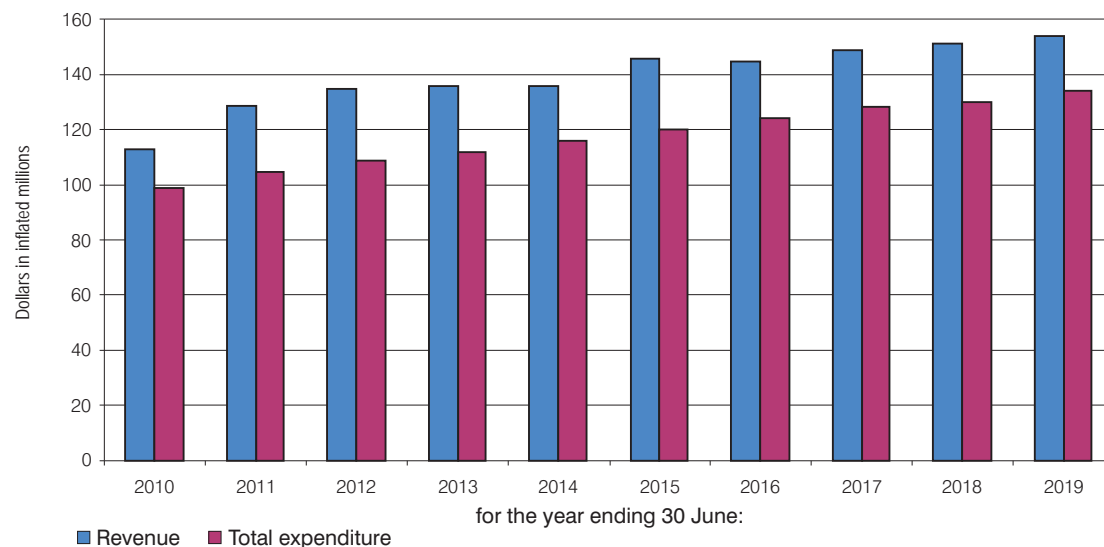
Depreciation

This non-cash cost increases over the next ten years and reflects the building of new assets and the replacement of assets at the end of their useable life.

Surplus

Council has budgeted in a prudent financial manner. The budgeted surplus is required to fund the renewal of assets, repayment of debt, and reserves for self-funding accounts. Council believes it is prudent not to fund all the depreciation expenditure.

Revenue and Expenditure Comparison

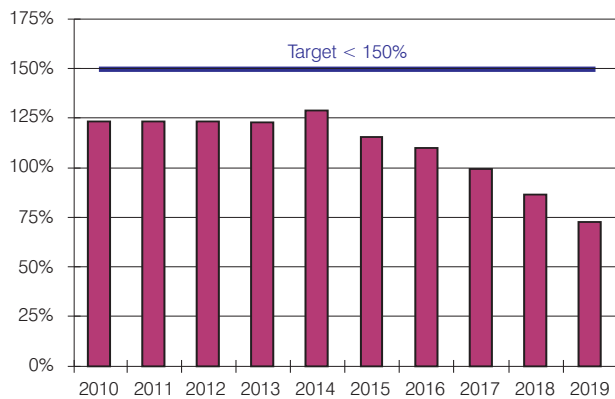


financial summary **cont.**

Treasury Policy Performance Targets

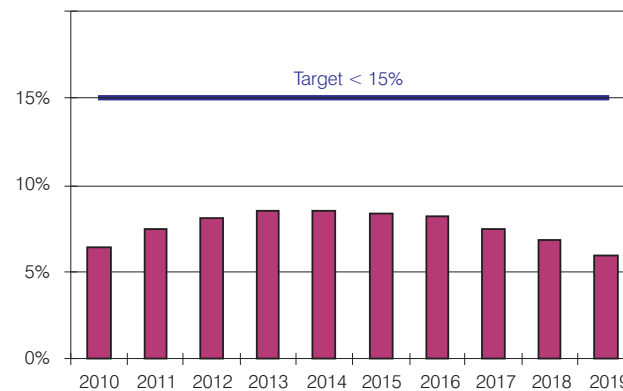
Council's Treasury Policy contains a number of performance targets to ensure borrowing limits are realistic in the current forecast financial climate. Borrowing limits and debt maturity targets help to minimise the Council's financial risk. The following six graphs outline Treasury Policy targets and Council's forecast position over the ten years.

Debt as a % of total revenue



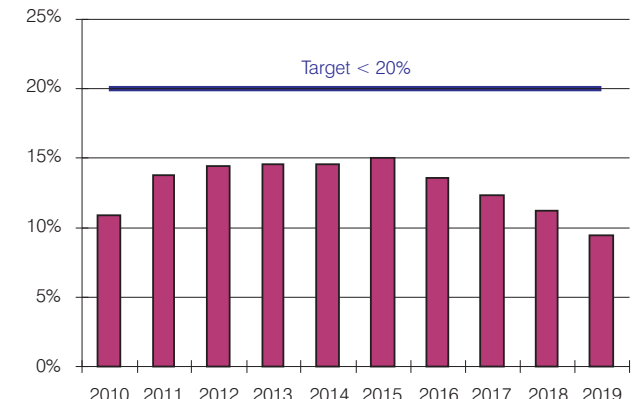
For the years ending 30 June:

Interest as a % of total revenue



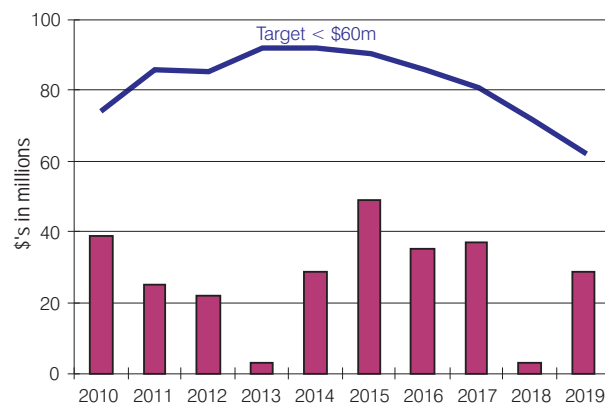
For the years ending 30 June:

Debt as a % of rates revenue



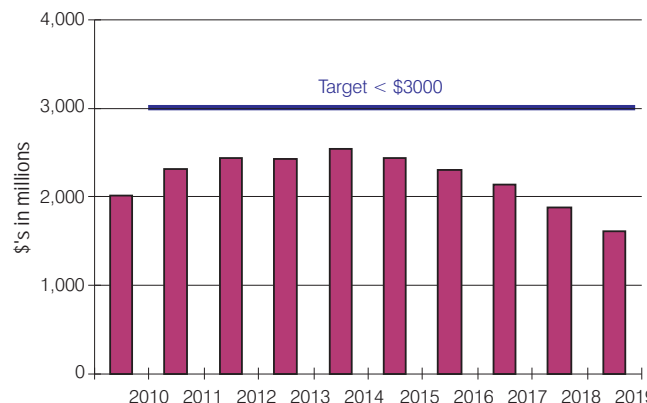
For the years ending 30 June:

Debt refinancing per year



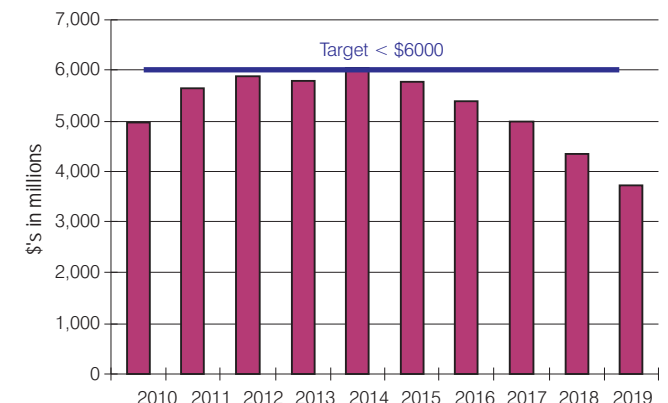
For the years ending 30 June:

Debt per rate payer



For the years ending 30 June:

Debt per rateable property



For the years ending 30 June:

Key Changes from 2006-16 Ten Year Plan

The majority of differences between the 2006-16 Ten Year Plan and the 2009-19 Ten Year Plan are summarised below:

- Community sewerage schemes proposed for Brunswick/Rotokawa, Okareka, Okere/Otaramarae/Whangamarino, Hinehopu/Gisborne Point, Hamurana, Tarawera and Rotoma did not proceed as quickly as planned because of delays in discussions with the Crown over a government grant, which was received in April 2008.
- It was expected that the airport would have trans-Tasman services established by 2008. However, because of delays in receiving necessary designations and consents, construction of the additional runway and strengthening was delayed by two years.
- It was proposed to establish a capital value based rating system. However this has not proceeded and a composite system that includes both capital and land value, along with additional targeted rates, has been developed. The proposed Rating Policy will be the subject of further consultation as part of this draft Ten Year Plan process. The policy is outlined in detail from page 59 in Volume 2 of this document.
- Council has not made the progress it has anticipated on development of new or additional cemetery plot space. This has been because of the difficulty in reaching an agreement over appropriate valuations for the lease of land.
- Council's staff numbers have generally remained static, limiting resources available to complete some projects.

- There have been some minor changes to funding and financial policies. They are:
 - A review of the Development Contribution Policy. After discussion with developers and consultants, the drafting has been altered to improve readability;
 - The Development Contribution levy on each new residential lot has been increased approximately 5.7%. This is the first increase in Development Contribution levies for three years and reflects the change in costs of growth capital;
 - The Reserve Contributions Policy has also been refined to remove ambiguity about the use of the contributions. These are for the purposes of purchasing land only;
 - The present Treasury Borrowing Policy has been expanded to include ratios of debt to total revenue at 15% and debt per property and population.
- The significant forecasting assumptions have been expanded in this Ten Year Plan to include:
 - A procurement review that has been undertaken and which has led to significant financial savings,
 - Inclusion of an assumption around the effects of climate change
 - Possible implications on Rotorua District Council of the Emissions Trading Scheme .

Changes in Levels of Service

In order to meet community expectations and the affordability test, there have been a small number of changes in levels of service. It should be noted that some of these service level changes have already been signalled in previous Ten Year Plans or Annual Plans.

Below is a summary of the changes:

- Redevelopment of the jetty and operators' accommodation at the Lakefront.
- Rotorua Regional Airport runway being lengthened and strengthened to accommodate aircraft for trans-Tasman air services.

- A number of roading projects that are a combination of providing for district growth and an improvement in levels of service. They are: Victoria Street arterial, Lake Road four-laning and \$1million of rural seal extension.
- Extensions to the Rotorua Museum of Art & History to complete the building to its original design. This will increase the capacity of the Museum to have more exhibitions, both touring and permanent.
- Improving district recycling services.
- Sewerage schemes for lakeshore communities and Mamaku will be an improvement in service for most properties in respect of their reduced effect on the environment.
- Community grants have been reduced by \$50,000 per annum.
- Development of the Waste 2 Gold pilot plant for the conversion of waste carbon into useable energy.
- Substantially upgrading some parts of the urban stormwater system to address a culmination of deferred expenditure. This will provide an improvement in the level of service for a number of areas of the city.
- A number of new public toilets in reserves that do not currently have toilets.
- Council has established a Grow Rotorua Development Fund for 2009/10 and 2010/11 as an economic stimulus initiative.
- Economic Development has received additional funding in 2009/10 for attracting inwards investment and wealth creation initiatives, and CBD revitalisation and Lakefront development integration.
- Four new skate parks (two in 2010/11 and two in 2012/13) in the western suburbs.
- Landfill methane gas flaring initiative, offset by sale of carbon credits to NZ Government.

financial summary cont.

Support Services (Overheads)

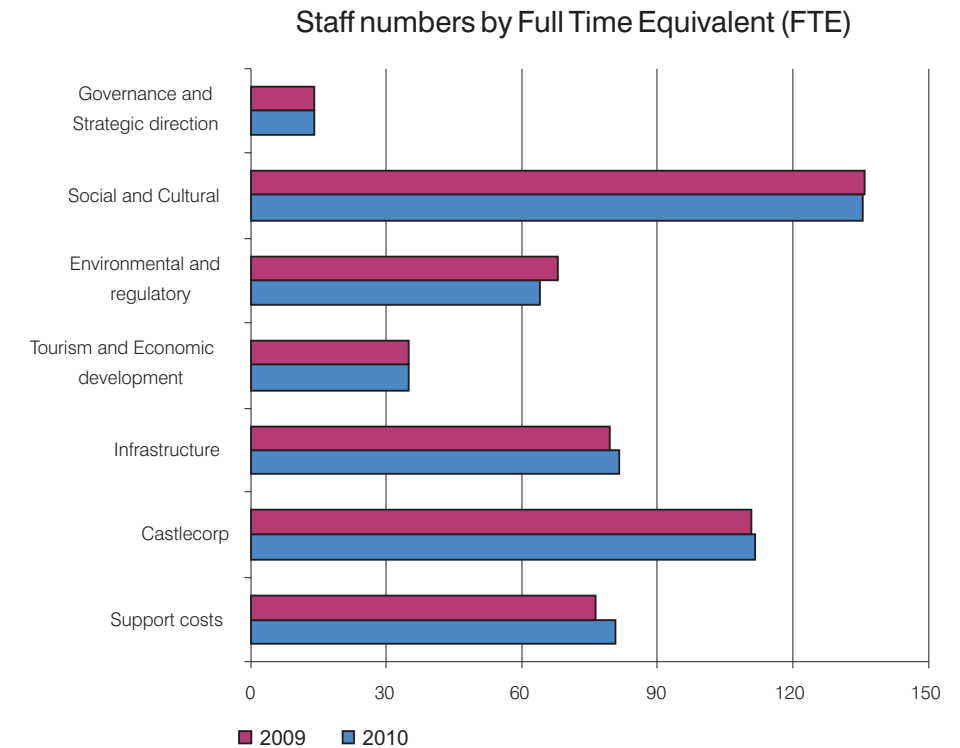
As part of Council's procurement review, operational efficiency gains and changes in levels of service, there has been a substantial reduction in the overall cost of the support services activities that support 'end services' such as roading, water supplies and the museum. The table below shows the changes between the 2008/09 Annual Plan, and the first year of the Ten Year Plan (2009/10). These are one-off cost reductions and are not expected to be repeated in subsequent years of the Ten Year Plan.

Net Support Services Costs	2009 Annual Plan	2010 Ten Year Plan	Variance to 2009 Annual Plan	
<i>Dollars in thousands</i>				
Corporate Administration	1,901	1,376	-525	-28%
Customer Centre	-	951	951	-
Finance	2,759	2,443	-316	-11%
Human Resources	809	752	-57	-7%
Information Management	972	1,123	152	16%
Records	891	402	-489	-55%
Land Information Services	751	601	-150	-20%
Information Technology	2,099	2,096	4	0%
	10,181	9,744	-437	-4%

Previously overheads were allocated to other support services and to end services, which proved a complicated system. The allocations have now been simplified. Overheads are now only allocated to end services, ie water supply, parks and recreation, building services and tourism. The result has seen both increases and decreases in end service overheads.

Staffing

Council employs 522 fulltime equivalent staff to assist with the delivery of services at levels agreed to in the Ten Year Plan. To achieve this, the performance framework is translated into specific targets for group directors, activity managers and then to all staff. To achieve the levels of service with the resources available, staff need to be high performers. We achieve this by recruiting, retaining, training and promoting the right people into the right positions.



Prudent Balanced Budget

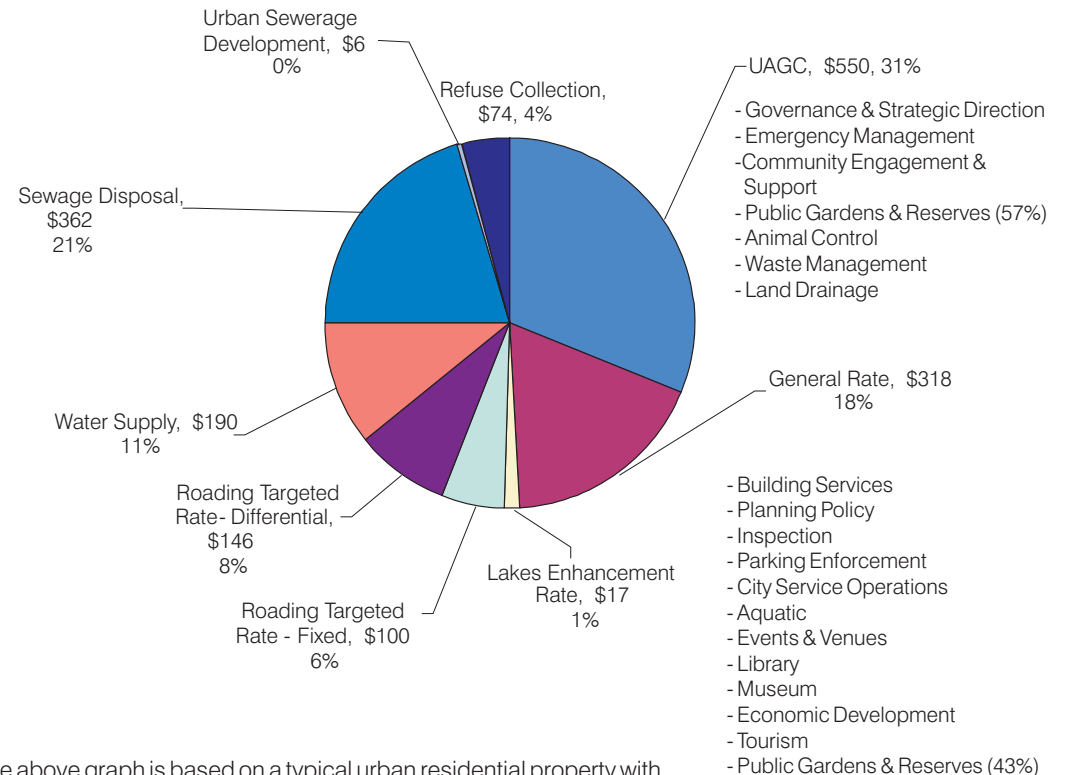
A requirement of local government is to use prudent financial management principles. One of those principles is that income must equal operating expenditure (and operating expenditure includes non-cash items such as appreciation). This is described as the balanced budget. However if a council believes it is prudent to not have a balanced budget, ie that an operating surplus is not required, it must make a conscious decision to that effect. The decision must have regard to the fact that it is a prudent decision and has considered levels of service and useful life spans of assets, and that it is an equitable decision. There are strong grounds for not having a surplus every year because that would build unnecessary cash reserves. Council's asset management plans ensure that the depreciation necessary to fund periodic renewals is more than adequate.

Integrated Planning

There is a particular emphasis throughout the planning process on integration between Council and other agencies of Rotorua and the wider Bay of Plenty/Waikato regions.

Discussions are ongoing with Environment Bay of Plenty about establishing more formal integrated planning structures to support current informal and formal processes. Examples of informal structures include technical working groups addressing integration between the Bay of Plenty Regional Policy Statement and the Rotorua District Council District Plan Review. Formal structures include the Rotorua Lakes Strategy Group, Bay of Plenty Regional Land Transport Committee, Land Use Futures Board, and Rotorua Air Quality Joint Committee. This concept will be explored further over the next year.

Rates - How they are spent



The above graph is based on a typical urban residential property with an average land value of \$130,500 and capital value of \$275,000.

This sample property would pay annual rates of \$1,762 (including GST). This excludes the rates paid to Environment Bay of Plenty.

planning framework



Planning for sustainable development

In developing this Ten Year plan, Rotorua District Council (RDC) has adopted a more co-coordinated and corporate-wide approach to environmental protection and sustainable development than in the past, to ensure the issue of sustainability plays a core role in all of RDC's operations. The council is leading by example and will also be promoting increased sustainability amongst Rotorua communities. RDC's initiative in this area has already been recognised through a 'Trailblazer' award at the 2008 Bay of Plenty Sustainable Business Awards.

Council has adopted a Sustainability Policy and associated action plans focusing on corporate initiatives and setting the foundation for future council-community initiatives (eg development of a Community Action Plan for Climate Protection in 2009/10). Long-term opportunities from Council's leadership in this area include marketing Rotorua as a 'green' tourism destination.

The council is required by the Local Government Act to take a 'sustainable development' approach to its activities, and to consider the well-being of the community today and that of future generations. Through its Ten Year Plan, Council demonstrates how it is supporting and developing the community, directly and through partnerships, in a way that will protect the interests and needs of future generations.

'Sustainability' is fundamentally about adapting to a new way of living on the planet. While most people associate the term with environmental issues, the council is also committed to a Ten Year Plan approach that is economically sustainable. At the start of the current Ten Year Plan phase the country is in a recessionary period, and there is therefore a greater obligation on the council for planning and rating requirements for the next three years to reflect the community's ability to afford the activities and services proposed.

Council's approach to sustainability also reflects the current social, economic and political environment in New Zealand, including such issues as fluctuating energy costs, global financial market crises, national targets for pollution control and greenhouse gas emissions, and debate over legislation like the Emissions Trading Scheme and the Waste Minimisation Act 2008.

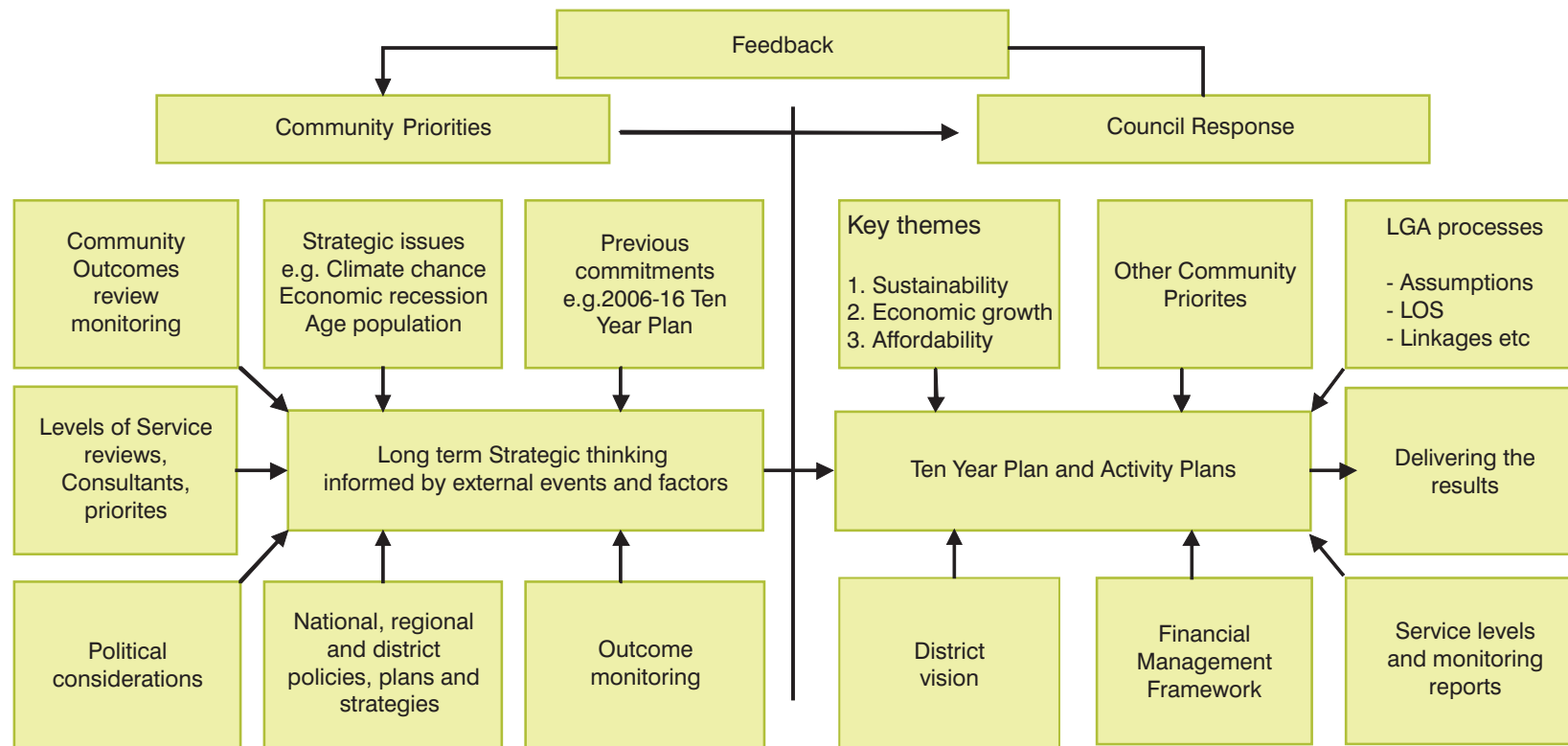


planning framework **cont.**

The strategic planning framework

Council draws on information from a number of different sources in determining its priorities and in developing its plans for the next ten years.

The diagram below shows Council's strategic planning framework, and each element of the framework is outlined in more detail in the following text.



planning framework cont.

Community priorities

Reviewing Community Outcomes

Council undertook a comprehensive review of Rotorua's 'Bright Future' Community Outcomes in 2008. The key feedback from the review was:

- Rotorua people believe that the original Community Outcomes remain relevant to the district and do not need any major changes.
- The issue of 'community leadership' had been raised in the original Community Outcomes process and surfaced again during this review. 'Visionary community leadership' has now been added as an overarching principle that supports each of the outcomes.
- The Community Outcomes review process also highlighted the need to take a sustainable approach to service delivery and development, and this has been integrated into this Ten Year Plan.

Reviewing Levels of Service

Council identified six areas needing more in-depth consultation to better understand the community's expectations. Independent consultants were commissioned to identify public expectations for public toilets, animal control, noise control, car parking, building services and planning services.

Independent of the above process, RDC management reviewed the service levels of all council activities to ensure there was public support for the current levels. The results have seen minor changes in the performance framework, clarifying levels of service and making performance measurement more objective.

Political Considerations

As part of preparing the Ten Year Plan, a number of strategic issues were identified and prioritised by elected members:

Mayor and Councillors' 'Top Ten' Strategic Issues

- 1 A vision for the district
- 2 Affordable/equitable rates
- 3 Lake water quality
- 4 Crime
- 5 Trans-Tasman Airport
- 6 Sustainable development
- 7 Economic development
- 8 Waste management (including recycling)
- 9 Tourism promotion
- 10 Air Quality

National, Regional and District Plans

A number of plans, strategies and policies influence Council's decision making and a summary of the key local, regional and national documents is provided later in this section.

Monitoring Outcomes

Every five years Council prepares a State of the Environment Report which provides a snapshot of the built and physical environment of Rotorua District. At least every three years Council is also required to report on its progress in terms of the desired Community Outcomes. This is achieved by monitoring previously agreed performance indicators. Both these reports provide important analysis of the district and are utilised in preparing the Ten Year Plan.

Strategic Issues

The environment that Council operates within is acknowledged in this plan, and consideration is given to matters such as climate change, ageing population, and economic issues such as the current recession.

Previous Commitments

Preparation of a Ten Year Plan does not commence with a blank sheet. This Ten Year Plan for 2009-19 has been influenced by decisions previously made and commitments included in other planning processes, in particular the previous Ten Year Plan for 2006-16 and the two subsequent Annual Plans prepared for 2008 and 2009. The key issues identified in the last Ten Year Plan have been reviewed and the associated consultation evaluated and acknowledged in this 2009-19 Ten Year Plan.

Council Response

Key Themes

In evaluating the community priorities Council has identified the overarching key themes as being:

- (1) economic growth,
- (2) sustainability, and
- (3) affordability.

Decisions associated with these themes have driven the development of this plan and impact significantly on Council's funding and activities.

Service Levels and Monitoring Reports

On an annual basis Council is required to monitor its performance for each of its activities. This monitoring is important to ensure that service levels are maintained at the rate and cost expected by the community.

Financial Management Framework

With all long term planning there is a need for policies, guidelines, etc. This influences the design of the Ten Year Plan and is an area where Council evaluates options and make choices. Those choices are then put up for review by the community as part of the consultation process of the Ten Year Plan.

planning framework **cont.**

Local Government Act processes

The key themes identified, and other important issues, drive the allocation of resources and decision-making for each activity statement. These are subsequently integrated into the Ten Year Plan and again tested for sustainability, affordability and economic growth.

District Vision

This is an area of ongoing work undertaken by the council and being developed further by the Bright Economy Advisory Board. Their vision will likely focus more specifically on Rotorua City and its economic needs.

The following vision for the district appears to have been accepted by residents during the consultation on the draft version of this Plan.

**admired globally
treasured locally**
unique places. remarkable communities

Delivering the results

In order to convert all plans and programmes into actions, Council needs to employ staff and engage contractors.

Council has robust, well designed contract and procurement procedures. They ensure contractors supply, build, operate and maintain assets, and provide services at competitive prices to meet the performance expectations of Council.

Council also employs the equivalent of around 520 fulltime staff to help deliver services at those levels agreed to in the Ten Year Plan. To achieve this, the performance framework includes specific targets for group directors, departmental managers and all staff. Staff are expected to perform to high standards to achieve the levels of service within the resources available. We do this by recruiting, retaining, training and promoting the right people to the right positions.

There is a culture of high performance expectation throughout the organisation. All staff are committed to the organisation's vision, mission and values and their job descriptions are linked to the performance framework of the Ten Year Plan.

Council's 'Super Service' programme is an organisation-wide programme and is a critical part of cultural development, commitment to service and continual improvement of services. Twice a year the performance of all staff members is formally reviewed, and tested to ensure all are contributing to RDC's vision, mission and values, and to targets set out in the Ten Year Plan.

The following diagram shows linkages between the staff performance management system known as 'Performance Plus', and the Ten Year Plan and 'Bright Future' Rotorua Community Outcomes.

Consultation during the year

Council undertook a significant amount of consultation with the community during the 2008/09 year either as part of a special consultative process or where Council wanted an indication from the community as to preferences.

This consultation included:

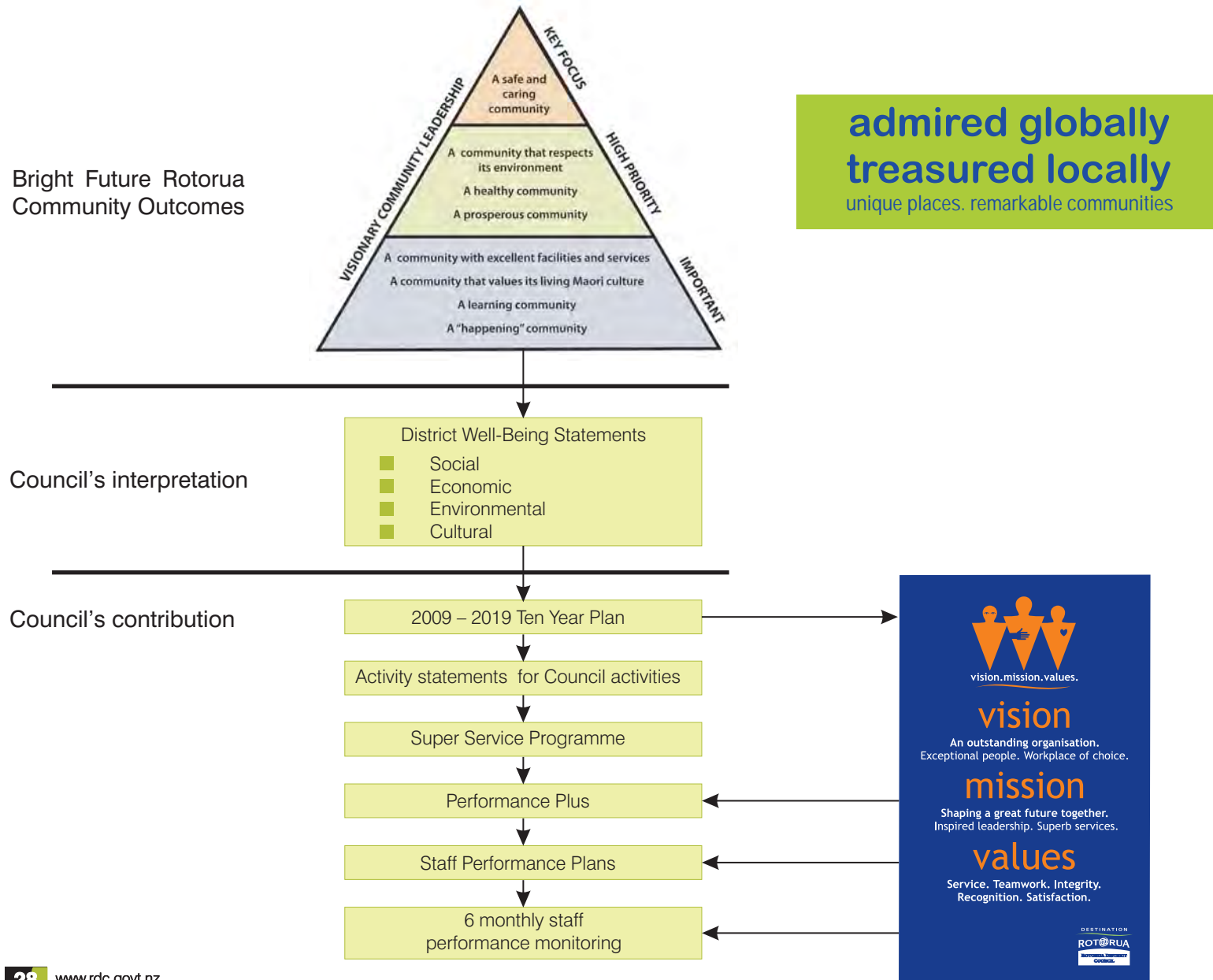
- Draft Ten Year Plan 2009 -19
- District Plan Review (Shaping Rotorua)
- Eastern Structure Plan
- Western Structure Plan
- Landscape Assessments
- Rating Review
- Geothermal Safety Bylaw 2008
- Signs on Roads Bylaw 2008
- Traffic Bylaw 2008
- Government Outcomes Review
- Level of Service Review
- Reserve User Survey
- Aquatic Centre User Survey
- Consultation with communities and residents on walkways, boatramps, playgrounds and other development
- Perception of Safety Survey
- Pensioner Satisfaction Survey
- Annual Community Satisfaction Survey

Community Satisfaction Survey

Each year Council participates in a Community Satisfaction Survey undertaken by the National Research Bureau. The 2008 Survey indicated that 72% of those surveyed approved of Council's decisions and actions, which was an increase of 8% compared to 2007. Also, of those who contacted Council over the past 12 months, 82% were satisfied with the service received.

Generally most Council activities exceed both the peer group and national averages for the level of community satisfaction.

planning framework cont.



planning framework cont.

The following is a selection of key legislation, policies, plans and strategies that govern, guide or support the Council's objectives.

Strategic Document	Community Outcomes Promoted								Local	Regional	National
	Safe and caring	Prosperity	Health	Respect for environment	Māori culture	Facilities and services	Learning community	Happening community			
Administration of Reserves Policy	●			●		●		●	●		
Bay of Plenty Civil Defence Emergency Management Group Plan 2005-2010	●									●	
Bay of Plenty Local Government Triennial Agreement 2007-2010						●			●	●	
Building Act 2004						●					●
Choosing Futures Waikato										●	
COBoP – Community Outcomes Bay of Plenty	●	●	●	●	●	●	●	●		●	
Community Grants Policy	●										
Creative New Zealand Strategic Plan and Statement of Intent 2007-2010						●					●
Drivewise Rotorua Strategic Plan 2007	●								●		
Eastern Structure Plan						●			●		
Environment Bay of Plenty Regional Stormwater Strategy		●		●						●	
Environment BOP Proposed Regional Water and Land Plan 2007-2017		●		●						●	
Environment BOP Regional Air Plan 2003-2013		●		●						●	
Environment BOP Regional Land Management Plan 2002-2012		●		●						●	
Environment BOP Regional Land Transport Strategy 2007-2017		●		●						●	
Environment BOP Regional Passenger Transport Plan 2006		●		●						●	
Environment BOP Regional Policy Statement 1999		●		●						●	
Environment BOP Regional Waste Strategy 2004-2010				●						●	
Events Strategy								●	●		
Fresh Ideas – Shaping Rotorua Community Engagement Programme	●								●		

planning framework cont.

The following is a selection of key legislation, policies, plans and strategies that govern, guide or support the Council's objectives.

Strategic Document	Community Outcomes Promoted								Local	Regional	National
	Safe and caring	Prosperity	Health	Respect for environment	Māori culture	Facilities and services	Learning community	Happening community			
Growth Models 2005/2008		●				●			●		
Health Act 1956	●		●								●
Lakes District Health Board Strategic Plan 2005-2015			●							●	
Land Drainage Act 1908			●	●		●					●
Leases Policy						●			●		
Local Government Act 2002						●					●
Local Government (Rating) Act 2002						●					●
Ministry for Culture and Heritage Statement of Intent 2005-2009						●					●
Ministry of Health Statement of Intent 2007-2010			●								●
New Zealand Road Safety Strategy 2003-2010	●										●
New Zealand Tourism Strategy		●						●			●
New Zealand Transport Strategy	●					●					●
New Zealand Waste Strategy 2002				●		●					●
Pensioner Housing Policy	●					●			●		
Playgrounds Policy			●					●	●		
Public Libraries of New Zealand Strategic Framework 2006-2016						●	●				●
Public Works Act 1981						●					●
Regional Economic Development Strategy		●								●	
Regional Land Transport Programme	●	●				●				●	
Regional Walking and Cycling Strategy 2009	●		●	●				●		●	
Reserves Management Policy						●			●		
Resource Management Act 1991				●							●
Rotorua Basin Area Water Supply Strategy 2006	●	●	●	●					●		

planning framework cont.

The following is a selection of key legislation, policies, plans and strategies that govern, guide or support the Council's objectives.

Strategic Document	Community Outcomes Promoted								Local	Regional	National
	Safe and caring	Prosperity	Health	Respect for environment	Māori culture	Facilities and services	Learning community	Happening community			
Rotorua Central Business District (CBD) Retail Strategy 2003-2008		●							●		
Rotorua Cycling Strategy (Bike Rotorua)	●	●	●	●				●	●		
Rotorua District Council Arts and Cultural Policy						●		●	●		
Rotorua District Council Asset Management Plans						●			●		
Rotorua District Council Bylaws	●	●	●	●		●			●		
Rotorua District Council Crime Prevention Plan 2007-2010	●								●		
Rotorua District Council Cycleway Policy 1999	●	●	●	●					●		
Rotorua District Council Older Persons Policy 2003/04	●		●						●		
Rotorua District Council Open Space Strategy 2005			●	●				●	●		
Rotorua District Council Road Safety Strategy 2004-2009	●								●		
Rotorua District Council Solid Waste Management Strategy 2006		●		●					●		
Rotorua District Council Young Persons Policy 2007-2010 and Youth Action Plan 2007-2008	●							●	●		
Rotorua District Economic Development Strategy 2005-2015 (BrightEconomy Strategy)		●						●	●		
Rotorua District Information and Communication Technology Strategy 2006-2009						●	●		●		
Rotorua District Plan		●		●					●		
Rotorua District Recreation Strategy 2002			●	●				●	●		
Rotorua Eastern Concept Plan 2006 (Discussion Document)		●	●	●					●		
Rotorua Employment Skills Strategy 2003-2006		●					●		●		
Rotorua Entranceways Strategy 2005		●		●	●				●		
Rotorua Events Strategy 2004-2007		●				●		●	●		
Rotorua Geothermal Regional Plan		●		●		●			●	●	
Rotorua Interpretation Strategy					●				●		

planning framework cont.

The following is a selection of key legislation, policies, plans and strategies that govern, guide or support the Council's objectives.

Strategic Document	Community Outcomes Promoted								Local	Regional	National
	Safe and caring	Prosperity	Health	Respect for environment	Māori culture	Facilities and services	Learning community	Happening community			
Rotorua Lakes Recreation Strategy 2006			●	●				●	●		
Rotorua Partner Programme						●			●		
Rotorua Regional Airport Development Strategy	●	●		●					●	●	
Rotorua Safe Families Campaign 2007/08	●								●		
Rotorua Social Services Council Strategic Plan 2007-2010	●		●						●		
Rotorua Sustainable Tourism Charter		●		●					●		
Rotorua Transport Demand Management Plan 2007-2017 (Draft)	●	●	●	●					●		
Rotorua Transport Strategy 2006-2016	●	●	●	●					●		
Rotorua Urban Transportation Strategy						●			●		
Rotorua Visitor Industry Strategic Plan 2007-2015		●				●			●		
Rotorua Western/Northern Structure Plan		●		●					●		
Rotorua Youth Transitions Strategy 2004-2007		●					●		●		
Social Policy	●		●		●		●	●	●		
Soil Conservation and Rivers Control Act 1941				●							●
Solid Waste Management Plan				●		●			●		
Sport Bay of Plenty Strategic Plan 2007-2009			●			●				●	
Sports Grounds Policy			●			●		●	●		
State of the Environment Report 2008		●		●					●		
Strategy for the Lakes of the Rotorua District 2000				●	●				●		
Sustainability Policy and Action Plans 2008				●		●			●		
Transport Act 1962						●					●
Tree Policy				●					●		

about rotorua district

About Rotorua District

Rotorua District lies largely within the Bay of Plenty Region and partly within the Waikato Region. With an estimated population count of 68,100, Rotorua ranks 16th of New Zealand's 73 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 considerable 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 2,614.9 km².
- The district's population was 68,100 at the 2006 Census.
- Almost 20% of the population lives in rural and lakeside areas.
- Rotorua is a visitor icon in New Zealand and overseas, due in part to its geothermal and cultural attractions. On average, there are more than 8,500 visitors per day staying in Rotorua commercial accommodation.
- There are 800 ha of reserves managed by Rotorua District Council.
- There are almost 1000kms of local roads in the district, of which almost 82% are sealed.
- The gross capital valuation is around \$14.1 billion and gross land valuation is around \$7.9 billion.
- Rotorua's GDP is estimated at \$2.88 billion per annum.

Rotorua's Early History

According to oral history, many of Rotorua's Maori residents trace their ancestry to Tamatekapua, 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.

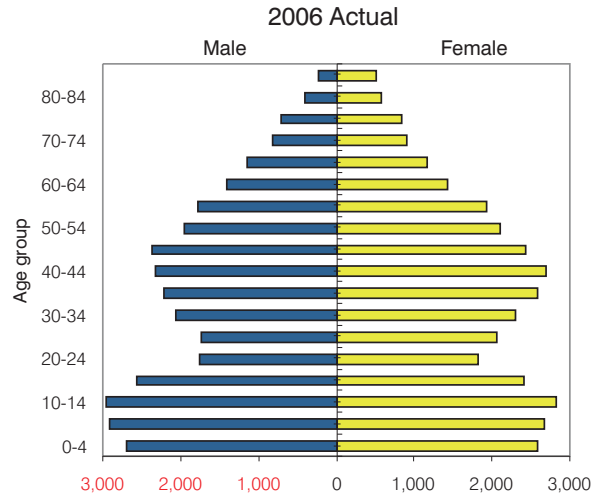
European settlers arrived in New Zealand throughout the 19th century. Subsequent development of the Rotorua area was driven by interest in the unique geothermal and cultural attractions of the area, coupled with the establishment of transport links, forestry and farming. The foundations of today's local 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. Te 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 about Rotorua's gifted reserves are discussed by a joint committee of the Pukeroa Oruawhata Trust and the district council.

Rotorua's People

Rotorua is a bi-cultural district with a multi-cultural population. Currently around 56% of the resident population identify as European, 36% as Maori, 4% as Pacific peoples and 4% Asian ethnicity. More than half of Rotorua's young people are of Maori descent. According to Census results, around 8,000 Rotorua residents are affiliated to the Arawa tribe that originally settled in the central Bay of Plenty area. In addition, many of Rotorua's Maori residents are affiliated to tribes from other parts of New Zealand. Rotorua's population profile is becoming much more multicultural than it in the past, including increases in residents from the Pacific Islands, Asia, 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.



about rotorua district cont.



Te Arawa and Geothermal Activity of the District

Included in the mythology of Te Arawa people is an explanation for the origins of 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 areas, for hundreds of years.

The following is a brief excerpt from 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 first 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-tohora, Okakaru, Rotoehu, Rotoiti, Rotorua, Tarawera, Orakei-Korako and Taupo.

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

Rotorua's Economy

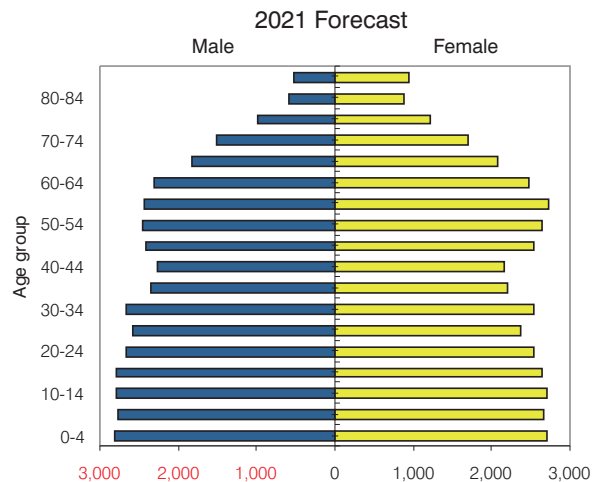
Rotorua's central North Island location provides easy road, rail and air access. The district has enjoyed a sustained period of investment, providing a solid infrastructure for growth. Council has invested significantly in improving public amenities in the district. Rotorua is home to an increasing number of industry clusters including forestry, tourism and education. These are made up of professional bodies 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.

Rotorua's occupational profile is gradually changing, with fewer agricultural workers and more 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.

Economic Recession

This Ten Year Plan is being prepared against a background of international economic turmoil unprecedented in the lives of most New Zealanders. How this international environment will affect the Rotorua economy is as yet unclear. However, it is unlikely that the tactical responses that have served us well over the last three years will still be as effective, or indeed valid, in the future. Flexibility in responding to changing circumstances will be critical.



about rotorua district **cont.**

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 is scenic reserve.

The district's 14 lakes form a backdrop to an abundant variety of natural resources, recreation options, 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 and resulting in sporadic algal blooms on a number of lakes. A collaborative approach is being taken by RDC with Environment Bay of Plenty, Te Arawa Lakes Trust and lakeside communities to better manage lake water quality.

Rotorua's Population in the Future

Introduction

Each year there are around 5,400 births in Rotorua District and approximately 2,500 deaths, so the 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 population grew by 2.2% between the 2001 and 2006 census.

The Rotorua District population was 68,100 in 2006. 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 of rapid growth in Tauranga City and Western Bay of Plenty District.

The Rotorua District population is forecast to reach 71,986 in 2021 and 75,359 by 2051. These upper and lower limits are fairly arbitrary, but give some indication of the likely population increase.

Forecasting Growth

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, eg residents compared to visitors, and demographic make-up. This information underpins our projected services included in the 2009-19 Ten Year Plan. It is crucial that our planning for services, infrastructure and funding is 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 26,493 in 2006 to 29,988 in 2021, and continue to grow to 32,058 in 2051.
- An additional 0.72 million visitor nights will be generated by 2021.
- Total visitor nights were 3.7 million in 2006 and are estimated to be 4.42 million by 2021.
- An additional 44 hectares of industrial/employment land will be needed by 2021 and a further 29 by 2051.
- An additional 8ha of retail/commercial land will be needed by 2021 and a further 5ha by 2051.
- The eastern suburbs show continued growth through to 2021 whilst the city experiences a reduction in population numbers. It is also believed that Hamurana, Ngongotaha and northern planning units will experience steady growth.

Aging Population

The implications of an aging population for local government are considerable. As the age structure of a population changes, the services required by the community will change. As a community ages, its demand for road construction and maintenance is likely to stagnate (or even decrease) while demand for passenger transport and total mobility services may increase. The nature of open spaces may change from playgrounds and fields for contact sports to requests for walkways and fewer sports grounds. In short, local communities will demand changes in the type and scale of a range of community services.

governance

Governance

Governance of the district relates to representation of the community's views and how these are translated into actions and work programmes of the council. This section outlines the structures and processes that promote the following governance themes:

Representation	<ul style="list-style-type: none"> ■ involvement in governance decisions at council, committee and community board 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

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 policies, plans and objectives and how they are able to be financed. **Participation** is achieved through 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 financial and non-financial achievements in the Annual Report, providing both the community and central government with an independent assessment of Council's achievements.

Role of Council

Council has overall responsibility for:

- 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 strategic foundations for the district to grow in a dynamic and enabling manner.

These roles require stewardship of operational policy and strategic direction, including:

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

Representation

Electoral System

The system of elected member representation was reviewed for the 2007 elections. There are four wards with three members elected per ward:

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

Ward boundaries are shown on a following page. Members are remunerated in accordance with the determinations made by the Remuneration Authority.

There is also a Rotorua Lakes Community Board with four members elected and two appointed by Council.

The next elections will be held in October 2010, and the council has resolved to change from a ward based system to electing councillors 'at large' - meaning residents vote for all 12 councillor positions plus the mayor.

Meetings

Council's current committee structure and meeting arrangements were determined by Council in November 2007, and this structure provides an open and accountable governance system.

The Mayor

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, including acting as trustee or board member, committee member, chair and patron. He also hosts many meetings to facilitate community involvement.

The mayor is a Justice of the Peace, and hosts citizenship ceremonies, community awards, Trustpower Spirit of Rotorua Awards, and Young Achievers' Awards. The award ceremonies recognise the important contribution that others make to the Rotorua community.

Rotorua Lakes Community Board



Front row (left to right): Cr Karen Hunt, Brentleigh Bond, Neil Callaghan
Back row (left to right): Geoff Palmer, Phillip Karauna, Cr Dave Donaldson

governance cont.

Delegation

Not all decisions are made by committees or full council. A number of delegations exist that allow individual elected members, sub-committees, the chief executive and senior management to make certain decisions to allow the smooth and efficient running of day-to-day affairs.

These delegations are documented in Council's policy manual and are subject to review at each triennial election and any other time required.

Support for Elected Members

Elected members are guided and advised, formally and informally, through a number of mechanisms. The Local Government Act 2002 and other legislation provide the framework within which members are elected and must operate.

Council has adopted a 'Guide to Good Governance', which includes a code of conduct to help ensure transparency and a high standard of behaviour. Model standing orders are also used to guide meeting procedures and assist sound decision making processes.

The Remuneration Authority determines the overall salary pool for the mayor and elected members. How elected members are remunerated from the pool is determined by Council.

Elected members are advised by the chief executive (who may seek additional external advice on matters such as legal opinions) and by staff. Resources are also available from such bodies as Local Government New Zealand (LGNZ), and professional organisations. However, first and foremost, elected members are advised by the community which they represent, through many formal and informal processes.

Members are elected every three years with the last election being in October 2007. Following elections, members undertake a formal induction programme covering their roles and responsibilities, as well as providing a thorough overview of the organisation and its operations.

Risk Management

The chief executive is responsible for managing organisational risk to ensure the continued provision of services, and to minimise financial impacts on residents.

Council's asset management plans incorporate risk management policies and actions for each of Council's activities. There are established processes for ensuring business continuity in the event of an emergency or disaster. Overall risk management is further supported through regularly reviewed insurance policies.

The Management Team regularly reviews the work of occupational health and safety subcommittees and also ensures staff are familiar with legal compliance matters.

A schedule of members' financial interests is maintained and members are required to declare their interests in any matter being considered by them at meetings, in their roles as elected members.

Emergency Management

The mayor and appointed members play key roles in Council's civil defence. Along with staff, elected members undertake regular training and participate in civil defence exercises.



mayor and councillors



His Worship the Mayor
Kevin Winters JP

north ward



Cr Charles Sturt



Cr Karen Hunt



Cr Bob Martin

south ward



Cr Glenys Searancke QSM



Cr Mike McVicker



Cr Julie Calnan

west ward



Cr Trevor Maxwell MNZM
Deputy Mayor



Cr Janet Wepa



Cr Geoff Kenny

east ward



Cr Maggie Bentley

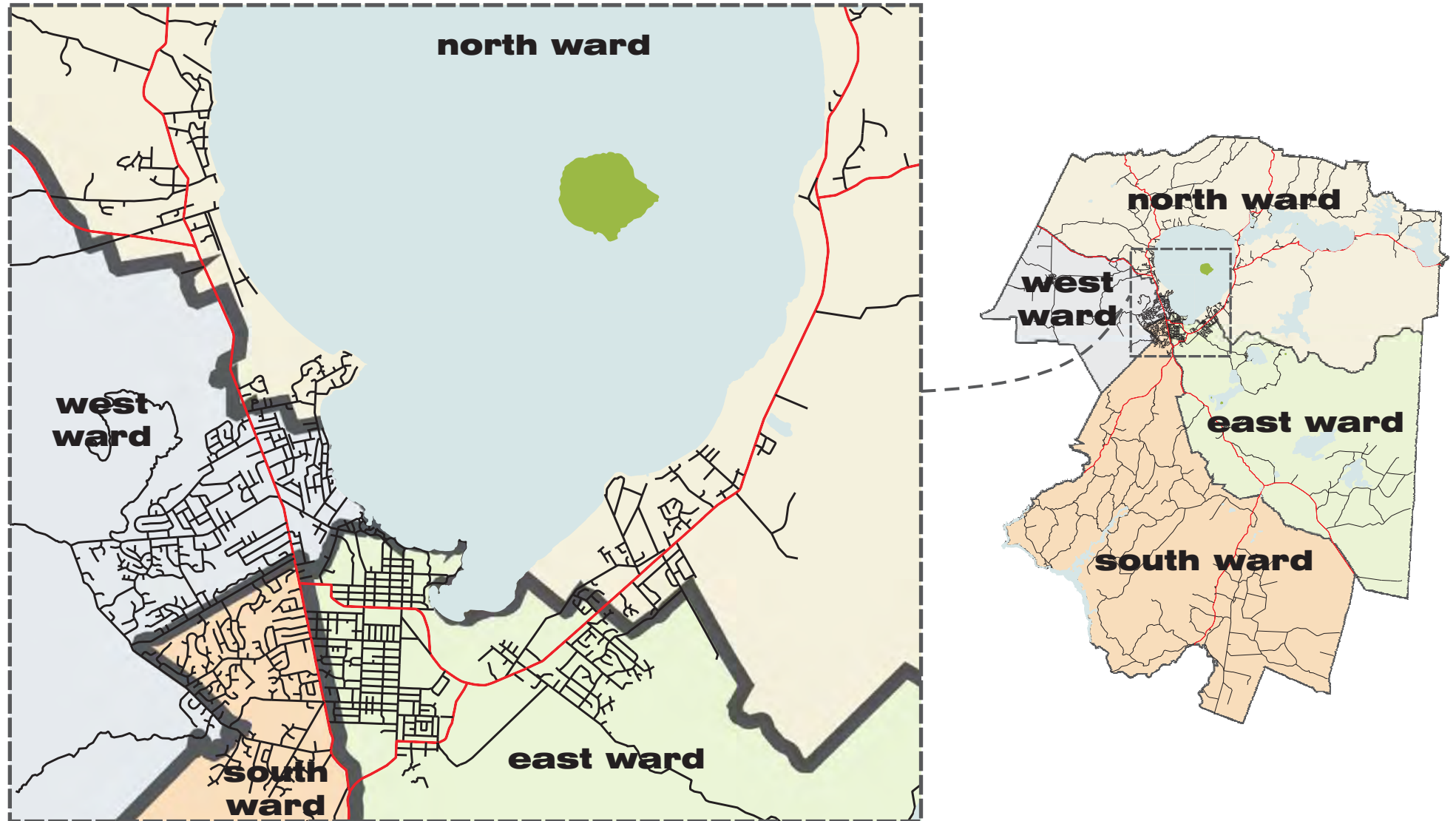


Cr Dave Donaldson QSM

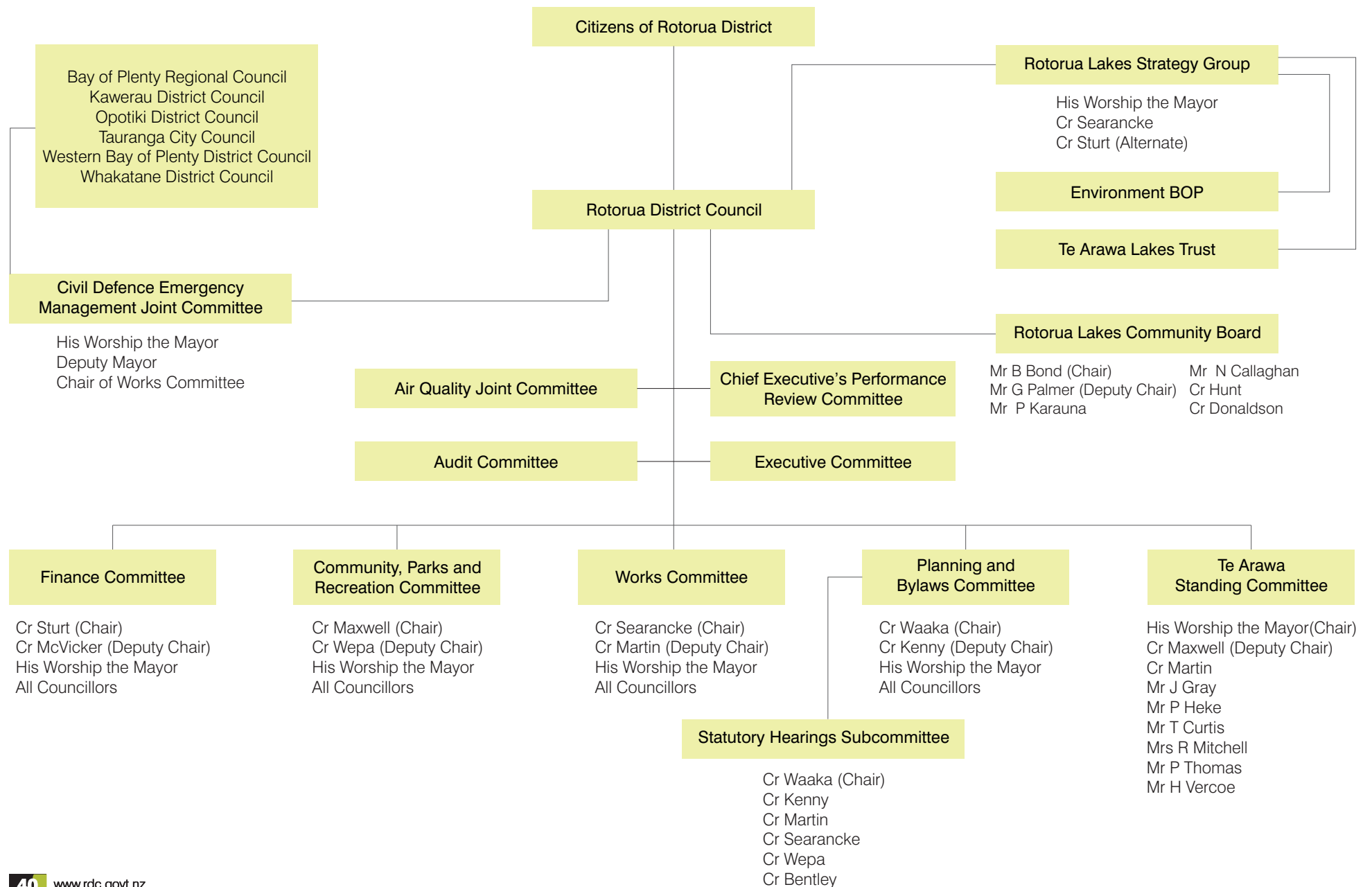


Cr Maureen Waaka MNZM

ward boundaries map



committee structure



committee functions

- **Finance Committee**
Ten Year Plan and annual plan, annual report, rates, financial, general, tourism marketing, economic development, Castlecorp, civil defence, airport company, City Focus.
- **Community, Parks and Recreation Committee**
Museum of Art and History, library, community, social policy monitoring, information and research, community assistance policies, Safer Community Council, sister city relationships, pensioner housing, parks and reserves, aquatic facilities, cemeteries, crematorium, event facilities and events.
- **Works Committee**
Local roads, state highways, sustainable transport, footpaths, street lighting, vehicle crossings, road closures, road and traffic safety, land drainage, waste management, sewerage, water supplies.
- **Planning and Bylaws Committee**
Planning, building, geothermal, health, control of dogs and wandering stock, parking, noise control, signage.
- **Te Arawa Standing Committee**
Te Arawa Standing Committee was established in 1993 and is chaired by the mayor at the request of Te Arawa at the time the committee was established. 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 mayor, deputy mayor, chairpersons of Finance Committee, Planning and Bylaws Committee, Works Committee, Community, Parks and Recreation Committee, and chief executive. Its work includes decisions on applications for remission and/or postponement of rates in cases of extreme hardship, negotiation of leases and emergency matters.
- **Audit Committee**
Comprises the mayor, the chairperson and deputy chairperson of the Finance Committee and an outside appointee, Mr B. Lane. Its work includes internal/external audit matters. The committee meets as required.
- **Chief Executive's Performance Review Committee**
Is established in accordance with requirements of the Local Government Act 2002 to review the chief executive's performance.
This committee comprises:
 - The mayor
 - Deputy mayor
 - Chairpersons of Finance, Works, and Planning and Bylaws Committees.
- **Statutory Hearings Subcommittee**
Chaired by Cr Waaka along with five other councillors. It has approximately 12 meetings per year and deals with subdivision applications, resource consent conditions and applications, objections and the district plan.
- **Air Quality Joint Committee**
A joint committee with members appointed from Environment BOP and Rotorua District Council. Councillors Kenny and Wepa are the appointed members from RDC with Councillors Hunt and Bentley the alternates. The objective of the committee is to consider options for sustainably managing air quality for Rotorua District. The committee held its inaugural meeting on 17 October 2008.
- **Rotorua Lakes Strategy Joint Committee**
Rotorua District Council, Environment BOP, and Te Arawa Lakes Trust form this joint committee. Lakes water quality is an important issue for the district and the committee has been charged with ensuring that a proactive strategic approach is taken towards co-ordinating lakes water quality improvement. Mayor Winters and Councillor Searancke (Councillor Sturt – alternate) are Council's representatives.
- **Civil Defence Emergency Management Joint Committee**
The six city and district councils in the Bay of Plenty region, together with the Bay of Plenty Regional Council, form this joint committee. The functions of the joint committee are to identify, assess and manage hazards and risks for the Bay of Plenty Region.
- **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 an ex-officio member of all committees.



developing maori capacity to contribute to decision-making

Rotorua District Council has a long standing history of working closely with Te Arawa as the confederated iwi of Rotorua District. A number of mechanisms have been developed for consultation 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

This committee has representatives appointed and elected from Te Arawa iwi. The committee's terms of reference include "providing a Te Arawa perspective on all matters affecting Maori".

In July 2007 at a Te Arawa hui at Te Papaouru, Ohinemutu, it was decided that a review of Te Arawa Standing Committee would be conducted and this is scheduled for completion in 2009.



Te Arawa Standing Committee:

Back row (left to right): Hawea Vercoe, Peter Guerin (Chief Executive), Piki Thomas, Mayor Kevin Winters, Cr Bob Martin, Mauriora Kingi (Director Kaupapa Maori), Deputy Mayor Trevor Maxwell
Front row (left to right): Bella Tait (Policy Analyst), Jim Gray, Rene Mitchell, Piwaki Heke.
Absent: Toby Curtis

Te Pukenga Koeke O Te Arawa O Te Whare Taonga

Te Arawa Kaumatua Committee contributes to decision-making processes pertaining to the care, and repatriation of Te Arawa taonga from other museums, held at 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 decision to change status of any affected reserve.

Iwi Consultation Group

The Iwi Consultation group meets to assess resource consent applications and advise Council accordingly with respect to the Resource Management Act 1991, and to provide Tangata Whenua contacts for consent matters.

Kauae Cemetery Committee

The Kauae Cemetery Committee trustees meet twice 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 fulfil the terms of Kahikatea Management Plans and approval of estimates.

developing maori capacity to contribute to decision-making **cont.**

Council's Kaupapa Maori Department

This department 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.

The department reviews and contributes to council policies and strategies that affect Maori and initiates, builds and maintains council relationships with Tangata Whenua and Maori.

Mana Whenua Funding Policy

In 2007 Council launched its Mana Whenua Funding Policy. The aim of the policy is to stimulate and encourage the sustainable development of unoccupied Maori land, whilst supporting the Local Government Act 2002 and Resource Management objectives.

Memorandum of Understanding

In November 2004, Council entered into a memorandum of understanding with Tuhourangi. The founding statements of the memorandum include: 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 its Tangata Whenua and Maori Communications and Consultation Guide. This resource is updated annually and it enables staff to more effectively engage with Tangata Whenua and Maori, and improve Maori participation in council decision-making processes.

Rotorua Lakes Strategy Joint Committee

This joint committee, with representatives from Environment Bay of Plenty, Te Arawa Lakes Trust and Rotorua District Council, meets regularly to ensure a proactive strategic approach is taken to coordinating lakes water quality improvements in the district. This structure is enshrined in legislation as part of the Te Arawa Rotorua Lakes Settlement.

Maori involvement in the Arts

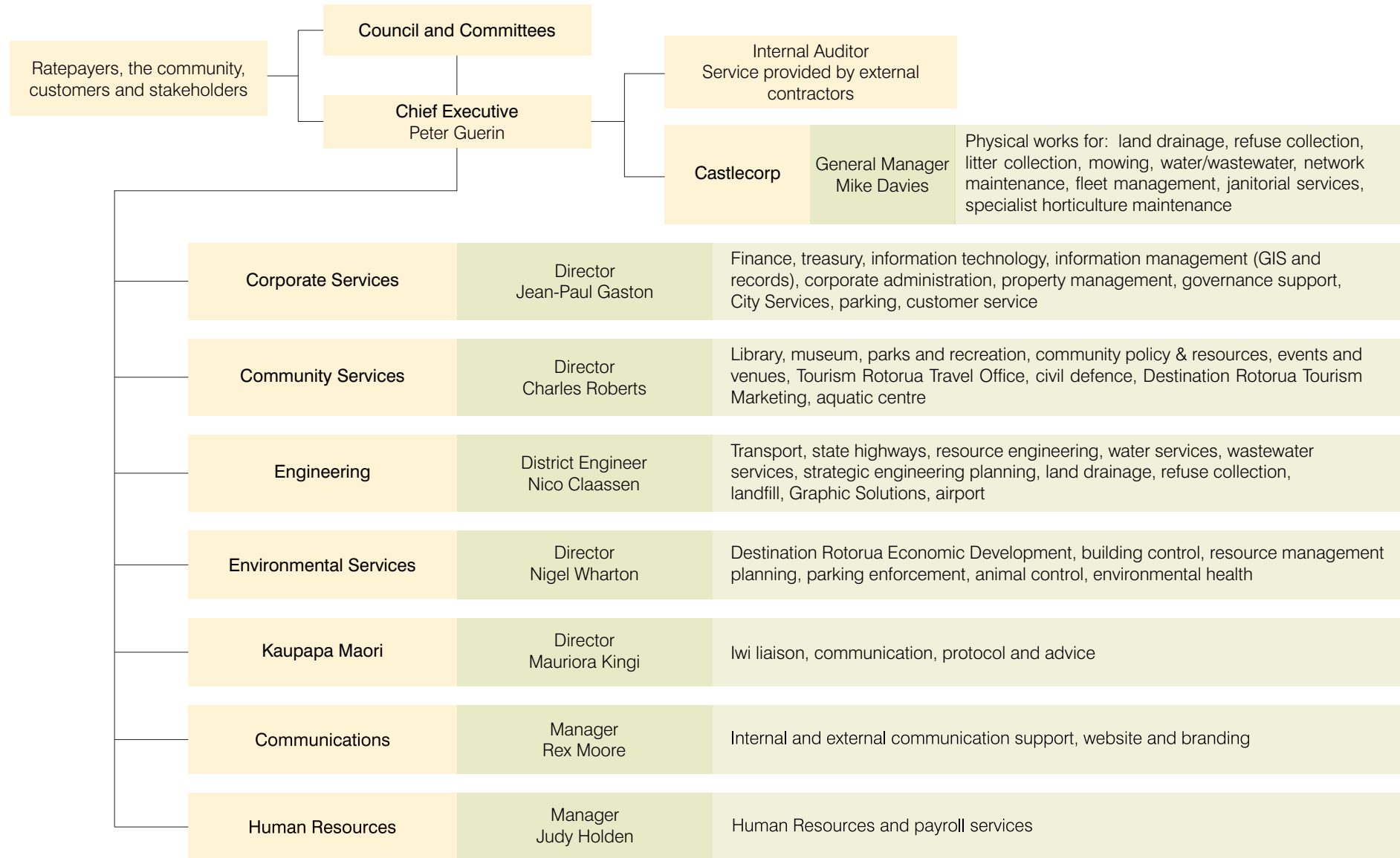
Tangata Whenua participate fully in arts projects, where proposed sites are owned by Maori (but managed by council) or where a site is adjacent to a location of significance to Tangata Whenua.

Further information:

Contact Rotorua District Council's Kaupapa Maori Personnel: Director Kaupapa Maori, Mauriora Kingi, or Policy Analyst/Maori Research Officer, Bella Tait.



management



employee relations

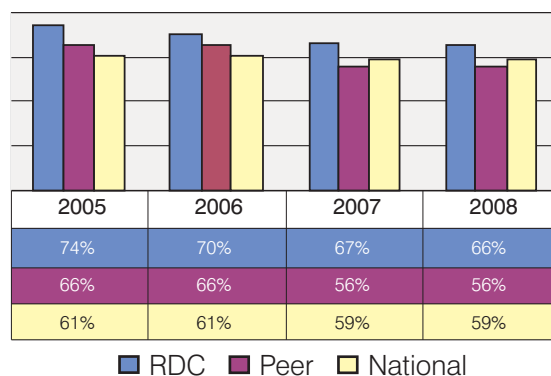
Introduction

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. Since 2005, staff have continued to be rated by residents as well above their peer group and nationally.

Performance rating of Council Staff - NRB Survey



Staff Development

Due to the wide range of operational activities carried out by local authorities, this council has a broad and varied range of career paths for staff to take from labourer/driver, swim instructor, library assistant, events & venues operations, marketing, planning, to engineer and through to chief executive. This highlights just a few of the career path options for staff.

The council encourages both professional and personal development by identifying individual training requirements through the Performance Plus+ development and annual review process.

Health and Safety

Council is committed to ensuring all staff have a safe working environment and continually strive to improve the overall health and safety record of operations, including contractors and other organisations that work with Council.

A new integrated health and safety management system, 'Vault', has been put in place over the past six months to assist in meeting ACC accreditation criteria, as well as managing staff's health and safety requirements.

Staff Numbers

The total number of staff employed by Council for the period ending 30 June 2008 was 524 full time equivalents. Staffing levels are anticipated to be 521 at the end of 2009/10 and remain similar over the next nine 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.

Managing Diversity

Te Waka Awhina O Aotearoa was established in 1991 and is an annual national conference that exists to provide 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.

Annual participation in Te Waka Awhina is one example of how Council manages diversity in the workplace.

Other initiatives that have been implemented for managing diversity are:

- Cultural Awareness Programmes
- Te Reo and Tikanga Maori – Maori language and customs workshops

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 Equal Employment Opportunities (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 has programme of action to ensure its activities and services are carried out with an awareness of, and with intent to eliminate, discrimination in the areas of race, colour, ethnic origin, gender, religion, marital status, family responsibilities, age, disability, political opinion and sexual orientation.

corporate health indicators

Corporate Health Indicators

In addition to performance targets for the individual activities that Council undertakes, there are 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	Targets
1.	Annual Report	Unqualified Audit NZ opinion
2.	Ten Year Plan amendments	No Audit NZ issues
3.	Ten Year Plan/annual plan	At least 70% targets met annually
4.	Complaints/appeals to external agencies - Ombudsman - Privacy Commissioner - Audit	No complaints, or 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 staff)	At least 10% above peer group average in satisfaction rating.
8.	Staff turnover (organisationally)	Staff turnover not to exceed 15% per annum
9.	OSH reports	OSH audit reports satisfactory ACC discount rating not less than 15%



customer service

Customer Service

Council's new customer centre began operation in December 2008 and replaced numerous customer counters spread throughout the Civic Centre. This change has been driven by the council's desire to provide a more efficient service and improve customer satisfaction. However, good customer service doesn't end with the customer centre, it is an important part of our business that needs to be developed and recognised in all parts of the organisation.

'Service' is included in the Rotorua District Council's vision, mission, values and states:

"Service: We strive for excellence, continuous improvement and value for customers"

Council has also adopted a customer charter, which sets out what customers can expect when they deal with the staff at Council.

OUR FOCUS IS ON GETTING IT RIGHT FIRST TIME

If your expectations are not met we would like to hear from you.
Provide your feedback through the complaints process so we can address your expectations: refer www.rdc.govt.nz.

Or request a copy of the complaints process by emailing
complaint@rdc.govt.nz or by phoning
07 348 4199.

You always have the right to voice your opinion.

CUSTOMER CHARTER

We will:

- Listen, respond promptly and take responsibility
- Provide an appropriate staff member to assist at first contact
- Identify the staff member assisting you
- Offer information and services - and we will consult you
- Comply with laws, bylaws and regulations - and apply them fairly
- State the service standards you can expect
- Seek positive outcomes for all our customers
- Focus our activities on the needs of our community
- Treat people with honesty, respect, dignity, equality and fairness
- Seek to continually improve services for the benefit of customers
- Ask you how well we are doing and how we could do better
- Do our best to put things right and apologise if we make a mistake

We use a number of performance measures to track our performance and set targets for the future. The following table outlines how we measure our achievements in terms of customer service.

Level of service	Performance measures	Current performance	Performance targets									
			09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19
Customer service	Satisfaction with contacting council offices by phones	72%	80%	85%	90%	>90%						
	Satisfaction when visiting council offices in person	82%	85%	90%	90%	>90%						
	Satisfaction with contacting council offices in writing	64%	70%	75%	77%	>77%						
	Satisfaction with contacting council offices by email	74% - low number in survey	75%	75%	80%	>80%						
	Satisfaction with the overall service received when contacted council offices	82%	85%	87%	90%	>90%						

bright future rotorua - community outcomes

The Local Government Act requires councils to identify community outcomes for the intermediate and long-term future of the district and, not less than once every three years, 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 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 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 effectively and in a coordinated manner.

In accordance with provisions of the Local Government Act, Rotorua District Council takes a collaborative and inclusive approach to identifying and monitoring community outcomes. In mid-2004 the council discussed 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 2004, as the Bright Future Rotorua project.

A set of community outcomes and priorities (or aspirations of the local community) was identified. This was used as the basis for further consultation undertaken in 2008. Proposed amendments were initially incorporated into the community outcomes based on results from community consultation between 2003/04 and 2008, from key stakeholder interviews and a stakeholder workshop during February-March 2008. Subsequently, feedback was sought through a combination of face-to-face surveys, online surveys, self-return newspaper surveys and targeted focus group meetings.

The 2008 Community Outcomes Review essentially reconfirmed the initial community outcomes and priorities. 'A safe and caring community' is still regarded as the most important outcome for Rotorua residents. Minor changes resulting from the 2008 consultation process included the addition of 'Visionary Community Leadership' as an overarching theme and introduction of specific statements related to sustainability in the supporting detail of the community outcomes.

The updated community outcomes are shown in the diagram below and the detail behind them is provided on the following pages.



Bright Future Rotorua
Community Outcomes

bright future rotorua - community outcomes cont.

Community Outcomes

Mā te korero tahi, mā te mahi tahi, kā tutuki ā tatou moemoea hei painga mo ngā uri whakatipu

By talking together and working together our dreams and aspirations will be fulfilled for a brighter future for coming generations.

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

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

- Strong sense of community spirit
- Respect for cultural diversity
- Support for new New Zealanders to become part of the Rotorua community
- Support for young people and older people
- Safe homes and streets
- Less crime
- Fewer road accidents
- Organisations working together on agreed priorities
- Providing safe public spaces
- Families and whānau 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 sustaining, 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
- Beautiful, litter-free urban environments
- Waste reduction, re-use and recycling
- 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
- Enhancing our forests and farmland
- Conserving energy and reducing our reliance on non-renewable energy
- Encouraging sustainable modes of transport

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
- Partnerships to promote healthy living
- Healthy whānau, healthy communities
- Warm, healthy homes
- Clean air

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 private enterprise
- Enhancing tourism as an iconic sector of Rotorua's economy
- Encouraging development of Māori land and resources
- Reducing unemployment rate
- More investment in our district
- More employment opportunities
- More new business
- Celebrating and promoting our district's unique qualities
- Encouraging growth
- An attractive and lively city centre
- Affordable housing that meets people's needs
- Sustainable development

A community with excellent facilities, services, activities and events – a community that plans well to ensure facilities and services are accessible, the district is easy to get around, there are lots of activities and events, and people welcome diversity and are inspired by creativity.

He Iwi Whanui tenei e mau pu motuhake ana ki ona taonga me ona ratonga, he Iwi Whanui tenei e tumeke ana.

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

A community that values its living Māori culture – the history of Te Arawa in the district and the value of Māori culture are recognised and fostered.

He Iwi Whanui e manawa nui ana ki te Ao Māori.

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



bright future rotorua - community outcomes **cont.**

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
- Quality educational institutions
- Increased participation in early childhood education
- Addressing skill shortages through successful pathways into tertiary education, training and work
- Engagement and achievement at all levels of education and learning
- Improved literacy and numeracy achievement
- Increased availability and quality of Māori language education
- Whānau supported learning
- Commitment to science, innovation and research

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 activities and events
- Provision of good quality event, conference and tourism facilities
- Celebrating and nurturing traditional Māori culture
- Foster artistic expression, art, music, dancing, public performances and exhibitions
- Great facilities to visit e.g. museum, arts village, aquatic centre

Overarching these Community Outcomes is a desire by Council to exercise **Visionary Community Leadership** - visionary, inclusive leadership is supported and fostered within Rotorua communities.

He Matakiteinga - ma nga haponi o Rotorua te amokuratanga e taurima e tautoko.

- Rotorua communities have a clear vision for sustainable development, prosperity and well-being.
- Communities are informed and engaged in planning and developing the District's future.
- Organisations and communities work together at all levels to achieve shared outcomes.
- Māori are respected as partners in decision-making and have a voice in issues affecting the District.



bright future rotorua - community outcomes **cont.**

Rotorua Community Outcome Indicators

Note: A small number of changes made in the draft Ten Year Plan are incorporated into the table below. In addition, shaded indicators are proposed additions from the 2008 Community Outcomes Review process. These are yet to be formally incorporated into Council's monitoring programme.

Community Outcome	Indicator	Measure	Community Outcome	Measure		
A safe and caring community	1. Community Spirit	1a Community spirit 1b Sense of community 1c Community support	A healthy community	9. Personal Health	9a Estimated life expectancy at birth 9b Low birth weight babies 9c Cardiovascular disease Proposed: Prevalence of cigarette smoking	
	2. Crime	2a Reported offences 2b Victimization rates		10. Accessing Healthcare	10a Avoidable hospitalisation 10b Immunisation rates 10c Oral health	
		3a Perceptions of Rotorua as a safe place to live 3b Perceptions of personal safety		11. Physical activity	11a Participation in physical activity	
	4. Road traffic crashes	4a Crashes resulting in death or injury 4b Road traffic casualties		12. Emotional well-being	12a Happiness	
	Proposed: Migrant support	Proposed: New citizens inducted (by nationality) Proposed: Support for migrants and refugees		Proposed: Clean air and water	Proposed: Urban air quality Proposed: Drinking water supply risk gradings	
A community that respects its environment	5. Environmental behaviours	5a Personal environmental actions 5b Public environmental actions	A prosperous community	13. Incomes	13a Personal income 13b Household income	
	6. Environmental attitudes	6a Attitudes towards caring for the environment		14. Economic growth	14a Economic growth index 14b Business confidence index 14c Ability to develop Maori land	
	7. Solid waste management	7a Waste to landfill 7b Recycling volumes		15. Employment and unemployment	15a Employment rate 15b People registered on Unemployment Benefit	
	8. Lake water quality	8a Protection of lake and stream margins 8b Reticulation of lakeside settlements 8c Algal blooms		16. Deprivation	16a Social Deprivation Index	
		Proposed: Nitrate loadings in groundwater Proposed: Water quality index		Proposed: Attractive and lively city centre	Proposed: CBD pedestrian counts Proposed: CBD retail vacancy rate	
	Proposed: Forest and farmlands	Proposed: Extent of native vegetation Proposed: Extent of commercial forestry Proposed: Stock density		A community with excellent facilities and services	17. Pride in the look and feel of the District	17a Pride in the look and feel of the District
	Proposed: Energy conservation	Proposed: Greenhouse gas emissions Proposed: Energy conservation initiatives				
	Proposed: Beautiful urban environment	Proposed: Resident satisfaction with litter control Proposed: 'Beautiful City status,				

bright future rotorua - community outcomes **cont.**

Community Outcome	Indicator	Measure
A community with excellent facilities and services	18. Ease of getting from place to place	18a Perception of public transport 18b Perception of ease of walking and cycling
	19. Satisfaction with facilities and services	19a Resident satisfaction with Council facilities & services 19b Visitor satisfaction with facilities & services
		Proposed: Cost of local authority services proposed: Number of smoke-free facilities in Rotorua's urban areas.
	20. Disabled access	20a Access for people with disabilities
	Proposed: Quality, affordable housing	Proposed: Housing affordability index Proposed: Rent to income ratio Proposed: Home ownership rate



Community Outcome	Indicator	Measure
A community with excellent facilities and services	Proposed: Quality, affordable housing	Proposed: Housing affordability index Proposed: Rent to income ratio Proposed: Home ownership rate
A community that values its living Maori culture	21. Perceived value of living Maori culture	21a Importance of living Maori culture 21b Extent the community values its living Maori culture 21c Equal opportunities
	22. Bicultural relationship	22a Relationship between Maori & Council
	23. Te Ao Maori	23a Speaking proficiency in Te Reo 23b Perceived importance of Te Reo
	24. Te Ao Maori (the Maori world)	24a Maori activities and media
A learning community	25. Early childhood education	25a Early childhood education
	26. Student achievement	26a School qualifications 26b Early school leavers
	27. Student engagement	27a Stand-downs and suspensions 27b Truancy rate
	28. Further education	28a Participation in further education or training
A 'happening' community	29. Activities	29a Always something to do
	30. Major events	30a Attendance at major events
	31. Sports, arts, recreation and cultural groups	31a Participation in sports, arts, recreational or cultural groups or activities
	32. Visitors	32a Visitor numbers 32b Visitor nights

bright future rotorua - community outcomes **cont.**

Monitoring and Reporting

In June 2007 Rotorua District Council (RDC) published the first Rotorua Community Outcomes Report. The report presented information on a range of indicators (refer to the table on the preceding pages) to reflect the state of high level outcomes. The Rotorua community outcomes are not the sole responsibility of RDC. Many local and national organisations contribute to each one. The report collected data from these organisations and other sources, and reflects the current status of the district's eight community outcomes.

Some indicators are measured more frequently than the three yearly reporting requirement, though not all indicators are measured and monitored directly by the RDC. Those that are monitored by Council complement the RDC's overall performance management framework.

The report helps decision makers in the Rotorua District to promote better co-ordination and application of community resources.

A summary of the results follows.

Progress indicators from the report reveal that Rotorua is doing well on a number of fronts, including:

- Falling crime rate and improving perceptions of community safety by residents.
- Low levels of unemployment.
- Reduced rates of school stand-downs and suspensions.
- Increased levels of educational attainment.
- Increased visitor numbers.
- Increased real median income, though still below the national average.
- Reduced rates of heart disease, though still above the national standardised rate.

Areas where the district is not doing so well include:

- Increased numbers of annual road traffic crashes and casualties since 2000, due to issues such as poor observation, speeding, failure to give way and drink driving.
- Relatively high levels of reported criminal offending, despite improvements.
- Relatively high levels of waste to landfill per capita.
- Poor oral health, with an average of 2.23 decayed, missing and filled teeth for 12-year olds compared to 1.67 for the national average.
- Increasing numbers of early school leaver exemptions.
- Algal blooms on Lakes Rotoehu, Rotoiti, Rotorua and Okaro.

A survey in 2008 recorded a further increase in the number of Rotorua residents feeling 'very safe' or 'safe' in the CBD during the daytime (91.9% of respondents felt this way in 2008, up from 90.7% in 2007).

Also, 82.9% of respondents felt that Rotorua is either 'definitely' or 'mostly' a safe place to live.

These findings reflect the effective partnerships Council has with Police, Neighbourhood Support, Maori Wardens and other organisations, to reduce crime. The Lakes District Health Board is taking a lead on the oral health issue, while Council's efforts to address the 'waste to landfill' issue are outlined in the introduction to the Infrastructural Group of activities in Part B of the Ten Year Plan.

The Rotorua District Council will continue to work with other local and regional organisations, Maori, central government organisations and non-governmental organisations to progress the achievement of the eight community outcomes and improve the well-being of the district.

The 2008 survey recorded a further increase in the number of Rotorua residents feeling 'very safe' or 'safe' in the CBD during the daytime (91.9% of respondents felt this way in 2008, up from 90.7% in 2007).

bright future rotorua - community outcomes **cont.**

Collaborative Approaches

To give full effect to community outcomes requires a collaborative approach from many organisations, groups and sectors of the community. In addition to close consultation with Tangata Whenua in the identification of community outcomes and indicators, Council is 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 identify and/or promote community outcomes.

The Rotorua Partner Programme (detailed in a later section) was formally established in 2005 to recognise the significant contributions from corporates and other organisations aimed primarily at developing projects for the good of the wider Rotorua community. So far more than \$23 million in philanthropic support has been invested by our Rotorua Partners.

Environment Bay of Plenty has worked in partnership with local councils and other organisations in the region to run outcomes processes. Regional Community Outcomes are a result of these processes.



Council is a member and active contributor to Community Outcomes Bay of Plenty (COBOP), a relationship network of central and local government managers in the Bay of Plenty that promotes dialogue and discussion around community outcomes. The purpose of COBOP is to promote the achievement of local and regional community outcomes through effective co-operation and collaboration and efficient use of resources.

This group has put together a list of common themes from community outcomes 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 the Local Government Act, and reflects the shared roles of many organisations and the community in working towards community outcomes.

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 are not already being progressed and require a national multi-agency policy or legislative response.

'Choosing Futures Waikato' is a similar initiative of the 13 councils in the greater Waikato region. For more information see www.choosingfutures.co.nz.

well-being statements

The four well-beings of community sustainability

- Social Well-being
- Economic Well-being
- Environmental Well-being
- Cultural Well-being

Within the Local Government Act 2002, is the intent to care for the community, served by each local government. Two key aspects are recognised. Firstly, that each community is more than the industry it has, or its geographic location; that people and their culture are also vital considerations. Secondly, that those who live now, need to make decisions that will allow the people who follow to enjoy the same, if not better, living in that space.

This Ten Year Plan (TYP) has already shown how community outcomes are essentially a statement from the community, about what it considers necessary, for promoting the social, economic, environmental and cultural wellbeing, in the present and future.

In introducing the four well-being statements in the Ten Year Plan, Rotorua District Council (RDC) has connected each to one or more community outcomes. RDC knows that this does not do justice to each well-being. They are four interwoven aspects that lead to community well-being. The well-beings cannot be discussed in isolation from each other. In an effort to reflect the essence of each one, RDC has taken a simplistic approach. In reality, the interweaving and connections between the four are fundamental to the strength of the whole community.

The reader will notice that Maori culture and tourism, defining features of Rotorua from its earliest days, appear in several well-being discussions. This is a reflection of the ways these two areas have been blended into a range of activities that help to define this community.



The intent in the Ten Year Plan is to outline the components RDC sees as inherent in each of the four well-beings. In each annual report that follows the adoption of the Ten Year Plan, RDC will provide examples of how the council has worked to contribute positively, to each well-being.

Council's reporting recognises that community outcomes are collaborative strategic goals for a variety of agencies, all of whom contribute to community well-being. The goals can be used by all agencies to guide their service delivery, and efficient, coordinated resource allocation. The community outcomes offer a focal point for promoting closer working relationships.

Over several years Council has developed sets of indicators for each of the four dimensions of well-being. These indicator sets will be further developed in coming years. Measuring and reporting the extent to which the Rotorua community values its living Maori culture is a challenge. Measuring and reporting cultural well-being is a developing field in NZ. Indicators for this aspect of well-being are fairly new.

RDC will produce a variety of monitoring reports, in addition to the well-being updates provided in each annual report. The monitoring reports are able to reflect the combined impact/results from the work of a number of agencies.

There are many influences on community well-being, including council activities, government policies and services, national and international economic conditions, technological advances and many other factors. Council activities can be as direct as providing funding or staff resources that support a component of well-being. Council also provides support indirectly, for example, via its own policies, plans, and contracts for services.

This section looks at the four aspects of caring for our community: social, economic, environmental and cultural well-being.

social well-being

Social well-being

“A safe and caring community”

“A healthy community”

“A community with excellent facilities and services”

“A learning community”

There are nine aspects of social well-being which RDC contributes to:

1. Knowledge and skills

The levels of knowledge and skills present in a community are important as they allow people to enhance their ability to meet their basic needs. They also widen the range of options for people in their everyday life and enable them to have choices in life. The skills people develop can also enhance their sense of self-worth, security and belonging. Knowledge and skills include education and training, alongside abilities gained through work and daily life.

2. Social ‘connectedness’

Social ‘connectedness’ refers to the relationships people have with others and their sense of belonging to their community. Every person has a range of roles in the community. A person may be a partner, parent, friend, student, staff member or caregiver. The connections between people are important to each person's well-being as they can offer support in hard times, belonging and contentment. A community can create opportunities for people to come together around a project, issue or event. By coming together for a purpose or shared goals, connections are strengthened and their contribution encouraged.

3. Health- personal and public

Council acknowledges that health includes the dimensions of social, emotional, mental and spiritual well-being. Good health is important for everyone. There are two core aspects: how long people live and the quality of their lives. Good health means ensuring that people living in Rotorua have access to health and social support services.

4. Civic duty and political rights

Encouraging people to exercise their civic duties and political rights is one way for them to participate in society and to have a say in what happens in their local communities.

5. Community safety

The number one community outcome wanted by the Rotorua community is a safe and caring community. The desired result is that all people enjoy physical safety and feel secure and free from the threat of fear or harm or danger.

6. Education

Educational opportunities refer to formal education offered in Rotorua. These include pre-school, primary, secondary and tertiary. Research has shown that early and continued involvement with education, supports the standard of living people enjoy in later life. Council believes that all young people under the age of 25 should be engaged in appropriate education, training, work or other options, which will lead to long term economic independence and well-being.

7. Employment opportunities

Paid work allows people to meet their and their family's basic needs. Paid employment allows people more options for how they live their lives, and is important for social contact and self esteem.

8. Support for families

Groups of people, including family/whanau, social and health services, and friends, provide support for children and young people in our communities. These groups provide opportunities for learning life and relationship skills. Council provides activities, facilities and events that encourage family/whanau participation.

9. High standard of living

The standard of living of individuals and families refers to their ability to choose where they live, what to buy and whether they have money to spend. Food, clothing and housing are basic to social well-being. Insufficient economic resources restrict people's quality of life. The presence of extremes of incomes can cause social disconnection across communities. Council's social policies and assistance, and its support of education, training opportunities, economic development and tourism can improve the collective standard of living of the community.



economic well-being

Economic well-being

“A prosperous community”

There are eight aspects of economic well-being which RDC contributes to:

1. Business confidence

The main industry sectors of tourism, forestry & wood processing and agriculture are well established within the region and are well supported by the growing manufacturing, education, research and technology sectors. Rotorua provides a unique lifestyle and geographical position that is ideally situated to enhance the transport, communications and logistics industries. In recent times growth and development in Rotorua has seen an economic growth rate in line with the national average.

2. Tourism and hospitality

More than a third of all international visitors to New Zealand visit the Rotorua District. The Rotorua tourism industry is built on leading attractions including Maori culture and history, a unique natural environment with many lakes, parks, reserves and the geothermal experience. There are extensive adventure tourism products and a growing events sector. Rotorua has a wide range of accommodation from backpackers to major hotels to luxury lodges. Around 8500 visitors stay in Rotorua each night. Spending associated with tourism, flows into many sectors. Many households in Rotorua have members working in tourism or hospitality.

3. Forestry

Forestry contributes the most to the gross domestic product of this district. Indirect employment associated with forestry, such as manufacturing and transport, increases income and employment related to this sector. More than half of New Zealand’s annual wood harvest comes from the central North Island, and this is projected to continue. There is training available at Wairiki Institute of Technology, and research and development is undertaken at Scion (formerly Forest Research).

4. Agriculture

This is one of the foundation sectors of the Rotorua District. It is currently the third largest sector. Most farming units in Rotorua are dedicated to dairy, beef, sheep and deer farming. There is an increasing number of smaller lifestyle blocks in the district.

5. Manufacturing

Around two-thirds of all manufacturing employment in Rotorua relates to wood products and machinery production, which reflects the importance of these sectors within the local economy. Some international and domestic companies are manufacturing in Rotorua and are producing products for both domestic and export markets.

6. Construction and real estate

The construction sector, which includes building related services such as plumbing and roofing, services both the commercial and residential sectors. The property market is currently experiencing variable sales, compared to recent years.

7. Transport

Most of the services in this sector are in road transport and related activities. The agriculture, forestry and tourism industries contribute most of the road cartage business. Wood and dairy products, along with manufactured items, are intensively transported between Rotorua and the Port of Tauranga.

RDC is committed to expanding the Rotorua Airport to take direct trans-Tasman flights servicing the district and wider region. This project is pivotal to building the local economy and follows significant investment by the council in core tourism and event infrastructure.

8. Wholesale and retail

Increased rural incomes and visitor numbers have been major drivers of growth in recent years, and the opening of chain stores has increased the attractiveness of Rotorua for shoppers.



environmental well-being

Environmental well-being

“A community that respects its environment”

There are twelve aspects of environmental well-being which RDC contributes to:

1. Freshwater sustainability

Freshwater sustainability is about ensuring that Rotorua has access to clean water for drinking and other purposes, such as commercial and recreational use. While the focus of improving water quality in Rotorua has been on lakes, it is important to also monitor and report the health of rivers and streams. The aim is to improve long term ecological health by actions which lessen the amount of nutrients and stream bank sediment deposited directly into the water.

2. Geothermal resources

Rotorua's geothermal resources contribute to a unique sense of place. Early Maori settlers were attracted to the outstanding geothermal features of the district. European settlers saw the potential for a world-class spa resort on the shores of Lake Rotorua. Rotorua's geothermal fields are part of the larger Taupo Volcanic Zone, and extend further than just these well known sites. Geothermal resources in the Rotorua city and urban areas are used mainly for domestic heating, and commercial spas and pools. In rural areas geothermal fields have suffered from land drainage for farming practices.



3. Culture, heritage and tourism

Tourism is a major contributor to Rotorua's economy. The district's strong cultural and natural heritage, geothermal resources and adventure activities are major attractions for tourists. Rotorua continues to be a premier tourist destination due mainly to its broad suite of natural and cultural attractions, and adventure tourism opportunities. There are plans to increase tourism whilst ensuring cultural, social and environmental sustainability.

4. Biodiversity

Rotorua is home to a number of important indigenous species and contains large areas of native bush. Biodiversity is an important environmental factor for both rural and urban environments. Mokoia Island, Mt Ngongotaha, Whakarewarewa, Kuirau Park and Sulphur Point are just a few examples of areas of biodiversity close to the urban area. As is the case throughout New Zealand, the pressures on Rotorua's biodiversity are increasing due to ongoing habitat destruction and the impact of introduced pest species. Throughout the district there are numerous efforts to increase and maintain biodiversity.

5. Open spaces

Dedicated open spaces and reserves are found in both urban and rural locations throughout the district. The spaces vary in size, but all make an important contribution to the quality of life of Rotorua residents and visitors. They provide opportunities for active and passive recreation, social interaction, preservation and enhancement of biodiversity, landscape and amenity values, cultural heritage and in some cases provide access to lakes and waterways. The district plan is under review and will consider open space issues such as reserve contributions and public access to lake margins.

6. Rural land

Rural land is the predominant land type in Rotorua. 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, and supports many small rural communities. Rural development has been increasing, with the growing popularity of 'lifestyle' properties; people who choose to live in rural areas do not necessarily work there. There is a need for Council to be aware of the changes brought about by rural development as there are impacts on many aspects of the environment.

7. Urban design and amenity

The appearance and vitality of the central business district, the services and facilities that are available to people, and other aspects such as heritage, transport and residential development are all key features of city life in Rotorua. An urban area is one where built structures are concentrated. Urban amenity is what people like about the urban environment. The central objective of urban design is to ensure that the needs of a community continue to be met, in a way that can adapt to the ever-changing dynamics of modern life.

8. Sustainable waste management

Every community produces waste. 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. Since recycling became available, the amount of recycling has steadily increased each year. More people are choosing to recycle and more people are reducing the amount of packaged goods they buy as a commitment to the environment.

environmental well-being **cont.**

9. Sustainable infrastructure

Many aspects of economic, environmental and social well-being in Rotorua depend on the provision of effective and sustainable infrastructure, such as water supply and wastewater treatment. Although it is not always acknowledged, the provision of services such as water, power and energy to our homes, and the removal of waste, are absolutely fundamental to the quality of life. As society continues to change, and requirements for services change with it, a long-term approach to infrastructure planning is critical. The sustainable infrastructure theme includes monitoring of six environmental indicators that relate to drinking water, wastewater and transport. Treatment of wastewater has resulted in the removal of a large proportion of nitrogen and phosphorus before the water finds its way into Lake Rotorua.

10. Transport

Access to an effective transport system is a key factor in achieving economic and social well-being. A well planned public transport system can contribute to environmental sustainability. Rotorua benefits from good state highway connections, due to its central North Island location. Local public transport is provided around the city, and is proving popular. Six environmental indicators which monitor road safety and transport types, use and volumes, are monitored.

11. 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 houses, cook food, power cars, and keep factories and offices running. Consideration is being given to how energy needs will be met in the future. Rotorua has some advantages in this respect, given the existence of renewable geothermal resources. The use of geothermal energy resources is an issue for the district. We must manage our geothermal resources wisely and make the best possible use of them and other resources to ensure long term sustainability. Other alternative energy options are also being explored, such as biofuel, solar and waste- to-energy technologies.

12. The global environment

Climate change, access to energy resources, biosecurity and pollution of air, land and water, are all environmental issues that affect people across the world. While many of these issues may seem remote from Rotorua, it is likely the impacts will increasingly be felt at a local level. Planning for the future of global climate change is essential. For example, if greater floods are expected to occur, infrastructure such as storm water drains, detention ponds and treatment systems need to be engineered to cope with high and fast storm water flows.



cultural well-being

Cultural well-being

**“A community that values its living Maori heritage”
“A happening community”**

There are eight aspects of cultural well-being which RDC contributes to:

1. Leisure and recreation

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. Leisure includes what people choose to do outside of work, and recreation often involves physical activity or sport.

2. Support for arts and culture

Many local people are involved in a range of artistic pursuits and cultural activities like kapa haka and Maori performing arts. There are many benefits when people participate in these activities. They include enjoyment and entertainment, personal growth, a means of connecting with cultural heritage, learning new skills and the chance to pass on traditions.

3. Maori heritage

A strong cultural identity can contribute to people's overall well-being. Identifying with a particular culture builds feelings of belonging and security. A shared heritage includes shared support, values and aspirations, and has positive impacts on health and education.

4. Cultural tourism

Rotorua was founded in the early 1880s around the shores of Lake Rotorua. Maori people are an integral part of the history of Rotorua. They are the original settlers and Te Arawa iwi has contributed greatly to the development of Rotorua as both a tourist destination and a great place to live.

5. Cultural associations and open space planning

As a well-known tourist and conference destination, there is a need for facilities that serve both the local community and visitors/tourists. Buildings and spaces of existing facilities are used for leisure, recreation, arts and tourism events and activities.

6. Community that understands its place in the world

The Rotorua Museum of Art and History has won a number of New Zealand tourism awards. There has been ongoing development of the building to allow a greater range of national and international exhibitions to visit Rotorua. The Museum's education programmes offer lessons to classes/schools within Rotorua and across New Zealand using video/conferencing facilities.

7. Access to information through print and electronic resources

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

8. Valuing diversity within our community

In keeping with most areas of New Zealand, Rotorua District is home to a number of people from other cultures. Some have been in the region or 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.



rotorua partner programme

The Rotorua Partner Programme was formally established in 2005 to recognise significant contributions from corporates 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 Partner 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.
- to foster the best possible communication and working relationship between the council and each partner organisation.

What is the Rotorua Partner Programme?

The Rotorua Partner 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 time frame expected, 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 Partner Programme matches partnering organisations (our Partners) with projects and other opportunities they want to be associated with.

Delivering Community Outcomes

The Partner programme has helped the community, Council and other organisations to work together in a more efficient and coordinated manner, to better promote well-being in the district. Much of the Partners' investment has been focused on the community outcomes: a healthy community; a prosperous community; and a community with excellent facilities and services.

What the Rotorua Partner Programme is not

Rotorua Partners do not enter into a partnership with the council to 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.

So far more than \$23m in philanthropic support has been invested by our Rotorua Partners.

rotorua partner programme cont.

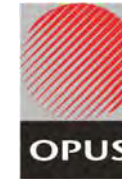
Inaugural Foundation Partners



Foundation Partners



Corporate Partners



Project Partners

