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Introduction



MIHI

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

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

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

E waru nga pūtanga kua ara ake:

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

Ko tēnei o nga tuhinga whai mana ā tau kei roto i tōna tau tuarua tēnei o te kaupapa here o te mahere tekau tau. Kia mutu raano te kōrero ngātahi me te iwi whānui o te rohe ka whakatauiratia ake ma tenei o nga Herenga Kaupapa me pehea e taea ai e te Kaunihera te whakaputa i nga painga me nga hua i roto i nga tau tekau kei mua i a tatau.

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

To the people of Rotorua
Warm greetings to you.

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

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

Eight community outcomes have been identified.

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

This Annual Plan is year two of the Ten Year Plan document which involved extensive consultation with the community of Rotorua District, and shows how the council proposes to contribute towards those outcomes over the next ten years.

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

MESSAGE FROM THE MAYOR



Kia ora koutou

I am proud to introduce our Annual Plan which defines the Rotorua District Council's direction for 2007/08. It updates Year Two of the more strategic and longer term Ten Year Plan framework we adopted last year. This Annual Plan is essentially a single year 'snapshot' from the Ten Year Plan and covers key projects, activities and costs for the coming year. It also sets out performance targets that the council will be working hard to achieve.

Our appreciation goes to the many residents, ratepayers and organisations who participated in the consultation process, providing valuable feedback on the draft Annual Plan. As a result of these submissions the Council made a number of amendments to the draft before it was adopted.

I am pleased to report that the average general rate increase has been kept down to just 3.7% for the 2007/08 year and this is close to the current level of inflation. Many councils are finding it very difficult to keep their rate increases near to the national inflation figure as they struggle with the high costs of asset renewals and maintenance programmes. Rotorua District Council has been very prudent, and has worked very hard to reduce costs and to increase other revenue sources in order to maintain rates at reasonable levels.

There are some major activities programmed for 2007/08 and one of the first will be the election of a new Council in October. I encourage all eligible residents to ensure you are on the electoral roll and to take the opportunity to cast your vote when voting papers are sent to you later in the year. It is another opportunity you have to influence the future direction of your district. For the first time this will include the election of a Rotorua Lakes Community Board, providing residents of Okere Falls, Mourea, Rotoiti, Rotoma, Lake Okareka and Lake Tarawera with another level of council representation.

Other major projects in 2007/08 include:

- Continuation of lakeside communities' sewerage schemes as well as extending the urban scheme to Hinemoa Point, Ngongotaha, and Paradise Valley Road which is aimed at improving lake water quality.
- Continuing to develop Rotorua Regional Airport to trans-Tasman capability.

- Upgrading and improving the eastern water supply for our residents.
- Museum Centennial Development Project to complete this iconic building to the architect's original plans

These projects, along with renewal programmes for the council's infrastructure (roads, water supply, sewerage schemes and land drainage), will ensure that future generations are well provided for and that Rotorua continues to grow in reputation as a great place to live, work and invest, and as a premier visitor destination.

I want to take this opportunity to thank all councillors, management and staff for their hard work and the contributions made over the last three years. It has been a very successful period for Rotorua and the council is in great health and moving forward. Rotorua District has excellent facilities and residents can feel very proud of our continuing progress.

Finally, I extend my thanks to residents for your support and input over the last three years. We do welcome your feedback so we can be sure that the facilities and services being provided are in line with what our community wants.

Kevin Winters
Mayor

REPORT OF THE CHIEF EXECUTIVE



Introduction

It is a pleasure to provide an outline to the 2007/08 Annual Plan, which is the first since the 2006-16 Ten Year Plan was adopted last year. Council has made good progress on many of the areas of major challenge. Following are some of the key points to note relating to this year's plan.

Local Government Act

The intention of the Local Government Act is to ensure that the Ten Year Plan is a comprehensive document with considerable research, options, analysis, risk mitigation and historic data used to support the various projects, plans and actions proposed over the ten years.

Council is required to prepare an Annual Plan in those years in which it does not produce a Ten Year Plan. A Ten Year Plan was produced last year covering the period 2006-2016.

During the intervening years the Annual Plan shows what Council is proposing for that year alone. The Annual Plan identifies any variations and amendments made to the Ten Year Plan for the corresponding year.

Major Challenges

In the Ten Year Plan a number of major challenges were identified as important for Council to pursue over the next 10 years. They continue as an important focus for Council and for supporting Community Outcomes:

- Lake water quality
- District's continued sustainable growth
- Implementation of Rotorua Regional Airport Plan
- Maintaining service levels of all activities
- Development of community facilities
- Continuous improvement of service
- Building funding partnership relationships

Two activities with major capital expenditure - new waste water schemes and the airport trans-Tasman projects - are behind schedule. Securing funding has slowed the waste

water schemes but we are confident funding issues will be resolved through a partnership with the Crown.

Generally however, Council continues to make good progress on these major challenges.

Rotorua Trust and the Rotorua Partners Programme



Rotorua is a very fortunate district with many facilities and services that would not otherwise exist without the support of the Rotorua Trust. I thank the trustees for their very generous support to projects that contribute towards the improved wellbeing of our community.

The Rotorua Partners' Programme has been another success story that, through the business sector and philanthropic organisations, has seen our \$28 million Energy Events Centre become a reality. This facility, estimated to contribute at least \$22 million to the local economy in its first year of operation, would not have been possible without support from the Rotorua Trust and our Rotorua Partners.

I thank those organisations and their leaders for their support, and to the new partners we are working with on other projects such as the Museum of Art and History, Civic Theatre, Regional Airport and the district's marketing - again, thank you very much

Key Changes from the Ten Year Plan for 2008

The proposed Annual Plan is not significantly different to that projected in the 2006-2016 Ten Year Plan for year two, (i.e. 2007/08). However, we always expected some changes to reflect new information and decisions made since the Ten Year Plan was adopted on 29 June 2006

The following key changes have been incorporated into the Annual Plan for 2007/08:

BOP Local Authority Shared Services Ltd (BOP LASS)

This proposal will establish a separate management entity allowing the eight local authorities of the Bay of Plenty to

jointly undertake delivery of a range of services. It will operate in much the same way as the existing Waikato LASS which established the Shared Valuation Database Service (SVDS). SVDS has meant the creation of a virtual single property valuation database for the region, has increased the quality of valuation data, and provided a means of seeking contestable valuation services from private valuation service providers. This may also lead to lower costs over time.

Targeted rates

Targeted rates for funding sewerage development expenditure and the new community board costs are to be established.

Sewerage rate

Council is introducing an Urban Sewerage Development rate to fund additional mitigation work for improving lakes water quality affected by the urban scheme. The amount of this targeted rate is \$6.10 per property.

Lakes Community Board rate

A Rotorua Lakes Community Board will be established with Council elections in October this year. The community board area comprises: Okere Falls, Mourea, Rotoiti, Rotoma, Lake Tarawera and Lake Okareka. Council has decided that the cost of the community board will be charged to those ratepayers residing in the community board area, as they will have an additional level of representation not available to other residents. The amount of this targeted rate is \$21.90 per property.

Mamaku water, and Urban water and sewerage rates

The Council will reduce the high targeted rate increases signaled in the Ten Year Plan for 2008 for the Mamaku water supply, and Urban water and sewerage activities. This change will reduce revenue in 2008, and means more gradual increases in subsequent years. It realigns revenue with additional capital costs now required for water and sewerage quality works.

In addition higher voluntary lump sum contributions were received in 2006/07, lowering the amount to be collected from sewerage capital rates

Library capital funding

Library expansion requires an additional \$1 million to complete the project. The project had an indicative budget of \$1 million since about 1997. There were no preliminary costings at that time. Since then building cost inflation of some 30% has occurred (mostly in the last three years). The preliminary design work has now been undertaken which shows a budget of \$2 million is required and the new Annual Plan reflects this amount. Library services are core to Council's activities in much the same way playgrounds and water supplies are core. There is strong community support for Council's library activity and the expansion. This has been validated in:

- Submissions to the previous Long-Term Financial Strategies, Annual Plans, and the Ten Year Plan

- NRB surveys
- Friends of the Library feedback
- Various Library surveys.

Pensioner housing stock upgrade

If the Council matches funding, there is an opportunity to apply for a second suspensory loan from Housing New Zealand Corporation to upgrade a further 25-30 pensioner houses. The total project is estimated at \$3.2 million which requires Council to allocate \$1.6 million in this Annual Plan.

When capital gain on housing stock over the next 10-20 years is taken into account, Pensioner Housing will still operate at no cost to ratepayers.

Computer projects

Budgets for the new corporate information system have been increased in line with negotiated supplier prices. In addition there is a need for more data storage. Both these costs are now budgeted for.

Cemetery land

Council has agreed to purchase land for a cemetery and has made budget provisions accordingly. Previously it was proposed to lease land.

Cash savings

In February 2007 Council undertook a major review of the financial performance and position for the 2006/07 year. This showed some \$1.6 million of operational and capital expenditure savings. These savings came from areas such as increased revenue from the Energy Events Centre, capital contributions from developers and network infrastructure savings. These cash savings have been used to reduce the amount of long-term debt and contribute towards funding minor changes to the draft Annual Plan, including:

- Hockey water turf
- Additional footpaths
- Fixtures and fittings for community halls
- New carpark at Violet Bonnington Reserve

This has allowed this Annual Plan to be adopted without change in the general rate revenue increase of 3.7% proposed in the draft Annual Plan.

Regional Airport Trans-Tasman Services

Progress on infrastructure development of the Rotorua Regional Airport continues, albeit slightly behind the anticipated programme. Main reasons for the delay are the necessary District Plan changes and other designations.

To allow the airport to develop, land use changes are important to protect both the airport and surrounding property owners. That level of protection does not currently exist within the District Plan. The District Plan change will also allow additional development of runway length to the south. This is

necessary to accommodate the type of aircraft currently used by airlines on existing trans-Tasman routes.

An economic study undertaken two years ago showed there was considerable demand for trans-Tasman services for both Bay of Plenty residents outbound and Australian visitors inbound. Evidence gained since the study reinforces the economic contribution to the regional economy that will accrue from a trans-Tasman capable airport in the Bay of Plenty, namely Rotorua. This, coupled with the recently completed Energy Events Centre, has increased the viability of additional airport investment to ensure trans-Tasman capability.

The key elements of the airport's future development are:

- Land use planning
- Runway design development and construction
- Funding
- Visitor market and attracting airlines

Land use planning

The Rotorua Regional Airport is provided for in the operative District Plan, allowing for the operation of the airport in its current form. In order to protect neighbouring properties from airport activities, the airport and future investment, a change to the District Plan has been processed. The proposed plan change was heard by two independent commissioners who approved the plan change subject to a number of conditions. The decision is subject to appeal to the Environment Court and this process is currently underway.

Runway design development and construction

Work is being completed on engineering design for a runway extension and has been developed around three options, i.e. status quo, additional runway lengthening, and runway strengthening.

Funding

The Ten Year Plan anticipates a range of funding sources including philanthropic, central government, corporate and Environment Bay of Plenty. Environment Bay of Plenty is currently investigating the possibility of establishing a Regional Infrastructure Fund. If such a fund is established, Rotorua District Council will seek a contribution towards the costs of the airport expansion from the fund.

Visitor markets and airlines.

Rotorua Regional Airport Ltd (RRAL) is responsible for the operational management of the airport including marketing, airline liaison and relationships. The company strongly believes airlines will provide trans-Tasman services once the airport is capable. A number of key meetings that the Mayor and Council staff have had with some of the airlines are proving very fruitful. However, airlines generally do not make public commitments to new routes until the capability exists in terms of airport infrastructure.

Destination Rotorua Tourism Marketing, Event Venues and other visitor sector businesses are encouraged by the

Australian inbound visitor demand for Rotorua for short stay, convention and incentive and FIT. This confirms APR Consultants' report on demand hence revenue projections for Rotorua Regional Airport once trans-Tasman capable.

Conclusion

The goal of creating a trans-Tasman airport at no cost to the ratepayer is still very achievable over a 10 year period.

Business Unit - wastewater design

Council has established a business unit to undertake engineering design and civil works contract management. The main emphasis is on design of the seven new waste water schemes for Brunswick, Okareka, Hinehopu, Okere/Otaramarae, Hamurana, Tarawera, and Rotoma.

The total capital cost is some \$90 million over the next seven years. As part of the investigation and design Council has developed some programmes that will use low pressure grinder pumps and a low pressure system of reticulation instead of the tradition gravity mains. The low pressure system allows directional drilling which is much less invasive in existing communities. The engineering staff have developed some special knowledge which we aim to commercialise over time.

Fluoridation of water supplies

There were a number of submissions to the Ten Year Plan last year regarding fluoridation of Rotorua's water supplies. Council considered this matter again and has decided not to fluoridate Rotorua's water supplies at this stage.

Building Control Authority (BCA)

The new Building Act requires Council to establish a Building Control Authority (BCA) with appropriate quality management accreditation by November 2007. Accreditation will give more assurance as to building quality and hence comfort to home owners and other building owners. However, these higher standards of quality management of building systems come at a cost. Council has decided that these additional costs should be met from building consent fees. Total consent fee income is estimated to increase by some 27%.

Development Contributions

Council adopted a Development Contribution Policy last year as part of the Ten Year Plan process. Income from development contributions was projected on the basis of the 2005 Rotorua Growth Model.

Since the policy was adopted there has been considerable discussion about the adverse impact of development contributions on the district's economic growth. Council received a number of deputations from business leaders and

developers requesting that development contribution be waived for the foreseeable future to avoid a slow down in the Rotorua economy.

This was a very difficult judgment call by Council because it was not clear whether development contributions were in fact having an adverse affect on the economy. However, on balance, Council believed it needed to play a positive part in economic development and has therefore decided to waive development contributions. The exception is for water and wastewater on a development requiring a land use consent, where the application is granted before September 2007, and development completed by September 2008.

At this stage it is unclear what the financial impact of this decision will be. So for the 2007/08 Annual Plan no change has been made to revenue or corresponding capital expenditure. This will be monitored closely over the next 12 months and any further adjustments required will be included in the 2008/09 Annual Plan.

General Rates

The Annual Plan includes an average general rate increase of 3.7% over last year, after adjusting for improvement in rates collection and growth in the rating base. The 3.7% represents value for money. Statistics New Zealand's CPI for September 2006 was 3.5% and for December 2006 1.9%. The capital construction index is considerably higher than that and has been for the last five years. Much of Council's expenditure such as capital expenditure on roads, water supplies, and sewerage schemes, are subject to the capital construction index rather than CPI. Council believes a 3.7% increase in rates and the proposed debt levels, is prudent management.

Income Statement

\$ in millions	2007/08		Variance
	Ten Year Plan	Annual Plan	
Revenue			
General rates	41.9	42.7	0.8
Targeted rates	15.2	17.1	1.9
Grants and subsidies	29.4	17.6	-11.8
Other income	25.4	22.7	-2.7
Total revenue	111.9	100.1	-11.8
Expenditure			
Operating Expenses	70.0	71.7	1.7
Depreciation	22.6	22.9	0.3
Total expenditure	92.6	94.6	2.0
Surplus	19.3	5.5	13.8

Main income variances are:

- General rates change
- Airport revenue lower due to delay in trans-Tasman service
- Aquatic Centre revenue less than projected
- Targeted rates smoothing for water and waste water
- Subsidy for undergrounding power
- Reporoa water contributions

- Interest income
- Reduced subsidy for sewerage schemes

Main expenditure variances are:

- Staffing - approximately half funded by revenue increases
- Central business district street cleaning contract
- Paper costs up
- Street lighting increase
- Interest expense savings due to timing of loans

Balance Sheet

\$ in millions	2007/08 Ten		Variance
	Year Plan	Annual Plan	
Net Asset			
Current assets	22.7	23.2	-0.5
Current liabilities	-36.2	-26.2	-10.0
Working capital	-13.5	-3.0	-10.5
Non-current assets	870.8	862.2	8.6
Non-current liabilities	-101.6	-119.1	17.5
Total net assets	755.7	740.1	15.6
Ratepayers equity			
General reserves	447.8	444.0	3.8
Other	307.9	296.1	11.8
Total ratepayers equity	755.7	740.1	15.6

In the Annual Plan ratepayers' equity is \$15.6 million less than in the 2007/08 Ten Year Plan. This is because of less capital expenditure and corresponding reduction in grants and subsidies to fund this work.

Long Term Debt

The changes that have been included in the Annual Plan have an impact on Council's long term debt. This is estimated to increase by approximately \$7 million for 2016. The main reasons for the increase are delay in implementation of development contributions, reduced subsidies, and delays to trans-Tasman service for the airport.

Conclusion

This year continues to build on the policy, strategies and action plans that have been developed over recent years and included in the Ten Year Plan.



P J Guerin
Chief Executive

ELECTED MEMBERS



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

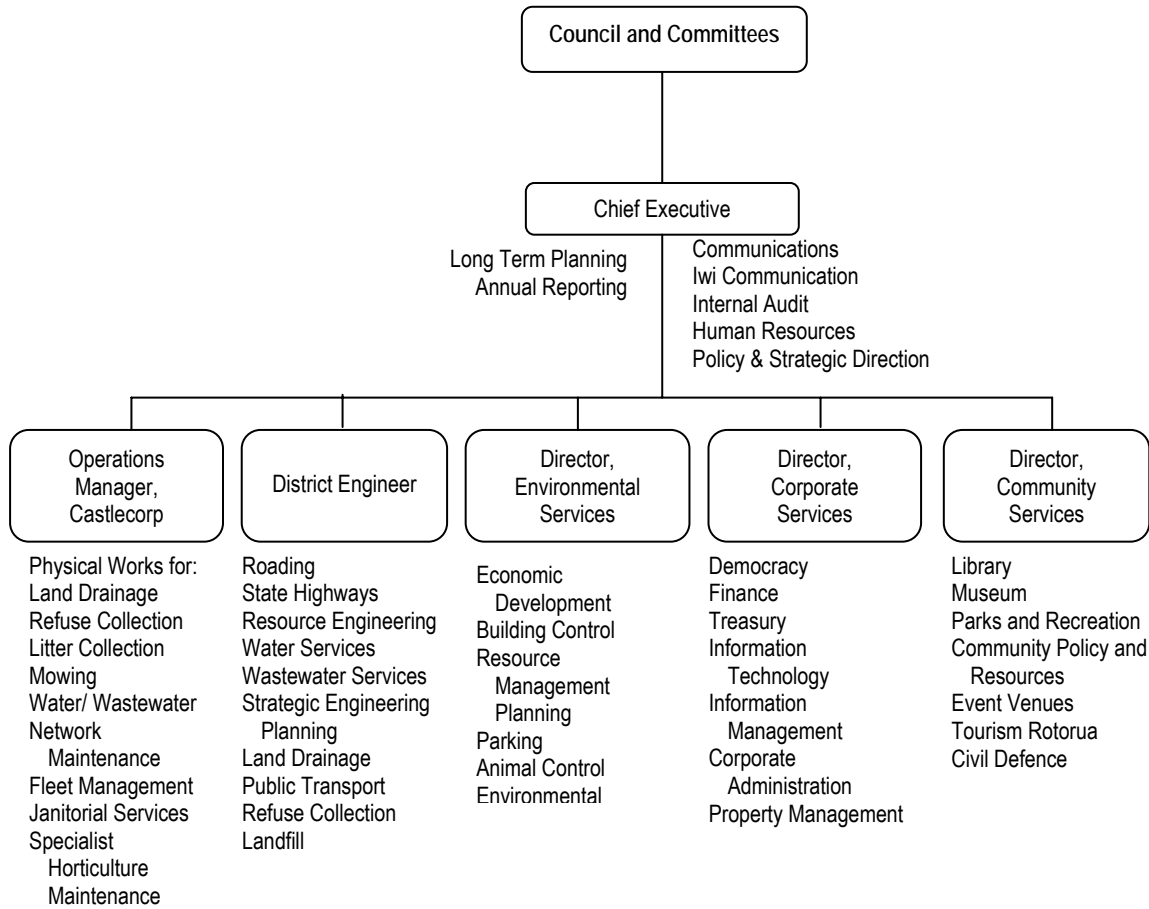
TE ARAWA STANDING COMMITTEE



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 (Iwi Research Officer), Jim Gray, Rene Mitchell, Piwiki Heke. Absent: Ruka Hughes

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

MANAGEMENT TEAM



Front row (left to right): Jack Shallard, Director Corporate Services (retired April 2007); Peter Guerin, Chief Executive; Nick Dallimore, Business Partnerships Manager; Charles Roberts, Director Community Services
 Back row (left to right): Mauriora Kingi, Director Kaupapa Maori; Judy Holden, Manager Human Resources; Rex Moore, Manager Strategic Communications; Nico Claassen, District Engineer; Nigel Wharton, Director Environmental Services;

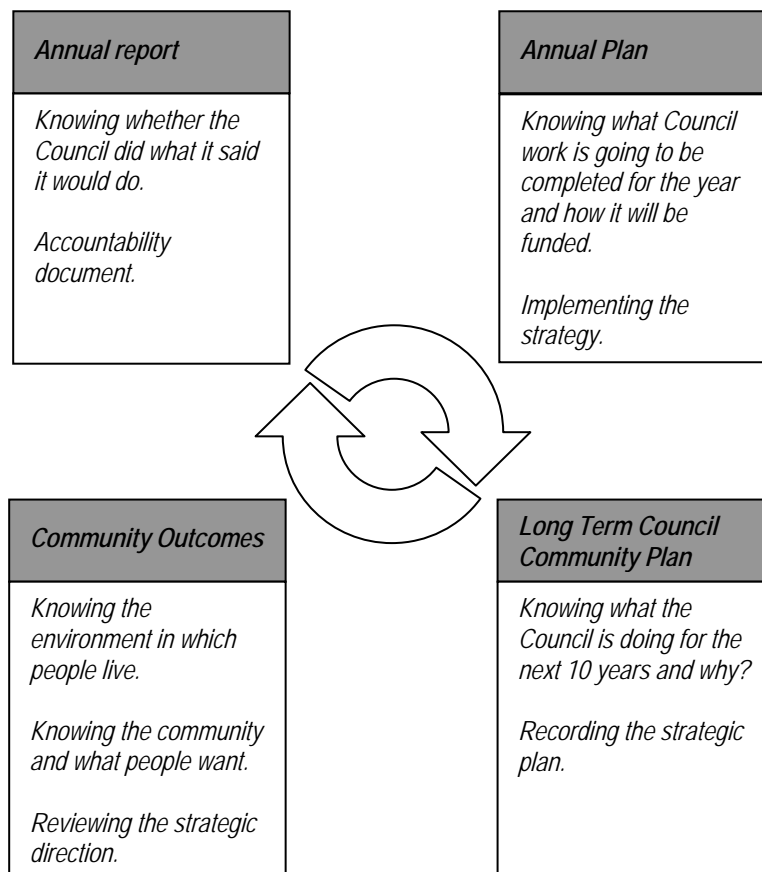
THE PLANNING PROCESS

Council's Ten Year Plan details activities and related financial information for a ten year period and is reviewed and updated every three years. In the intervening years when the Ten Year Plan is not reviewed, Council produces a separate Annual Plan with the purpose of:

- Supporting the Long Term Council Community Plan (LTCCP) in providing integrated decision-making and co-ordination of the resources of the local authority.
- Identifying any variances from the funding and financial information in the LTCCP for that year.
- Extending the opportunity for public participation in decision-making processes relating to costs and funding.
- Contributing to the Council's accountability to its community.
- Detailing the annual budget and funding impact statement.

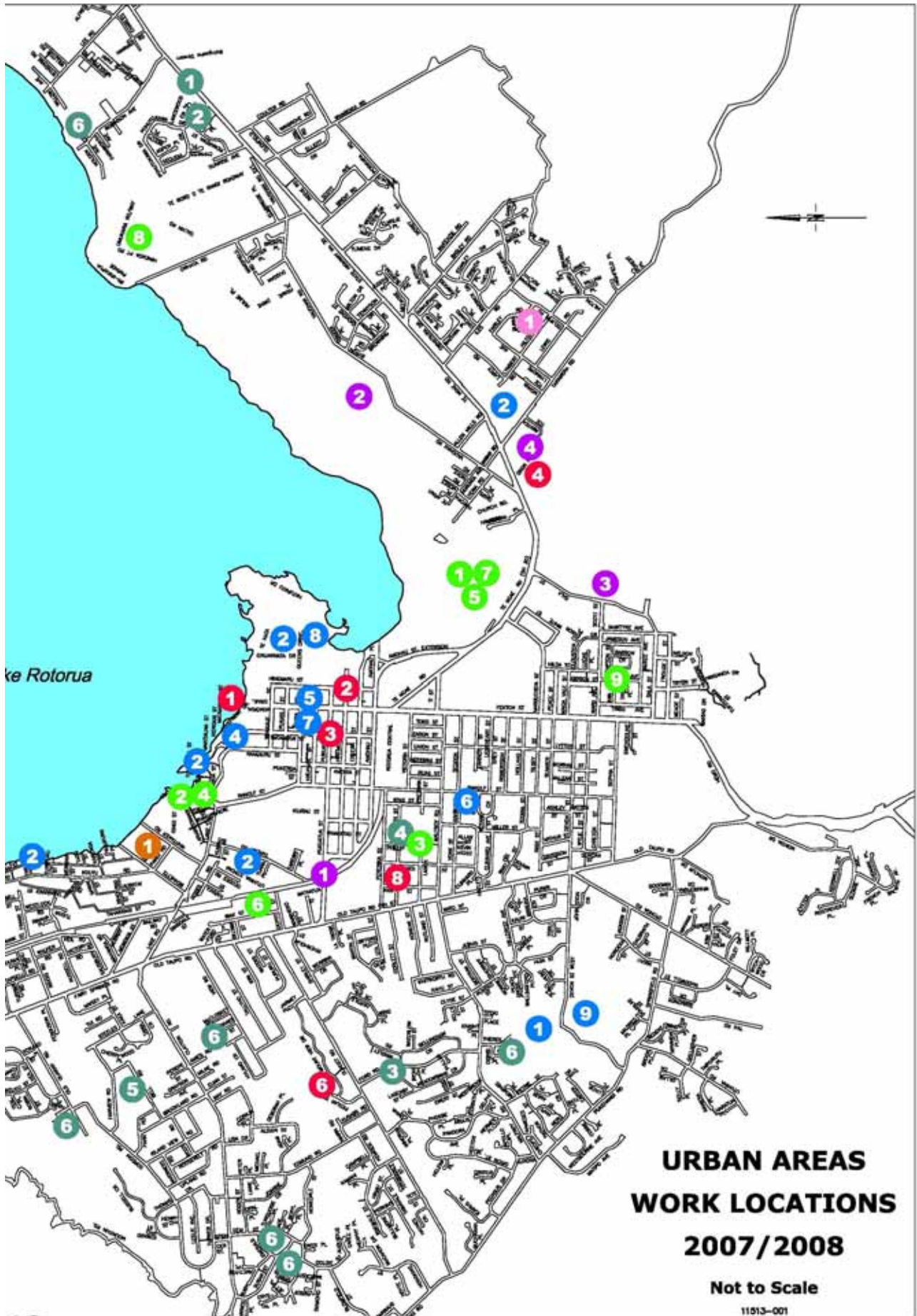
If there are significant changes from the Ten Year Plan, or changes of a particular type, it may be necessary to amend the Ten Year Plan as well as produce an Annual Plan. Such changes could include decisions to:

- significantly alter service levels of significant activities
- transfer ownership or control of strategic assets
- construct, replace or abandon strategic assets; or
- that would have a significant direct or indirect impact on either the capacity of a local authority to deliver on an activity or on the cost of undertaking that activity.

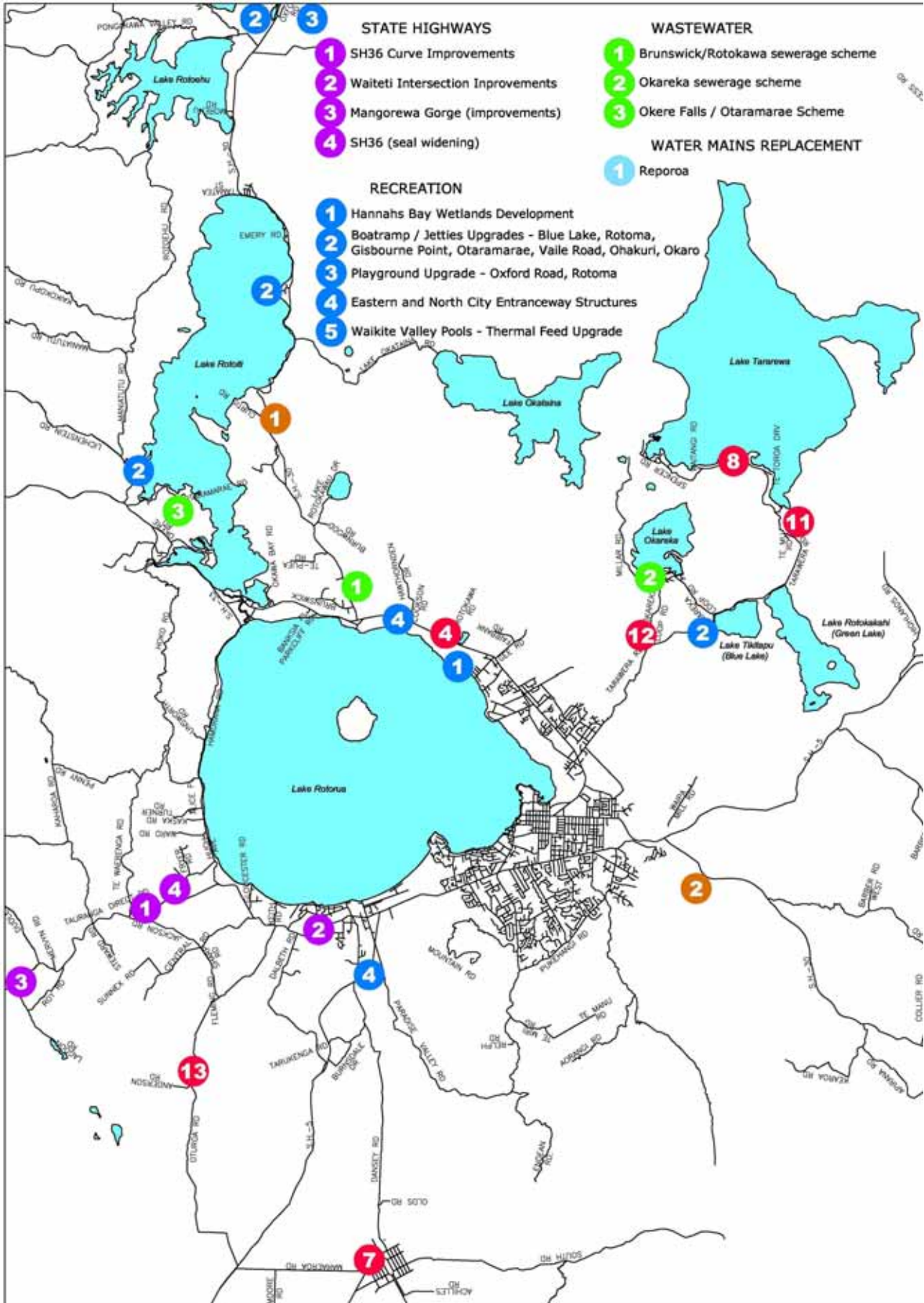


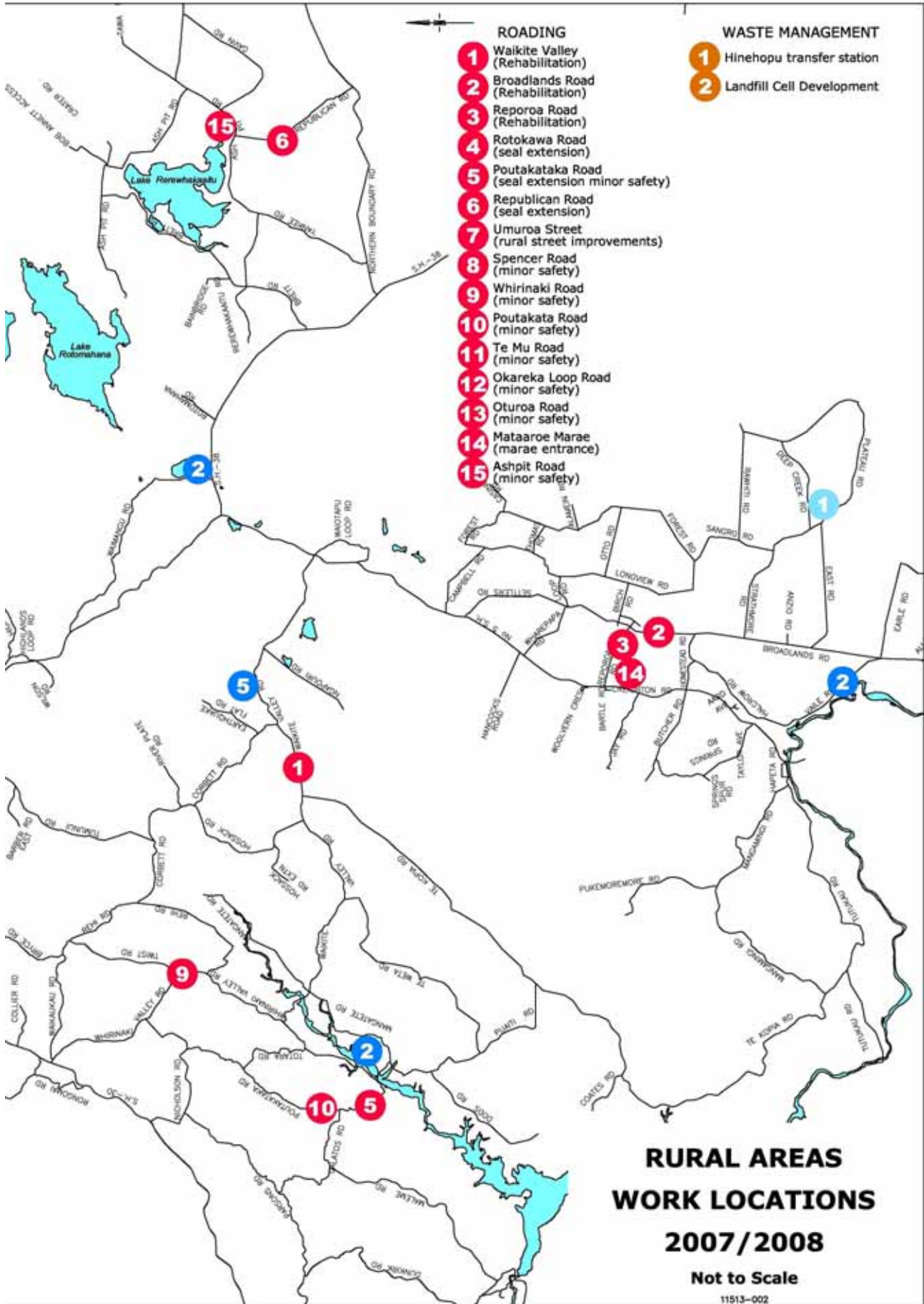
CAPITAL WORKS PROGRAMME – URBAN





CAPITAL WORKS PROGRAMME - RURAL





INDICATIVE RATES FOR REPRESENTATIVE PROPERTIES

This schedule provides a representative selection of examples of rates movements by the different rating groups. The comparison shown is between the rates set in 2006/2007 and the proposed rates for 2007/2008.

Note: This schedule does not include: a) rates for the capital costs of new sewerage schemes; b) rates for metered water; c) Environment Bay of Plenty rates.

This schedule uses set values of services to get a direct year to year comparison.

	Land Value	Uniform Annual General Charge	General Rate	Water Charge	Sewerage Charge	Refuse Charge(s)	Lakes Enhancement Rate	Total RDC proposed rates 2007/08	Total RDC rates 2006/2007	Increase/ (decrease) in total RDC rates	% increase/ (decrease) in total RDC rates
Group 1 Residential urban general											
	61,000	430	395	173	326	68	16	1,408	1,346	62	4.61%
	75,000	430	486	173	326	68	16	1,498	1,433	65	4.55%
	89,047	430	577	173	326	68	16	1,589	1,521	68	4.49%
	106,000	430	687	173	326	68	16	1,699	1,627	72	4.44%
	1,000,000	430	6,477	173	326	68	16	7,489	7,214	275	3.81%
Group 2 Residential rural general											
	66,000	430	299			70	16	815	793	23	2.85%
	135,000	430	612	Per local scheme	Per local scheme	70	16	1,128	1,095	34	3.07%
	199,384	430	904			70	16	1,420	1,376	44	3.18%
	250,000	430	1,133			70	16	1,650	1,598	52	3.24%
	3,250,000	430	14,735			70	16	15,251	14,723	528	3.59%
Group 3 Residential urban vacant											
	32,000	430	187	86	163		16	882	847	35	4.07%
	74,000	430	431	86	163	No Service	16	1,127	1,084	43	3.98%
	102,042	430	595	86	163		16	1,290	1,241	49	3.93%
	132,000	430	769	86	163		16	1,465	1,410	55	3.90%
	1,775,000	430	10,347	86	163		16	11,042	10,652	390	3.66%
Group 4 Residential rural vacant											
	39,000	430	164				16	610	594	16	2.65%
	65,000	430	274	Per local scheme	Per local scheme	No Service	16	720	700	20	2.80%
	108,801	430	458				16	904	878	26	2.97%
	140,000	430	589				16	1,035	1,005	31	3.05%
	870,000	430	3,663				16	4,109	3,970	138	3.48%
Group 5 Residential 2 unit urban											
				Single unit x 2							
	64,000	430	456	346	652	135	16	2,035	1,933	102	5.29%
	78,000	430	556	346	652	135	16	2,135	2,029	106	5.21%
	101,804	430	725	346	652	135	16	2,304	2,193	112	5.09%
	122,000	430	869	346	652	135	16	2,448	2,332	117	5.01%
	640,000	430	4,560	346	652	135	16	6,139	5,893	246	4.17%
Group 6 Residential multi-unit											
				Example based on 4 units							
	106,000	430	2,918		1,305	270	16	4,939	4,733	206	4.34%
	143,000	430	3,936	Metered Water	1,305	270	16	5,957	5,716	241	4.22%
	153,092	430	4,214		1,305	270	16	6,235	5,984	251	4.19%
	180,000	430	4,955		1,305	270	16	6,976	6,699	277	4.13%
	650,000	430	17,892		1,305	270	16	19,913	19,183	730	3.80%
Group 7 Farming general											
	280,000	430	1,179				16	1,625	1,573	51	3.26%
	465,000	430	1,958	Per local scheme	Per local scheme	No Service	16	2,404	2,325	79	3.38%
	821,565	430	3,459				16	3,905	3,774	131	3.47%
	977,500	430	4,115				16	4,561	4,407	154	3.50%
	30,800,000	430	129,664				16	130,110	125,560	4,550	3.62%

	Land Value	Uniform Annual General Charge	General Rate	Water Charge	Sewerage Charge	Refuse Charge(s)	Lakes Enhancement Rate	Total RDC proposed rates 2007/08	Total RDC rates 2006/2007	Increase/ (decrease) in total RDC rates	% increase/ (decrease) in total RDC rates
Group 8 Business inside CBD					Example based on 6 pans/urinals	Single occupier, 2 collections p.w.					
	150,000	430	4,080		1,664	135	16	6,325	6,060	265	4.38%
	240,000	430	6,529		1,664	135	16	8,773	8,422	351	4.17%
	388,230	430	10,561	Metered Water	1,664	135	16	12,806	12,313	492	4.00%
	380,000	430	10,337		1,664	135	16	12,582	12,097	484	4.00%
	12,850,000	430	349,549		1,664	135	16	351,794	339,433	12,361	3.64%
Group 9 Business urban outside CBD					Example based on 6 pans/urinals	Single occupier, 1 collection p.w.					
	67,750	430	1,843		1,664	68	16	4,020	3,835	185	4.82%
	116,000	430	3,155		1,664	68	16	5,333	5,102	231	4.52%
	236,787	430	6,441	Metered Water	1,664	68	16	8,618	8,273	346	4.18%
	280,000	430	7,617		1,664	68	16	9,794	9,407	387	4.11%
	7,000,000	430	190,416		1,664	68	16	192,593	185,806	6,787	3.65%
Group 10 Business rural						Single occupier, 1 collection p.w.					
	20,250	430	341			70	16	857	833	24	2.89%
	93,500	430	1,574			70	16	2,091	2,023	67	3.33%
	313,608	430	5,281	Per local scheme	Per local scheme	70	16	5,797	5,600	197	3.52%
	353,750	430	5,957			70	16	6,473	6,252	221	3.53%
	7,500,000	430	126,296			70	16	126,812	122,378	4,434	3.62%

Strategic Direction



ROTORUA BRIGHT FUTURE- COMMUNITY OUTCOMES



Every six years, the council is required to work with residents and ratepayers to identify what are known as Community Outcomes. These are the aspirations of the community – the things that people would like to see for Rotorua in the medium to long term. Collectively they form a community vision for the future and we call the programme “Rotorua Bright Future”.

The community has identified eight outcomes as their priority for Rotorua in the future.

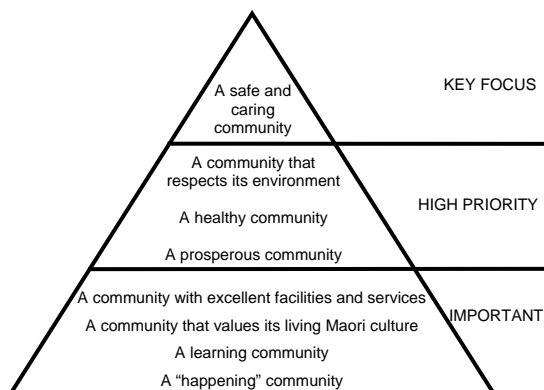
This Annual Plan details how Rotorua District Council will implement Year Two of its current Ten Year Plan.

Everything in the council’s Ten Year Plan is aimed at contributing towards achieving these things. If you have a look through the more detailed groups of council activities in The Ten Year Plan, you will see that each of these activities addresses which of the Community Outcomes it will help achieve.

It is important to note that the Council will not achieve all of these outcomes by itself. It will need to be a cooperative community effort.

For that reason, the Council is working closely with other government and community organisations to see how we can collectively work together, cooperate and share responsibilities aimed at achieving the Bright Future that Rotorua residents want for the district.

The key Bright Future Rotorua community outcomes that the community has identified for the future are:



Each of these community outcomes is made up of a number of parts. In summary, they are:

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

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

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

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

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

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

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

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

WELL-BEING STATEMENTS

The Local Government Act (2002) provides for Rotorua District Council to play a broad role in promoting the social, economic, environmental and cultural well-being of local communities, both now and in the future.

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

The community outcomes identified also contribute to the "well-beings" as follows:

Contributing Community Outcomes	Well-being Statements
<ul style="list-style-type: none"> • A safe and caring community • A healthy community • A community with excellent facilities and services • A learning community 	Social Well-being
<ul style="list-style-type: none"> • A prosperous Rotorua community 	Economic Well-being
<ul style="list-style-type: none"> • A community that respects its environment. • A healthy community • A safe and caring community 	Environmental Well-being
<ul style="list-style-type: none"> • A community that values its living Maori heritage • A community with excellent facilities and services • A "happening" community 	Cultural Well-being

Rotorua Partners' Programme



ROTORUA PARTNERS' PROGRAMME

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

It comprises three categories of partners:

Foundation Partner



Corporate Partner



Project Partner



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

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

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

What is the Rotorua Partners' Programme?

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

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

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

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

What the Rotorua Partners' Programme is not

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

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

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

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

So far around \$20 million in philanthropic support has been confirmed from our Rotorua Partners.

Foundation Partners



Corporate Partners

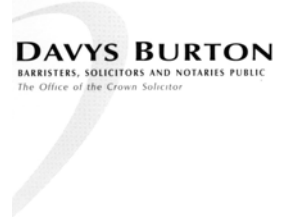
The Daily Post
Get it Daily



Panasonic
ideas for life



Project Partners



With the support of



PUKEROA ORUAWHATA
TRUST

Implementation of Strategic Direction



INDEX FOR ACTIVITY GROUPS

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GUIDE TO ACTIVITY GROUPS

Introduction

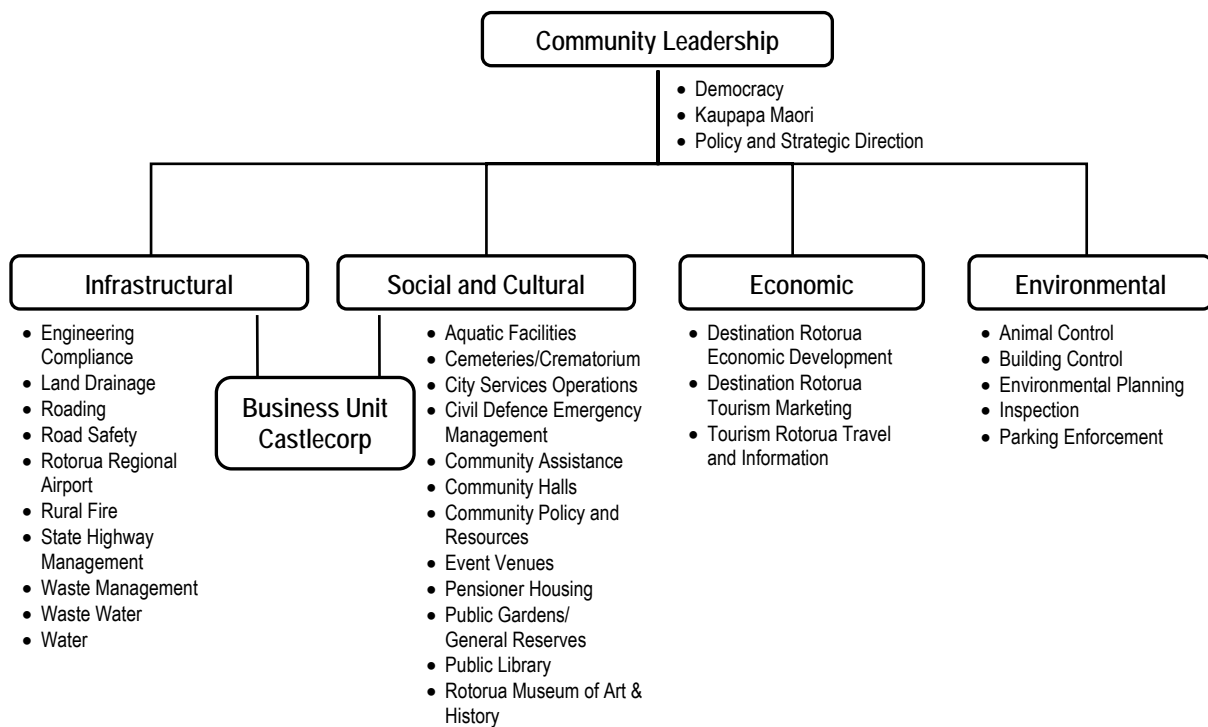
The activity groups sections of the plan divides all of the activities and services undertaken by Council into groups that reflect functional nature as well as well-being themes. In establishing the groups consideration was given to the description and nature of costs associated with each of Council's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

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

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

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

The diagram below shows the Activity Groups and their relationships.



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

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

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

- **Infrastructural** has been established as an activity group in the main because many of the cost centres provide a contribution towards all of the well-being activities e.g. stormwater ensures homes are protected, businesses are not at risk of flooding and the environment is not degraded from uncontrolled stormwater runoff.
- **Social and Cultural** is an area where there is considerable room to develop in order to respond to identified community outcomes and priorities. The word 'cultural' can be used in a number of different contexts. Culture can be defined as the set of beliefs, attitudes, behaviours and institutions that characterise a community. Rotorua's complex cultural profile, includes its Maori heritage, modern-day ethnic diversity, arts scene, sporting culture, intergenerational differences, and measure of social connection.
- **Business Unit Castlec corp** is a separate business unit within the Rotorua District Council whose purpose is to provide infrastructural services to the residents of the District of Rotorua 365 days per year for:
 - water
 - wastewater
 - refuse
 - land drainage
 - parks and reserves
 - sports fields
 - public gardens
 - fleet maintenance
- **Economic** can be improved through Council working with key sectors and individuals to foster economic growth. Last year saw Council initiate a number of new strategies to contribute towards and facilitate economic growth. The LTCCP provides for the resourcing and implementation of Council's contribution to those strategies over the next 10 years.
- **Environmental** is strongly supported through Council's planning and regulatory roles and relates mainly to our functions and responsibilities under the Resource Management Act.

Levels of Service and Targets

In the Ten Year Plan 2006-2016, Council presents its intended levels of service provision for the next 10 years. Appropriate levels are determined, monitored and reviewed using 3 key mechanisms:

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

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

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

Non-financial measurements (performance targets) determine the quantitative and qualitative elements of the outputs produced by Council. These performance, performance targets must have:

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

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

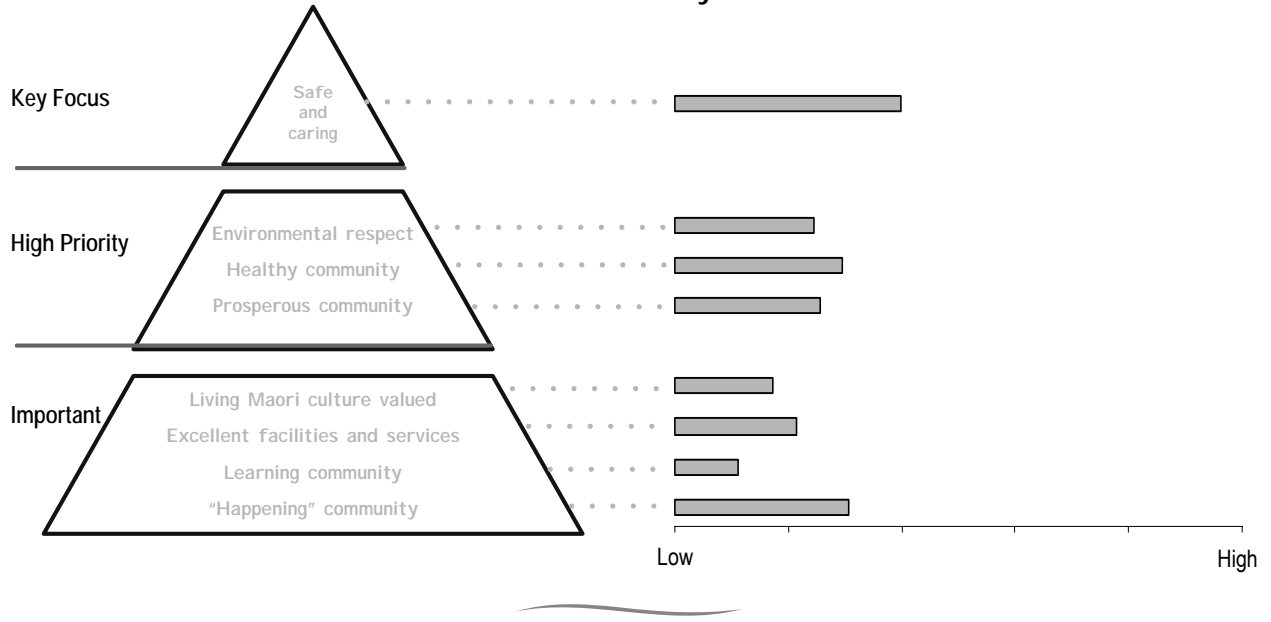
Activity Group Section

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

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

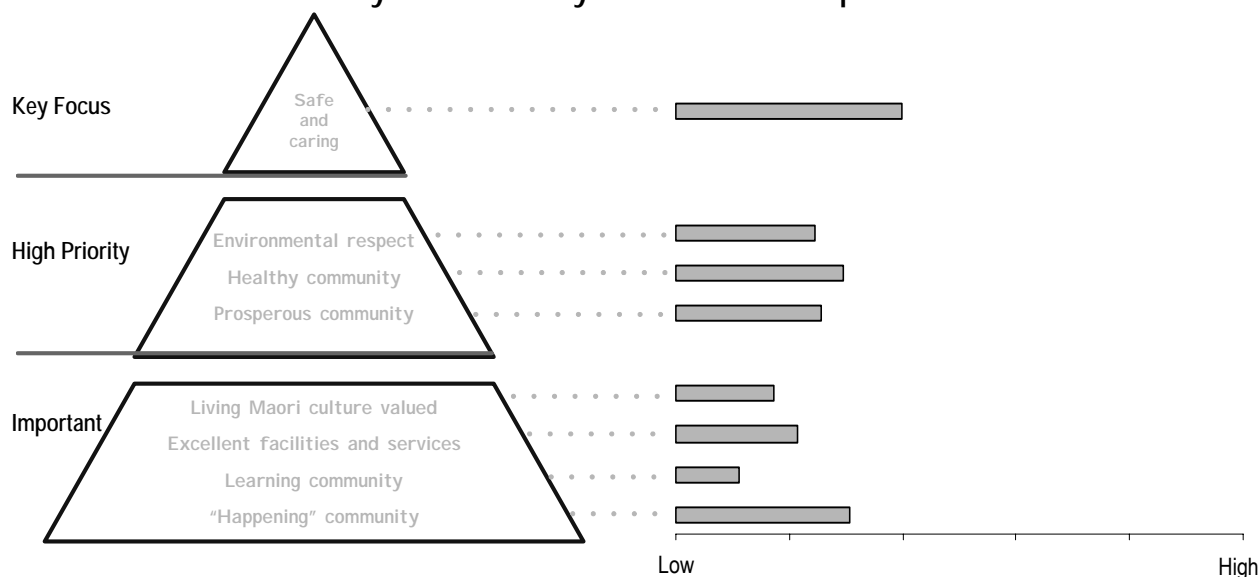
The Castlec corp Business unit makes its contribution by delivering contracted services for other activity groups and therefore no separate contribution is shown.

Contribution of all Council services to Community Outcomes for whole Council



COMMUNITY LEADERSHIP GROUP

Contribution to Community Outcomes by services in Group



Overview of Group

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

- Democracy
- Kaupapa Maori
- Policy and Strategic Direction

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

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

Cost of Service Statement

	2007	2008	2008	2008
(thousands)	LTCCP	LTCCP	Annual Plan	Change
Direct costs	1,020	1,321	1,583	-262
Depreciation	2,803	2,398	2,189	209
Finance	78	75	487	-413
Total Costs	3,901	3,794	4,260	-466
REVENUE				
Targeted Rates			50	-50
Investment income	-115	-67	346	-413
Fees and charges	1,030	896	777	119
Total Revenue	916	829	1,173	-344
Net Cost of Service	2,985	2,966	3,087	-122

Net Cost of Service

Description	2007	2008	2008	2008
(thousands)	LTCCP	LTCCP	Annual Plan	Change
Democracy	1,828	1,933	1,961	-28
Kaupapa Maori	293	255	254	1
Policy and Strategic Direction	864	778	872	-94
Total Net Cost of Service	2,985	2,966	3,087	-122

How we pay for this Group

	2007	2008	2008	2008
(thousands)	LTCCP	LTCCP	Annual Plan	Change
OPERATIONAL FUNDING				
Net Cost of Service	2,985	2,966	3,087	-122
Funding	2,985	2,966	3,087	-122
Less Depreciation for Capital	-2,803	-2,398	-2,189	-209
Total Rates (General) for (from) Operations	182	568	898	-331
CAPITAL FUNDING				
Rates funding (General)	2,803	2,398	2,189	209
Loans from (to) Corporate Funds	1,200	-1,117	741	-1,857
Advances net	10	7	7	0
Asset sales	170	947	620	326
Total Capital	4,183	2,235	3,557	-1,322

Capital Program

	(thousands)	Rational	2008 LTCCP	2008 Annual Plan	2008 Change
Democracy					
Computer Purchases		Renewal	10	11	-1
Policy And Strategic Direction					
Computer Purchases		Renewal	5	5	0
Corporate Administration					
Computer Purchases / Office Equipment		Renewal	22	22	0
Accounting					
Computer Purchases / Furniture & Fittings		Renewal	6	3	3
Treasury					
Computer Purchases		Renewal	11	9	2
Human Resources					
Computer Purchases		Renewal	10	8	2
Information Management					
Corporate Development		Renewal	80	100	-20
Web		Renewal		260	-260
Ozone Implementation		Renewal		350	-350
Data Integration		Renewal	50		50
Computer Purchases		Renewal	43	10	33
			<u>173</u>	<u>720</u>	<u>-547</u>
Records					
Imaging		Renewal	309	903	-594
Computer Purchases		Renewal	30	17	13
			<u>338</u>	<u>919</u>	<u>-581</u>
Land Information Services					
Computer Purchases		Renewal	94	84	10
Information Technology					
Core Hardware Replacements		Renewal	217	227	-10
Core Hardware New - Storage		Renewal	0	200	-200
Other Computer Purchases		Renewal	58	58	
			<u>275</u>	<u>485</u>	<u>-210</u>
Property Management					
Council Administration Building					
Furniture / Alterations		Renewal	52	52	
Plant		Renewal	201	201	
Carpet		Renewal	304	304	
Depot Gas Boilers		Renewal	14	14	
Strategic Properties		Renewal	720	720	
			<u>1,291</u>	<u>1,291</u>	<u>0</u>
Total Capital for Community Leadership Group					
			<u>2,235</u>	<u>3,557</u>	<u>-1,322</u>

Large variances explained

It is anticipated that Council will have more funds invested throughout 2007/08 than initially budgeted. There are a number of capital projects that have been carried forward from 2006/07 due to changes in key personnel. These include:

- Web development
 - Ozone implementation
 - Imaging project
 - Hardware storage
- and as a consequence the depreciation expense for 2007/08 will be reduced.

What we say we will do

Democracy

OUTCOMES PROMOTED –All outcomes			
Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
All sub outcomes	Open and participative democracy	NRB Survey	55% of community finds Councillors approachable.
	Triennial elections	Elections NZ results	50% of voter turnout at 2007 election
	Governance, leadership and determination of policy	NRB Survey	89% of public approval for Council's policies and performance.

Kaupapa Maori

OUTCOME PROMOTED –A community that values its living Maori culture			
Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Preservation and sustainable development of Maori resources • Improved opportunities 	To encourage the development of Iwi Management Plans.	Reported to Te Arawa Standing Committee.	Three new Mana Whenua plans per year.
A community that recognises the value of partnerships including the Treaty of Waitangi.	To hold workshops to foster partnership.	Number of workshops reported to Te Arawa Standing Committee.	One workshop per year.
Fostering Maori cultural activities and expression	To hold Te Reo and Tikanga classes.	<ul style="list-style-type: none"> • Record of attendance. • Beginners, advance programmes continue. 	<ul style="list-style-type: none"> • One Te Reo 2 month course. • One Tikanga 2 month course.
Respecting Te Arawa as part of the unique heritage of Rotorua District.	To conduct historical tours.	<ul style="list-style-type: none"> • Keep record of participants. • Evaluation forms. 	6 historical tours per year.
Strengthen relationships between cultures.	Development and maintenance of relationships between Council and Maori.	<ul style="list-style-type: none"> • Database. • Reporting/ reports. 	<ul style="list-style-type: none"> • Memorandum of Understanding • Protocol Agreements • Advisory Committee • Consultation Committee • Marae meetings

Policy and Strategic Direction

OUTCOMES PROMOTED –All outcomes			
Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
All sub outcomes	Community participation in setting strategic direction.	Question residents on approval/disapproval of Council decisions/actions.	Less than 35% of NRB respondees disapprove of recent decisions/actions.
		SOPs summary for consultation minimum 1 month.	Consult with public on draft LTCCP or Annual Plan and any LTCCP amendments.
		Plan completed and publicly available.	N/A
	Community engaged, informed and consulted on major policies, decisions, projects and activities.	Ensure minimum number of publications undertaken annually.	Publication of at least 6 issues of District News for the year.
		Report to community. NRB public perceptions survey.	N/A 67% of residents rate level of council information to be sufficient.

Funding

Democracy

Who benefits from the activity?

- The community as a whole benefits from this activity.

Who creates need for the activity?

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

What is the period of benefit?

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

Kaupapa Maori

Who benefits from the activity?

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

Who creates need for the activity?

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

What is the period of benefit?

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

Policy and Strategic Direction

Who benefits from the activity?

- The community as a whole benefits from this activity.

Who creates need for the activity?

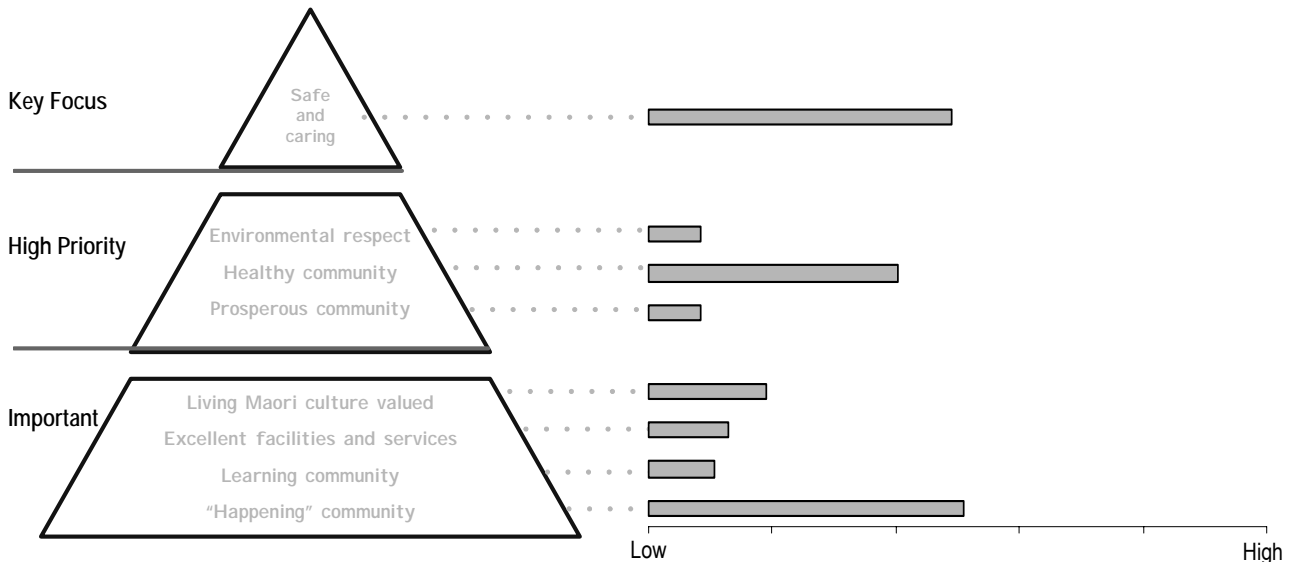
- The need to undertake this activity is created by the community as a whole, supported by legislation.

What is the period of benefit?

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

SOCIAL AND CULTURAL GROUP

Contribution to Community Outcomes by services in Group



Overview of Group

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

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

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

Cost of Service Statement

	2007	2008	2008	2008
	(thousands)	LTCCP	LTCCP	Annual Plan Change
OPERATING COSTS				
Direct costs	23,679	24,412	25,091	-679
Depreciation	4,246	5,184	5,186	-2
Finance	1,507	2,276	2,034	243
Total Costs	29,431	31,872	32,311	-439
REVENUE				
Subsidies and grants	616	396	570	-174
Investment income	121	89	45	44
Fees and charges	6,576	7,287	7,408	-121
Capital grants and contributions	957	4,382	4,878	-496
Total Revenue	8,270	12,154	12,900	-746
Net Cost of Service	21,161	19,719	19,411	308

Net Cost of Service

Description (thousands)	2007	2008	2008	2008
	LTCCP	LTCCP	Annual Plan	Change
Aquatic Facilities	1,351	1,486	1,647	-162
Cemeteries/Crematorium	174	187	188	-1
City Services Operations	1,705	1,755	2,094	-339
Parking CBD Operations	-809	-823	-720	-103
Civil Defence Emergency Management	302	317	318	-1
Community Assistance	1,067	1,013	971	43
Community Halls	296	301	296	4
Community Policy & Resources	1,047	1,215	1,203	12
Event Venues	3,160	1,580	1,155	425
Nursery	38	38	9	29
Pensioner Housing	288	261	343	-82
Public Gardens/General Reserves	7,690	8,278	8,102	176
Public Library	3,160	3,385	3,280	105
Rotorua Museum of Art & History	1692	727	525	202
Total Net Cost of Service	21,161	19,719	19,411	308

How we pay for this Group

(thousands)	2007	2008	2008	2008
	LTCCP	LTCCP	Annual Plan	Change
OPERATIONAL FUNDING				
Net Cost of Service	21,161	19,719	19,411	308
Plus Capital Grants and Contributions	957	4,382	4,878	-496
Less Community Assets Funding	-88			
Funding	22,030	24,100	24,289	-188
Less Depreciation for Capital	-4,246	-5,184	-5,186	2
Total Rates (General) for (from) Operations	17,784	18,917	19,102	-186
CAPITAL FUNDING				
Rates funding (General)	3,377	802	308	494
Loans from (to) Corporate Funds	13,990	6,252	13,647	-7,395
Capital Grants	273	3,569	4,065	-496
Resource management fees	600	612	612	0
Development Contributions	84	200	200	0
Reserves net	1,248	-308	-10	-298
Advances net	-696	-21	-832	811
Grants for Community Assets	-88			
Total Capital	18,788	10,593	17,990	-7,397

Capital Program

(thousands)	Rational	2008 LTCCP	2008 Annual Plan	2008 Change
Aquatic Facilities				
Aquatic Centre Upgrade	Level of Service Change	74	74	
Computer Purchases / Office Equipment	Renewal	2	34	-32
		76	108	-32
Cemeteries/Crematorium				
Crematorium - General >\$1000	Renewal	12	12	
Cemetery Development	Provision for Growth	5	205	-200
		17	217	-200
City Services Operations				
Security Cameras / Lighting / Computers	Renewal	54	58	-4
Parking CBD Operations				
Hinemoa Street Building	Renewal	33	33	
Parking Meters / Equipment Purchases	Renewal	36	36	
		69	69	0
Community Halls				
Furniture and Fittings	Renewal	0	20	-20
Civil Defence Emergency Management				
Computer Purchases / Plant & Equipment	Renewal	19	19	0
Community Assistance				
Community House	Renewal	26	86	-60
Community Policy & Resources				
Computer Purchases	Renewal	9	13	-5
Convention Centre				

		2008 LTCCP	2008 Annual Plan	2008 Change
	(thousands)			
Computer Purchases / Office Equipment	Renewal	30	9	21
Civic Theatre - Backstage Redevelopment	Renewal	3,795	3,795	0
Plant	Renewal	45	274	-229
Furniture and Fittings	Renewal	46	36	10
Theatre - Replacement	Renewal	558	605	-47
Acoustical Improvements	Level of Service Change	4		4
Carpet & Vinyl	Renewal	182	57	125
		4,661	4,777	-116
Energy Events Centre				
Plant / Furniture & Fittings / Floor Coverings	Renewal	45	42	3
International Stadium				
Computer Purchases	Renewal	3	3	
Stadium Turnstiles	Level of Service Change	3		3
		5	3	3
Recreation Programme				
Equipment	Renewal	5	5	
Parks Administration				
Computer Purchases	Renewal	10	10	0
Pensioner Housing				
Lucas Place Flats	Renewal	16	16	
Rawhiti Flats	Renewal	1,646	3,200	-1,554
		1,663	3,216	-1,554
Public Gardens / General Reserves				
City Entrance Ways	Level of Service Change		250	-250
Boat Ramps / Jetties	Renewal	139	139	
General Reserve Development	Level of Service Change	95	95	
Hannahs Bay Wetland Development	Level of Service Change		50	-50
Hockey Improvements	Renewal		900	-900
Replacement Fences	Level of Service Change	100	100	
New Wharf	Level of Service Change	346	416	-70
Ngongotaha CBD Upgrade	Provision for Growth	334	534	-200
Playgrounds New / Replacement	Renewal	169	169	
Signage Replacement	Level of Service Change	35	35	
Westbrook Park Land Purchase and Development	Level of Service Change	257	1,957	-1,700
Other Various Renewals	Renewal	70	70	
		1,545	4,715	-3,170
Public Library				
Renewal Books	Renewal	525	525	
Computer Purchases / Equipment Purchases	Renewal	166	142	24
Buildings Upgrade	Level of Service Change/Backlog	206	1,936	-1,731
		897	2,604	-1,707
Rotorua Museum of Art and History				
Collection Purchase	Provision for Growth	8	8	
Rotorua Stories Moving Seats	Renewal		265	-265
Centennial Development	Provision for Growth	1,373	1,633	-260
Theatre & Exhibition Equipment	Renewal	47	47	
Computer Purchases / Office Equipment	Renewal	55	52	3
Other Various Renewals	Renewal	10	24	-14
		1,492	2,028	-536
Total Capital for Social and Cultural Group		10,593	17,990	-7,397

Large variances explained

There are increased costs for: street cleaning (following renewal of contract), CARV project (offset by subsidy), and Energy Event Centre operations (offset by additional income).

Also there is carried forward capital projects for Ngongotaha CBD upgrade, Westbrook Park development and Library building upgrade. These capital projects will mostly be funded by loan.

There is increased capital expenditure for cemetery development, Rawhiti pensioner flats, Museum centennial project and moving seats.

What we say we will do

Aquatic Facilities

OUTCOMES PROMOTED - A healthy community - A happening community			
Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Increasing recreational opportunities • Improving health status for all • Improved youth health • Partnerships to promote healthy living • Healthy whanau, healthy communities • Lots of events including sporting, cultural, festivals, arts • Leading edge activity events • Great facilities to visit • Provision of good quality event, conference and tourism facilities 	Provide safe, excellent and affordable swimming pools for competitive sports, casual recreation and health and fitness training.	NRB Survey	Two thirds of Rotorua households will visit or use the Aquatic Centre each year.
		Operations log	Open the Aquatic Centre 364 days a year, open to the public 105 hours each week.

Cemeteries/Crematorium

OUTCOME PROMOTED – A community with excellent facilities and services			
Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
Affordable facilities and reserves and services	Ensure culturally appropriate, well designed, conveniently located cemeteries are available in the Rotorua District	Location maps of Rotorua Cemeteries.	Burial plots are available locally and cremation services are provided in the district.

City Services Operations

OUTCOME PROMOTED – A community with excellent facilities and services			
Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
Good, safe, maintained services and roads	High standards of CBD cleaning and maintenance	Reports (contractors) confirm that cleaning and maintenance completed to the required standards.	Ensure cleaning and maintenance is completed to 95% of the approved standards for: City Centre Lakefront Government Gardens Ngongotaha Village Whakarewarewa Village

OUTCOME PROMOTED – A community with excellent facilities and services

Easy to get from place to place	Car parking available for "users" in the CBD	Random survey of car park usage.	Meters for car parks will be provided in the CBD where shown the availability of car a parks is less than 1 in 7 for the whole street.
Good quality infrastructure for future	High quality janitorial services for public conveniences in the City Centre and environs	Contractor reports and random inspections confirm required standards met.	Janitorial programme completed to standards required (100%).

OUTCOME PROMOTED – A safe and caring community

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

Civil Defence Emergency Management

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

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

Community Assistance

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

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> Safe homes and streets Organisations working together on agreed priorities Less crime Providing safe public spaces Families and whanau work, play and talk together Partnerships to promote healthy living Healthy whanau, healthy communities 	<p>Directly and indirectly provide assistance to community groups to build their capacity and help them achieve their objectives.</p>	<p>Occupancy Logs</p> <hr/> <p>RDC Annual Report</p> <hr/> <p>RDC Annual Report</p>	<p>Provide accommodation to complying groups i.e.: Community House and other Council owned venues.</p> <hr/> <p>Provide rates relief to churches, sports clubs, arts and cultural organisations and community groups in terms of rating legislation and Council policy.</p> <hr/> <p>Provide annual grants to Community organisations and support projects in the arts and cultural areas.</p>

OUTCOMES PROMOTED - A safe and caring community - A healthy community - A community that values its living Maori culture - A "happening" community		
<ul style="list-style-type: none"> • A community that recognises the value of partnerships including the Treaty of Waitangi • Strengthening relationships between cultures 	RDC Annual Report	Provide funding through the Community Asset Development Fund to enable community groups to invest in social and recreational capital for the benefit of the whole community.
<ul style="list-style-type: none"> • Great facilities to visit, e.g. Museum, Arts Village, Aquatic Centre • Celebrating and nurturing traditional Maori culture • Foster artistic expression, art, music, dancing, public performances and exhibitions 	Twice yearly contract performance reports.	Contract NFP organisations to deliver outputs that support the community outcomes.

Community Halls

OUTCOMES PROMOTED - A safe and caring community - A healthy community - A community that values its living Maori culture - A "happening" community			
Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Safe homes and streets • Organisations working together on agreed priorities • Less crime • Providing safe public spaces • Families and whanau work, play and talk together • Partnerships to promote healthy living • Healthy whanau, healthy communities 	Directly and indirectly provide assistance to community groups to build their capacity and help them achieve their objectives.	RDC Annual Report	Provide and maintain a facility in rural communities to foster community cohesion.
<ul style="list-style-type: none"> • A community that recognises the value of partnerships including the Treaty of Waitangi • Strengthening relationships between cultures • Great facilities to visit, eg Museum, Arts Village, Aquatic Centre • Celebrating and nurturing traditional Maori culture • Foster artistic expression, art, music, dancing, public performances and exhibitions 	Directly and indirectly provide assistance to community groups to build their capacity and help them achieve their objectives.	RDC Annual Report	Provide and maintain a facility in rural communities to foster community cohesion.

Community Policy and Resources

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

Event Venues

OUTCOME PROMOTED – A "happening" community			
Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Lots of events including Sporting, cultural, festivals, arts • Leading edge activity events • Provision of good quality event, conference and tourism facilities • Celebrating and nurturing traditional Maori Culture • Foster artistic expression, art, music, dancing, public performances and exhibitions. 	Excellent well maintained and well used venues	NRB (new question).	2/3 of Rotorua residents will use an Event Venues facility during the year.
		Analysis of bookings through Scheduler.	40% of hirers are from community groups at community hire rates.
	Hire customer satisfaction surveys.	90% customer satisfaction.	
	Financial performance of Event Venues Rotorua.	Charges to meet 25% operating costs.	
	To encourage a wide range of events with high levels of local participation that add to the appeal of Rotorua for its citizens and visitors.	Analyse economic impact from events facilitated by Event Venues and reset targets.	Contribute prior year's figure plus 5% growth to the local economy by way of delegate and visitor spend.
	A calendar of 1 major event per week average.	A calendar of 1 major event per week average.	

OUTCOME PROMOTED – A prosperous community

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

OUTCOME PROMOTED – A healthy community

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

Pensioner Housing**OUTCOME PROMOTED – A safe and caring community**

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Safe homes and streets • Organisation's working together on agreed priorities 	Sensitively manage tenancies whilst achieving financial and occupancy objectives.	Tenancy Records	Provide accommodation for a maximum of 172 elderly people with limited assets.

OUTCOME PROMOTED – A healthy community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
Partnerships to promote healthy living	Maintain the Pensioner houses and their environs as sustainable community assets.	Maintenance Logs/Calls	Respond to maintenance requests within 10 working days if non-urgent or 2 working days if it is an urgent issue.

Public Gardens/General Reserves**OUTCOMES PROMOTED
- A safe and caring community
- A healthy community**

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Providing safe public spaces • Families and whanau work, play and talk together • Increasing recreational opportunities 	Provide and maintain safe accessible parks and reserves, play areas, wetlands, gardens and walkways	Spatial analysis using GIS maps.	A children's play area within 500m of 90% of dwellings in the urban area.
		Safety audit completed annually and reported to Council through CPR Committee.	97% of safety audits comply with NZ Safety Standards.
	Form and function of play areas/locations reviewed.	Review completed and report presented to Council through CPR Committee.	Play areas/ locations reviewed every 5 years.

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

Provide and maintain sportsfields for local, regional, national competitions and participation	NRB Survey and Summer and Winter booking form analysis.	Grassed sportsfields for all summer and winter codes as demonstrated by an overall satisfaction level of 91% in the NRB Survey.
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OUTCOME PROMOTED – A community that respects its environment

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Improved lake water quality • People using and enjoying our natural environment • Kaitiakitanga (guardianship) • Managing and protecting geothermal resources and our springs, trout, lakes, forests, geysers 	Enhance the urban and rural environment with excellent open space design, planting and interpretation	NRB Survey	Stunning floral displays, amenity plantings and street trees in public gardens within the CBD, suburban streets and rural and lakeside reserves as demonstrated by an overall satisfaction of 92% in the NRB Survey.

Public Library

OUTCOME PROMOTED – A community with excellent facilities and services

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
Affordable facilities and reserves and services.	Outstanding library freely accessible to Rotorua residents and visitors.	NRB Survey.	Four out of every five households use the District Library service.
		Horizon database of library numbers.	65% of population are members of the library.
		Log of opening hours.	Library open to the public Monday-Friday 9.30am-8.00pm, Saturday 9.30am-12.30pm.

OUTCOME PROMOTED – A community that values its living Maori culture

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Improved opportunities. • Fostering Maori cultural activities and expression. • Respecting Te Arawa as part of the unique heritage of Rotorua District. 	Collection of local Maori and European print resources for reference and study.	Catalogue and index.	100% of all published and unpublished print material reflecting Rotorua's heritage and culture is purchased each year for maintaining and protecting for present and future generations.
		Internet service logs.	Provide 24 hour 7 day access to the local history catalogue or index through the internet.
		Log of opening hours.	Physical secure access to items in the local history collection Monday-Friday 9.30am-8.00pm Saturday 9.30am-12.30pm

OUTCOME PROMOTED – A learning community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> Learning activities accessible for everyone. Excellent pre-school/ infants facilities. Whanau supported learning. 	Collections of fiction and non fiction for information, education and recreation.	NRB Survey.	A range of educational levels including primary, secondary, tertiary and adult learning as demonstrated by an overall satisfaction rating of 85% in the NRB Survey.
		Record of school and organisations taking the tours are noted in the Library operations log.	Instruction will be provided in library use and resources to no fewer than 75 groups per year.
		Log of classes and packs delivered.	New Entrant packs will be delivered to every 5 year old starting school in the district.

OUTCOME PROMOTED – A “happening” community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> Lots of events including sporting, cultural, festivals, arts. Leading edge activity events. Foster artistic expression, art, music, dancing, public performances and exhibitions. Great facilities to visit. 	Events that reflect the art and cultural interest of the community with a specific focus on literacy.	Programme logs.	4 children’s programmers per year. 2 teens programmes per year. Toddler Time 2 times a week during school terms.
		Noticeboard utilisation logs.	Noticeboards showcasing various community group/individual work or activities for no fewer than 50 weeks per year.

Rotorua Museum of Art & History

OUTCOME PROMOTED – A “happening” community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> Great facilities to visit Foster artistic expression, art, music, dancing, public performances and exhibitions 	An outstanding museum experience free to local residents of Rotorua	NRB Survey	More than half the households in Rotorua will visit the Museum each year.
		NRB Survey	At least 70% of local residents are very satisfied with the Museum and its services.
		Weekly Reporting Log	Open the museum 364 days a year, open to the public during advertised opening hours.
		Exhibition Programme as presented to Council.	No fewer than 20 touring and specially curated exhibitions from other parts of NZ and overseas per year.

OUTCOME PROMOTED – A community that values its living Maori culture

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
Preservation and sustainable development of Maori resources	Collect, preserve, catalogue and conserve the community's cultural heritage.	Collection database records.	Provide at least 7 collections of approximately 100,000-125,000 items.

OUTCOME PROMOTED – A community that values its living Maori culture

Interpret and display the art, culture and stories of Rotorua and Te Arawa via a number of permanent exhibitions.

Exhibition log.

Provide and maintain at least 7 permanent exhibitions 364 days of the year.

OUTCOME PROMOTED – A learning community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
Learning activities accessible for everyone Quality educational institutions.	A range of educational levels including primary, secondary, tertiary and adult learning.	Annual public programmes log.	Provide at least 20 Public Programmes (workshops/ lectures) per year.
		LEOTC Contract Milestone Reports.	Provide curriculum based learning programmes to at least 12000 students/year.
		Daily check of information displays.	Provide at least 14 different language based navigational maps so that museum visitors can self guide themselves around the museum.
		Daily reporting log and customer surveys.	Provide a minimum of 4 guided tours per day by trained docents.

Funding

Aquatic Facilities

Who benefits from the activity?

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

What is the period of benefit?

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

Who creates need for the activity?

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

Funding source

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

Cemeteries/Crematorium

Who benefits from the activity?

The community as a whole benefits:

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

Individuals who benefits are:

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

What is the period of benefit?

- Benefits are ongoing.

Who creates need for the activity?

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

Funding source

Having regard to the benefits it is considered that:

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

City Services Operations

City Services

Who benefits from the activity?

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

What is the period of benefit?

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

Who creates need for the activity?

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

City Parking

Who benefits from the activity?

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

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

Who creates need for the activity?

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

Funding source

What is the period of benefit?

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

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

Civil Defence Emergency Management

Who benefits from the activity?

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

What is the period of benefit?

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

Who creates need for the activity?

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

Community Assistance

Who benefits from the activity?

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

What is the period of benefit?

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

Who creates need for the activity?

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

Funding source

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

Community Halls

Who benefits from the activity?

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

What is the period of benefit?

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

Who creates need for the activity?

The need to undertake this activity derives from:

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

Funding source

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

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

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

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

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

Community Policy and Resources

Who benefits from the activity?

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

What is the period of benefit?

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

Who creates need for the activity?

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

Event Venues

Who benefits from the activity?

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

What is the period of benefit?

- Benefits are intergenerational and ongoing as long as the infrastructure/service is maintained, by way of city image, promotion, and diversity.

- Event managers and spectators derive both short and long term benefits from specific events.

Who creates need for the activity?

The need to undertake this activity derives from:

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

Funding source

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

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

Pensioner Housing

Who benefits from the activity?

- Older persons with housing needs benefit from this activity.
- Persons in receipt of an invalid benefit who require housing derive a benefit.
- The community as a whole benefits from providing housing to fulfil a need.

What is the period of benefit?

- Benefits to individuals last as long as the accommodation is used.
- Benefits to the community continue while the housing stock is maintained.

Who creates need for the activity?

The need to undertake this activity derives from:

- The elderly and people in receipt of an invalid benefit who need housing.

- The community as a whole since community housing offers essential services that may not be offered otherwise.

Funding source

Since the benefits are essentially private benefits to the tenants, it is considered rental charges should recover all costs of the activity without subsidy from general rates.

This includes covering costs of maintenance and contribution to capital development, but without providing any commercial return on the asset value of the properties.

Council policy supports the Central Government philosophy that social housing rental should not exceed 25 - 30% of fixed income.

Public Gardens/General Reserves

Who benefits from the activity?

- The community as a whole benefits from:
 - Choice of recreational facilities and a healthy active community.
 - Access to lakes, clean water quality, attractive parks, gardens and streetscapes, and high quality reserve facilities.
- Event organisers benefit from commercial opportunities from activities.
- Individuals who take part as activity participants and spectators.

What is the period of benefit?

- Benefits are both short term and ongoing:
 - Short term benefits include activities such as planting of annual beds.

- Long term benefits include activities such as planting of trees that are not expected to mature for 30 years.

Who creates need for the activity?

- The need to undertake this activity derives from the community as a whole for recreational activities and choice.

Funding source

A significant portion of the benefit relates to the public nature of the activity including availability of free access to reserves and amenities that enhance the district's image. The balance of benefits derive to identifiable users such as sporting bodies. Council policy is to encourage the greatest possible use of reserves. Recent surveys indicate that reserve use is very broad and across all economic groups. Direct recovery of costs is reasonably recovered from identifiable users without dissuading use.

Public Library

Who benefits from the activity?

- The community as a whole benefits from:
 - Choice of recreational activities and a healthy caring community.
 - The educational opportunities the Library offers.
 - Being informed.
 - The library acting as a repository for local history, including Maori history
- Community groups and individuals who borrow material benefit personally.

What is the period of benefit?

- Educational benefits from an informed, literate and educated population are ongoing.
- The preservation of written local history, including Maori history, for future generations, is ongoing.
- Recreational benefits for a holistic lifestyle for the community are ongoing and long term.

Who creates need for the activity?

- The community as a whole creates the need for access to cultural heritage, creative media, knowledge, and recreational activity.

The drivers are:

- Connecting Communities Strategy/ Digital Strategy
- LIANZA Standards
- Local Government Act 2002
- Strategic Review
- Marketing Plan
- Library Collection Management Plan
- Library Opening Hours Policy
- Draft National Public Libraries Strategic Framework
- Library Business Plan
- E-Government Strategy

Funding source

Council wants to encourage use of the Library and wants all people to have access to the Library, regardless of economic status.

Accordingly, Council proposes to maintain fees at a level that will not discourage and reduce use. However, the full cost of 'added value services' will be charged wherever practical.

Rotorua Museum of Art & History

Who benefits from the activity?

- The community as a whole benefits from this activity; it is available and accessible to everyone.
- The local community benefits from the provision of exhibitions and public programmes that would otherwise not be possible to have in Rotorua.
- Present and future generations of residents benefit from the ongoing stewardship of the material heritage collections of the District.
- School students from the District and beyond benefit from the educational opportunities provided at the Museum
- Individuals and groups who take advantage of the service and attend activities benefit from this activity.
- Specific benefits to those domestic and international visitors who visit the museum as a paid attraction.

What is the period of benefit?

- Educational benefits from an informed, creative population, including visitors to the District, is ongoing.
- The preservation of cultural heritage, including Maori heritage is ongoing and long term.
- Recreational benefits for a holistic lifestyle for the community is ongoing.

Who creates need for the activity?

- The need to undertake this activity is created by:
 - The local community for access to cultural heritage and creative media.
 - Community expectation that the material heritage of the District will be cared for, preserved and interpreted for the benefit of current and future generations.
 - Demand from domestic and international visitors for a quality museum experience to enhance and enrich their visit to the Rotorua District.
 - Whanau and hapu of Te Arawa for a safe and secure repository for their taonga.
 - The need to care for and preserve the Bathhouse and Blue Baths as historic buildings.

Funding source

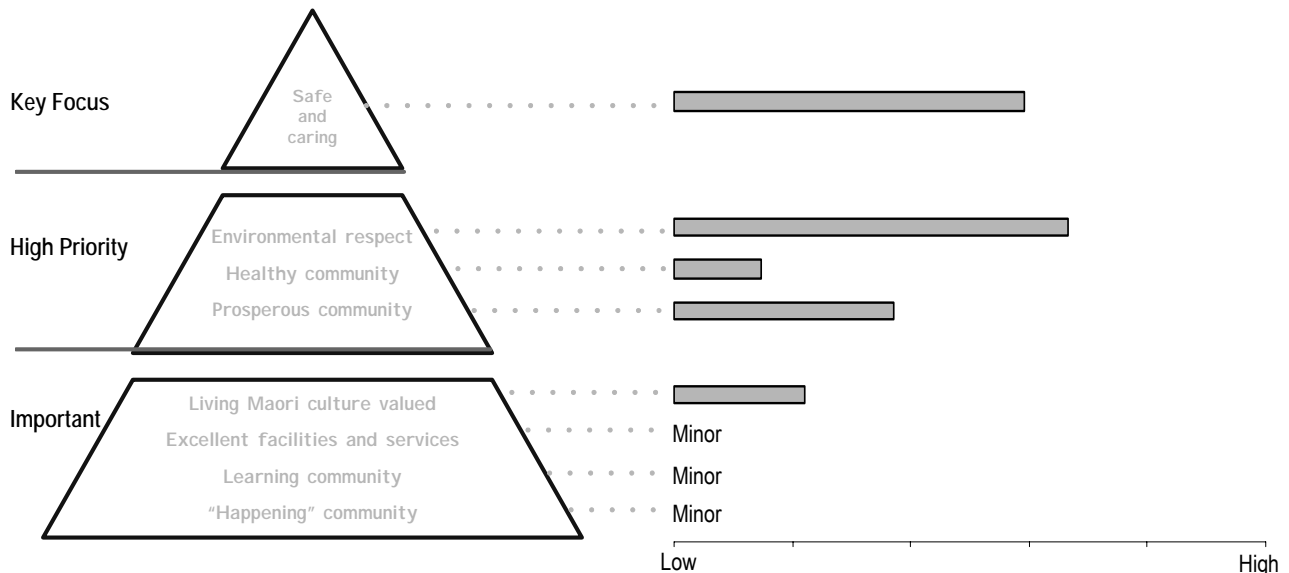
The Museum provides a significant public benefit to the community as well as a particular benefit to individuals and groups who visit the Museum for either educational or recreational purposes.

Fees are charged to visitors to the district at a level that encourages use of the Museum.



ENVIRONMENTAL GROUP

Contribution to Community Outcomes by services in Group



Overview of Group

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

- Animal Control
- Building Control
- Environmental Planning
- Inspection
- Parking Enforcement

The Environmental Group activities reflect Council's role in natural resources management and regulation. The activities help us to plan for the future and make sure that everyone gets a fair deal, often having to balance competing rights of individuals and groups in the community to do different things.

Variation to Activity

Council, under delegation and a contract for service from Environment Bay of Plenty, had been responsible for lake foreshore structures. Environment Bay of Plenty now intends to undertake this function from 1 July 2007.

Cost of Service Statement

	2007	2008	2008	2008
	(thousands)	LTCCP	LTCCP	Annual Plan Change
OPERATING COSTS				
Direct costs	8,977	8,803	9,534	-730
Depreciation	93	101	92	9
Finance	2	3	2	1
Total Costs	9,073	8,907	9,628	-721
REVENUE				
Fees and charges	4,102	4,138	4,622	-484
Net Cost of Service	4,971	4,769	5,006	-237

Net Cost of Service

Description	2007	2008	2008	2008
(thousands)	LTCCP	LTCCP	Annual Plan	Change
Animal Control	288	298	344	-47
Building Control	460	459	460	0
Planning - Policy	1,972	1,655	1,656	-2
Planning - Implementation	1,609	1,691	1,894	-203
Inspection	1,142	1,165	1,133	31
Parking Enforcement	-500	-499	-482	-17
Total Net Cost of Service	4,971	4,769	5,006	-237

How we pay for this Group

	2007	2008	2008	2008
(thousands)	LTCCP	LTCCP	Annual Plan	Change
OPERATIONAL FUNDING				
Net Cost of Service	4,971	4,769	5,006	-237
Funding	4,971	4,769	5,006	-237
Less Depreciation for Capital	-93	-101	-92	-9
Total Rates (General) for (from) Operations	4,877	4,667	4,914	-246
CAPITAL FUNDING				
Rates funding (General)	93	101	92	9
Loans from (to) Corporate Funds	21	-30	-37	7
Total Capital	114	71	55	16

Capital Program

	(thousands)	Rational	2008 LTCCP	2008 Annual Plan	2008 Change
Animal Control					
Computer Purchases		Renewal	8	6	1
Building Control					
Computer Purchases		Renewal	14	11	4
Planning Policy					
Computer Purchases / Office Equipment		Renewal	6	8	-2
Planning Implementation					
Computer Purchases / Office Equipment		Renewal	21	12	9
Environmental Administration					
Computer Purchases		Renewal	5	6	-1
Inspection					
Computer Purchases		Renewal	10	4	5
Parking Enforcement					
Computer Purchases		Renewal	8	7	1
Total Capital for Environmental Group			71	55	16

Large variances explained

There is additional amounts budgeted in both the Planning and Building activities for staff to ensure that Council is able

to meet legislative requirements and thus minimise the risk to Council. Part of this cost is offset by increased fees.

What we say we will do

Animal Control

OUTCOME PROMOTED – A safe and caring community			
Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
Providing safe public places	Complaint investigation/ resolution.	Monitoring and auditing of complaints register.	Respond to complaints within 1½ days.
	Impounding wandering dogs.	Monitoring and auditing of register of dogs.	Achieve registration of known dogs by 30 June.
	Impounding wandering stock.	Monitoring and auditing of complaints register.	Respond to all complaints immediately upon receipt.

OUTCOME PROMOTED – A community that respects its environment			
Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
People using and enjoying our natural environment	Provision of dog exercise areas.	NRB survey.	Maintain 66% level of satisfaction in NRB survey.

Building Control

OUTCOME PROMOTED – A safe and caring community			
Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
Safe homes and streets	Buildings are constructed according to the Building Codes.	Department of Building and Housing audits.	Building consents are issued within the legislative timeframes.

Environmental Planning

Planning Policy

OUTCOME PROMOTED – A community that respects its environment			
Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> Looking after our air, land and water resources. Managing and protecting geothermal resources and our springs, trout, lakes, forests, geysers. Historical sites and buildings are protected and promoted. Kaitiakitanga (guardianship) 	Operative District Plan that is updated regularly through changes and reviews responsive to the district's environmental issues.	<ul style="list-style-type: none"> Keep web based Plan Change Update page current (www.rdc.govt.nz) Report Plan Changes to Planning and Bylaws Committee regularly. Monthly update of web Plan Change schedule. 	Maintain Operative District Plan that is regularly updated.
People using and enjoying our natural environment.	From an environmental perspective advocate on behalf of the community to national and regional environmental on documents that will impact Rotorua.	<ul style="list-style-type: none"> Submissions prepared and presented in accordance with standard template and procedure. Project Plan reporting of key steps and milestones in process. Yearly matrix of community advocacy projects. 	Submissions lodged on time, and successful representation at national and local hearings.
Improved lake water quality.	Strategic research undertaken to keep abreast and be responsive to environmental issues.	Research projects completed on time and within budget as detailed in Project Plans..	Project Plan reporting of strategic research projects.

OUTCOME PROMOTED – A safe and caring community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Safe homes and streets. • Providing safe public spaces. 	Well planned buildings, spaces, and areas.	<ul style="list-style-type: none"> • CPTED assessment included in accompanying plan change Section 32 documentation. • Policy Project Plan input checklist annual review. 	Crime Prevention Through Environmental Design (CPTED) principles incorporated into District Plan policy framework.

OUTCOME PROMOTED – A community that values its living Maori culture

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • A community that recognises the value of partnerships including the Treaty of Waitangi. • Respecting Te Arawa as part of the unique heritage of Rotorua District. • Preservation and sustainable development of Maori resources. 	Tangata whenua input into decision making where activities impact Maori values.	<ul style="list-style-type: none"> • Maori input into policy development included in accompanying plan change Section 32 documentation. • Policy Project Plan input checklist annual review. 	Maori input is sought into the development of environmental policy.

OUTCOME PROMOTED – A prosperous community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • More investment in our district. • Encouraging growth. • Celebrating and promoting our district's unique qualities. 	District Plan acknowledges and provides for residential, commercial, industrial, and rural and urban growth.	Statistics NZ data and reports, industry reports, monthly monitoring reports.	Contribute to district growth through sound environmental policy.

Planning Implementation**OUTCOME PROMOTED – A safe and caring community**

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
Safe homes and streets	Buildings, spaces, areas in district well planned and safe.	Sample survey of monthly consent reports.	Well planned buildings, spaces, and areas.

OUTCOME PROMOTED – A community that respects its environment

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Looking after our air, land and water resources. • Managing and protecting geothermal resources and our springs, trout, lakes, forests, geysers. 	Timely and consistent consent decisions that minimise impacts on the environment.	Quarterly report on consent processing figures forwarded to Council.	Non-notified consent applications processed within 20 working days of receipt of adequate information.
<ul style="list-style-type: none"> • Historical sites and buildings are protected and promoted. • Kaitiakitanga (guardianship). 	Appropriate community input sought for more complex applications.	Quarterly report on consent processing figures forwarded to Council.	Notified resource consents processed within statutory timeframes.
	Compliance with consent conditions monitored.	Monthly consent monitoring report.	All consent conditions monitored to ensure compliance.
	Prompt response to complaints about planning and environmental issues.	Monthly complaints monitoring response report.	Complaints received responded to in 24 hours.

OUTCOME PROMOTED – A community that values its living Maori culture

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> A community that recognises the value of partnerships including the Treaty of Waitangi. Respecting Te Arawa as part of the unique heritage of Rotorua District. 	Tangata whenua input into decision making where activities impact Maori values.	Monthly update of Iwi Consultative Committee Register.	<ul style="list-style-type: none"> Regular meetings of the Iwi Consultative Committee. Consent applicants are aware of tangata whenua contacts for consultation purposes.

Inspection

OUTCOME PROMOTED – A safe and caring community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
Providing safe public spaces	General complaint investigation/ resolution.	Complaint response time analysis report.	To respond to general complaints within 1 working day.
Organisations working together on agreed priorities	Ensure compliance by liquor licensees with condition of liquor licences.	Inspection frequency tracing report.	Inspect every premise licensed under Sale of Liquor Act at least once every 12 months.

OUTCOME PROMOTED – A community that respects its environment

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
Looking after our air, land and water resources	Litter complaint investigation/ resolution.	Complaint response time analysis report.	To respond to litter complaints within 1 working day.
People using and enjoying our natural environment	Geothermal gas level monitoring service.	Complaint response time analysis report.	To respond to geothermal gas complaints within 1 working day.
	Noise complaint investigation/ resolution.	NRB survey.	Respond to noise complaints within 2 hours.

OUTCOME PROMOTED – A healthy community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
Partnerships to promote healthy living	Health complaint investigation/ resolution.	Complaint response analysis report.	Respond to health complaints within 1.5 working days.
Improving health status for all	Food inspection/ registration of food premises	Premises inspection status report.	Register food premises.

Parking Enforcement

OUTCOMES PROMOTED – A safe and caring community – A prosperous community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> Safe homes and streets Fewer road accidents More investment in our district More new business 	Enforce parking regime and vehicle roadworthiness.	1 in 7 parking spaces available.	Provide enforcement service 5½ days per week.

Funding

Animal Control

Who benefits from the activity?

The community as a whole benefits:

- From this activity that responds to complaints about nuisance dogs and wandering stock, thereby making the environment safer and more enjoyable to live in.
- Owners of dogs and other animals benefit from education of dog owners on dog owner responsibilities, and the provision of a central pound from which owners can retrieve dogs and other animals which have strayed and been impounded.

What is the period of benefit?

- Benefits from regulation are ongoing, even though specific regulations may change from time to time.

Who creates need for the activity?

- The need to undertake this activity derives from the community as a whole for structure, consistency, safety, and certainty.

- The need to undertake this activity is created by legislation.
- The need to undertake this activity derives from owners of dogs and of wandering livestock, in particular from unregistered dogs and dangerous dogs which result in complaints and cause negative effects.

Funding source

Most costs are caused by owners of dogs who do not adequately control and train them. Some costs (about 10%) are caused by wandering stock.

Council has determined that about 60% of the cost of dog control should be funded by dog owners to cover the cost of control, and that the balance and the costs of controlling wandering livestock should be met by rates.

Building Control

Who benefits from the activity?

- The community as a whole benefits from:
 - Safe, reliable buildings and infrastructures.
 - Its members being informed.
- The building industry benefits by complying with standards.
- Individuals who take advantage of the service benefit from this activity.

What is the period of benefit?

- Benefits of regulation are intergenerational and ongoing as long as the infrastructure/service is maintained.
- Benefits from regulation are ongoing, even though specific regulations may change from time to time.

Who creates need for the activity?

The need to undertake this activity is created by:

- Legislation.
- The community as a whole.
- Partly created by tradesmen who need to maintain standards.

In 2004 the combined territorial local authorities of the Bay of Plenty commissioned consultants MWH to do an independent review and assessment of the capacities and abilities of the Building Control sections of the councils involved. In a report dated 2004, the Rotorua District Council was rated B+, this being higher than the rating for other councils. The assessment included assessment of a range of criteria relating to organisational capacity, systems and processes and skill levels of staff.

Funding Source

It is considered that the benefits of expenditure on this activity go to individual (for consents) and the whole community (for provision of information).

It is reasonable to charge the full cost of consents to those applying for them. However, those who receive consents should not pay for the cost of providing information to the general public.

It is considered that the consents part of this activity will be fully funded by fees charges, whereas information provision aspect will be met in full by general rates mechanisms.

Environmental Planning

Planning Policy

Who benefits from the activity?

- The community as a whole benefits from:
 - A unique high quality urban and rural environment.
 - The available built and natural environment opportunities that are able to be enjoyed.
- Business benefits from the attraction of visitors to enjoy the quality Rotorua environment, which is coupled with effective and accessible infrastructure.
- Subdividers and developers benefit from having a planned and consistent framework to work within.

What is the period of benefit?

- Benefits are ongoing in terms of a sustainable district and community.
- Benefits of the work undertaken in Environmental Planning have both an immediate and a longer term planning horizon.

- The longer term planning horizons will be longer than that envisaged by the LTCCP.

Who creates need for the activity?

The need to undertake this activity derives from:

- The community as a whole for pleasant, functional, sustainable urban and rural environments.
- Legislation.
- Compliance with statutory responsibility.

Funding source

Sustainable management of the resources of the district through protection, development, and use of those resources impacts on the community as a whole, both current and future generations.

Planning Implementation

Who benefits from the activity?

- The community as a whole benefits from:
 - A unique high quality urban and rural environment.
 - The available built and natural environment opportunities that are able to be enjoyed.
- Business benefits from the attraction of visitors to enjoy the quality Rotorua environment, which is coupled with effective and accessible infrastructure.
- Subdividers and developers benefit from having a planned and consistent framework to work within.

What is the period of benefit?

- Benefits are ongoing in terms of a sustainable district and community.
- Benefits of the work undertaken in Environmental Planning have both an immediate and a longer term planning horizon.

- The longer term planning horizons will be longer than that envisaged by the LTCCP.

Who creates need for the activity?

The need to undertake this activity derives from:

- The community as a whole for pleasant, functional, sustainable urban and rural environments.
- Legislation.
- Compliance with statutory responsibility.

Funding source

About 70% of the costs relates to consent work which essentially benefits individuals or groups of people. The remaining 30% relates to providing public information and other non-recoverable services.

Inspection

General Inspection – Hazardous Substances

Who benefits from the activity?

- The community as a whole benefits from safe, reliable infrastructure and resources and consistent Council procedures.
- Council's role for controlling hazardous substances is confined to public places, private dwellings and the provision of a 24 hour capability to respond to emergency call-outs by the Fire Service or Police involving hazardous substances.

What is the period of benefit?

- Benefits of regulation in general are ongoing even though the specific regulations may change over time.

Who creates need for the activity?

- The community as a whole creates the need for structure, consistency and certainty.
- The need to undertake the activity is created by legislation.

Funding Source

This activity essentially serves the community as a whole. Council cannot legally charge in relation to hazardous substances and other health issues.

General Inspection – Bylaws and Geothermal

Who benefits from the activity?

- The community as a whole benefits from safe, reliable infrastructure and resources and consistent Council procedures.

What is the period of benefit?

- Benefits of regulation in general are ongoing even though the specific regulations may change over time.

Who creates need for the activity?

- The need to undertake this activity derives from the community as a whole, particularly in regard to safety and health.

Funding source

It is noted that, whilst the bulk of the work is generated by complaints from individuals, the resolution of such complaints frequently results in benefits to the wider community. It is unrealistic to contemplate charging a fee for lodging a complaint, therefore user pays is not considered an option.

Environmental Health - Regulatory

Who benefits from the activity?

- The community as a whole benefits from safe, reliable infrastructure and resources and consistent Council procedures.

What is the period of benefit?

- Benefits of regulation in general are ongoing even though the specific regulations may change over time.

Who creates need for the activity?

- The need to undertake this activity derives from the community as a whole.
- The need to undertake this activity is created by legislation.

Funding source

This activity essentially serves the community as a whole. Council cannot legally charge in relation to noise complaint callouts, other health issues and general complaints.

Environmental Health – Noise Control

Who benefits from the activity?

- The community as a whole benefits from safe, reliable infrastructure and resources and consistent Council procedures.

What is the period of benefit?

- Benefits of regulation in general are ongoing even though the specific regulations may change over time.

Who creates need for the activity?

- The entire community creates the need for structure, consistency and certainty.
- The need to undertake the activity is created by legislation.

Funding source

This activity essentially serves the community as a whole. Council cannot legally charge in relation to noise complaint callouts, other health issues and general complaints.

Environmental Health - Licensing

Who benefits from the activity?

- The community as a whole benefits from safe, reliable infrastructure and resources and consistent Council procedures.
- Individuals and user groups are prime beneficiaries.

What is the period of benefit?

- Benefits of regulation in general are ongoing even though the specific regulations may change over time.

Who creates need for the activity?

- Need is created by entire community for structure, consistency and certainty.
- The need to undertake the activity is created by legislation and regulation.

Funding source

It is believed that the costs associated with the provision of this service should be recovered by way of user fees.

General Inspection – Sale of Liquor

Who benefits from the activity?

- The benefit of this activity is received by the individuals being certificated or those applying for liquor licences for premises.
- The community as a whole also benefits from the knowledge that licensees are checked and vetted as being appropriate and competent persons to be involved in the sale of liquor and comply with the conditions of their licences.

What is the period of benefit?

- Benefits of regulation in general are ongoing even though the specific regulations may change over time.

Who creates need for the activity?

- The entire community creates the need for structure, consistency and certainty.
- The need to undertake the activity is created by legislation and regulation.

Funding source

The costs associated with the provision of this service are recovered by way of user fees. The levels of fees payable for licence applications is fixed by Government regulation and a portion of most fees is paid to the Liquor Licensing Authority.

Parking Enforcement

Who benefits from the activity?

- The community as a whole benefits from accessibility of the city and ease of transportation throughout the city.
- Road users derived direct benefits, including improvements in road safety through enforcement in respect of infringements.
- Retailers derive direct business benefits.

What is the period of benefit?

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

Who creates need for the activity?

- The community as a whole creates the need for an accessible urban environment where transport links are readily available for both business and public use.

Funding source

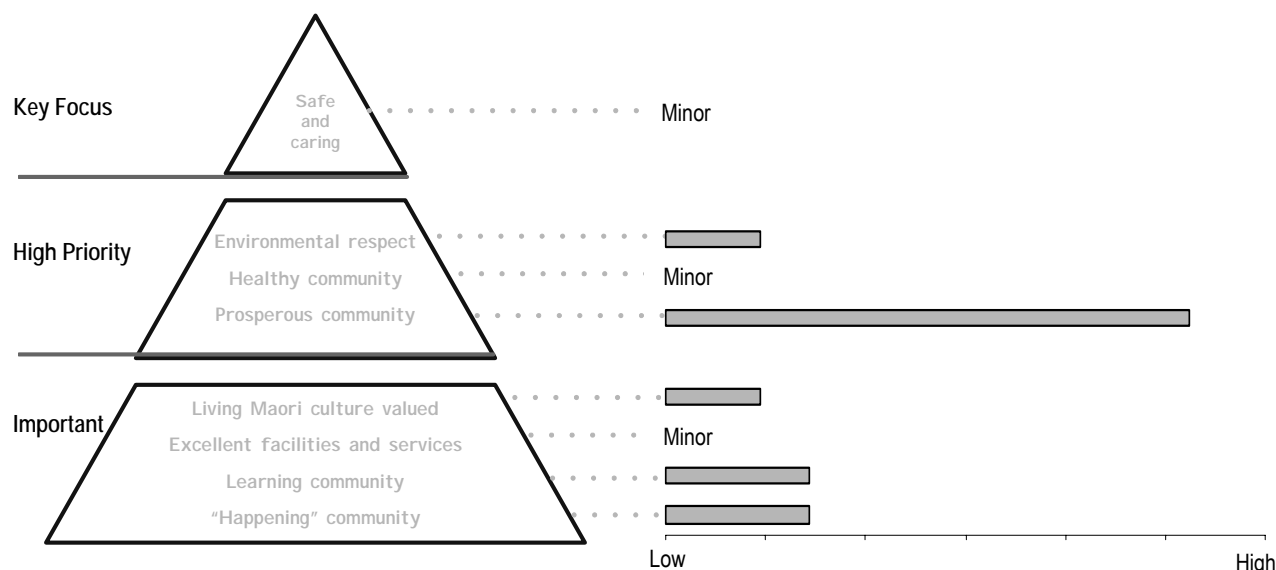
Individuals derive a direct benefit from this activity and costs can reasonably be recovered by user pays and enforcement for infringements.

Council desires to maintain the total parking activity as a stand alone, financially neutral service.



ECONOMY GROUP

Contribution to Community Outcomes by services in Group



Overview of Group

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

- Destination Rotorua Economic Development
- Destination Rotorua Tourism Marketing
- Tourism Rotorua Travel and Information

Rotorua District has a thriving tourism industry contributing to a strong economy supported by several other sectors. The Economy Group activities ensure that we maintain and grow the district's prosperity for the benefit of all.

Net Cost of Service

Description	2007	2008	2008	2008
(thousands)	LTCCP	LTCCP	Annual Plan	Change
Destination Rotorua Economic Development	917	906	945	-40
Destination Rotorua Tourism Marketing	1,792	1,887	1,890	-3
Tourism Rotorua Travel & Information	300	334	339	-5
Total Net Cost of Service	3,010	3,126	3,174	-48

Cost of Service Statement

	2007	2008	2008	2008
(thousands)	LTCCP	LTCCP	Annual Plan	Change
OPERATING COSTS				
Direct costs	5,134	5,345	5,327	17
Depreciation	64	118	118	
Finance	2	8	8	
Total Costs	5,200	5,471	5,453	18
REVENUE				
Subsidies and grants	190	192	292	-100
Investment income	12	12	12	
Fees and charges	1,989	2,141	1,975	166
Total Revenue	2,191	2,345	2,279	66
Net Cost of Service	3,010	3,126	3,174	-48

How we pay for this Activity

	2007	2008	2008	2008
(thousands)	LTCCP	LTCCP	Annual Plan	Change
OPERATIONAL FUNDING				
Net Cost of Service	3,010	3,126	3,174	-48
Funding	3,010	3,126	3,174	-48
Less Depreciation for Capital	-64	-118	-118	
Total Rates (General) for (from) Operations	2,946	3,008	3,056	-48
CAPITAL FUNDING				
Rates funding (General)	64	118	118	0
Loans from (to) Corporate Funds	83	-56	-58	2
Total Capital	147	63	60	2

Capital Program

	(thousands)	Rational	2008 LTCCP	2008 Annual Plan	2008 Change
Destination Rotorua Economic Development					
Computer Purchases		Renewal	5	8	-4
Destination Rotorua Tourism Marketing					
Computer Purchases / Office Equipment		Renewal	27	16	10
Tourism Rotorua Travel And Information					
Computer Purchases / Furniture & Fittings		Renewal	31	36	-4
Total Capital for Economy Group			63	60	2

Large variances explained

There are no significant variances for this group.

What we say we will do

Destination Rotorua Economic Development

OUTCOME PROMOTED – A prosperous community			
Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • More investment in our district • More new business • Celebrating and promoting our districts unique qualities • Encouraging Growth • Encouraging development of Maori Land • Reducing unemployment rate • More employment opportunities 	Provide public access to timely, accurate and relevant Rotorua economic information.	Website statistics.	<ul style="list-style-type: none"> • Website visits to reach 20,000 per month by June 2008.
	Facilitate public access to economic development initiatives, networks and activity within Rotorua	<ul style="list-style-type: none"> • Inquiry database system. • BITC¹ database and tracking system. • Inquiry database and client management system. 	<ul style="list-style-type: none"> • Respond to 95% of business and relocation inquiries within 3 working days. • Attract and maintain 90 clients into the BITC¹ program. • Attract \$150K business development funding into Rotorua companies from Government Business Development Programs.
	Market Rotorua as a great place to live, work, invest and do business nationally and internationally.	<ul style="list-style-type: none"> • Website statistics. • Skilled migrant inquiry tracking database. • Inquiry database system. 	<ul style="list-style-type: none"> • Website visits to reach 20,000 per month by June 2008. • Generate 600 UK skilled migrant relocation inquiries – NZ Opportunities Expo 2007. • Generate 500 new Rotorua specific business and relocation inquiries by June 2008.
	Work with the local forest and wood processing industry to develop an environment that will stimulate and grow the sector.	<ul style="list-style-type: none"> • NZTE² MRI³ process. • Amount of investor ready industrial land available. 	<ul style="list-style-type: none"> • To facilitate successfully attracting \$300K private sector investment to assist in developing a major industry initiative by 2008. • To contribute to the marketing of investor ready business land by June 2008.

OUTCOME PROMOTED – A prosperous community

Advisory board to lead implementation of the BrightEconomy Strategy and advise council on business and economic development related issues.

- BrightEconomy appointment and review panel board performance appraisal.
- Monitor BEAB⁴ Project achievement against strategy targets.

- To attract \$150K government and private sector funding to assist in implementing the Bright-Economy Strategy.
- To implement 50% of the BEAB⁴ focus work program for 2007/08.

OUTCOME PROMOTED – A “happening” community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Lots of events including sporting, cultural, festivals, arts. • Leading edge activity events. • Foster artistic expression, art, music, dancing, public performances and exhibitions. 	Promote and facilitate the Central North Island as a location for world class screen production.	Film volcanic screen production inquiry system.	To contribute to generating at least 50 screen production inquiries within the region by June 2008.

OUTCOME PROMOTED – A learning community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Learning activities accessible to everyone. • Addressing skill shortages through the right training. • Increasing participation in tertiary education. 	Work with the local industry to try and minimise the impact of skill shortages on their business and Rotorua through the Rotorua Employment Skills Project (RESP).	<ul style="list-style-type: none"> • RESP* database system and action plans. • Lion Foundation – Rotorua Energy Charitable Trust Young Enterprise Scheme database system. 	<ul style="list-style-type: none"> • Have 400 businesses involved in the Rotorua Employment Skills cluster program. • Have 150 students involved in the Rotorua Young Enterprise Scheme. • Attract \$120K external funding towards the implementation of the RESP⁵.

¹ BITC = Business Mentors NZ

² NZTE = New Zealand Trade and Enterprise

³ MRI = Major Regional Initiative

⁴ BEAB = BrightEconomy Advisory Board

⁵ RESP = Rotorua Employment Skills Project

Destination Rotorua Tourism Marketing**OUTCOME PROMOTED – A prosperous community**

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets	
<ul style="list-style-type: none"> • Celebrating and promoting our district's unique qualities • More employment opportunities 	Marketing Rotorua as a destination to international, domestic and C & I markets	Support and backing of Marketing Plan by TAB	Produce and implement international marketing campaigns in Australia, Japan, Asia, India UK/ Europe, US in partnership with key stakeholders	
		Update to Finance and Strategic Planning Committee		
		Media placement and campaign activity plan		Run extended low/shoulder season domestic promotional campaign
		Analysis of the monthly commercial and private accommodation monitor.		Facilitate the attraction of 14 conferences per annum to Rotorua
		Analysis of monthly visitor arrival statistics	Contribute to 1.36 million visitors staying on average 2.3 nights and spending \$239 per day/person	

OUTCOME PROMOTED – A community that values its living Maori culture

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> Fostering Maori cultural activities and expression A community that recognises the value of partnerships including Treaty of Waitangi 	Maori cultural elements and the concept of Manaakitanga will underpin all marketing	Produce and distribute cultural heritage brochure	Marketing collateral includes increased Maori product - produce cultural heritage brochure

OUTCOME PROMOTED – A community that respects its environment

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> Managing and protecting geothermal resources and springs, trout, lakes, forests and geysers People using and enjoying our natural environments 	Market and promote major events taking place in Rotorua District.	Log of events	20 Events marketed and promoted per year

Tourism Rotorua Travel and Information

OUTCOME PROMOTED – A prosperous community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> Celebrating and promoting our district's unique qualities More employment opportunities 	Booking services are provided to visitors to Rotorua to encourage extended length of stay and visitor spend	Financial report of Travel Office	Achieve at least approx 900,000 visitors per annum through the travel office.

Funding

Destination Rotorua Economic Development

Who benefits from the activity?

- The economy as a whole benefits from improved economic activity, promotion of destination, choice, employment opportunities and incomes.
- Individual businesses benefit directly from specific initiatives.

What is the period of benefit?

- Benefits are ongoing for the entire economy; this includes infrastructure development and the flow-on effects of marketing, promotion, and providing support to business initiatives.
- Some initiatives also provide short term benefits to groups.

Who creates need for the activity?

- The need to undertake this activity derives from the community as a whole from economic development.

- However the Business community plays a key role in influencing the specific areas of focus for the unit; in the main this will be communicated through the activity of the recently created BrightEconomy Advisory Board.

Funding source

It is considered that the benefits of expenditure on this activity address both private and especially public benefits. Individuals and groups derive benefits from the provision of information and assistance to individuals and businesses. However, this frequently leads to public/community benefits if acted upon successfully. These can be measured in terms of employment and social and business confidence levels.

Recovery of costs by direct charging is limited by the opportunities available.

Destination Rotorua Tourism Marketing

Who benefits from the activity?

- Individual residents of Rotorua will benefit as they are living in a vibrant and diverse district resulting from visitors and the associated activities provided.
- Individual businesses will benefit directly from specific initiatives
- The economy as a whole benefits from improved economic activity and positive outlook/attitudes.

What is the period of benefit?

- Benefits are ongoing for the entire economy.

Who creates need for the activity?

- The economy as a whole creates the need for city marketing as a tool for regional promotion.
- Businesses create the need for exposure to wider markets.

Funding source

It is considered that the benefits of expenditure in this activity benefit the community as a whole by creating economic prosperity to the wider community, including employment opportunities. In addition, it benefits individual business owners and their employees by creating income opportunities.

Tourism Rotorua Travel and Information

Who benefits from the activity?

- The community as a whole benefits from improved economic activity and positive outlook/attitudes.
- Individual businesses benefit directly from specific initiatives.
- Visitors to Rotorua benefit from this service
- Residents of Rotorua benefit from this service through the provision of information

What is the period of benefit?

- Benefits are ongoing for the entire economy.

Who creates need for the activity?

- The economy as a whole creates the need for city marketing as a tool for regional promotion.

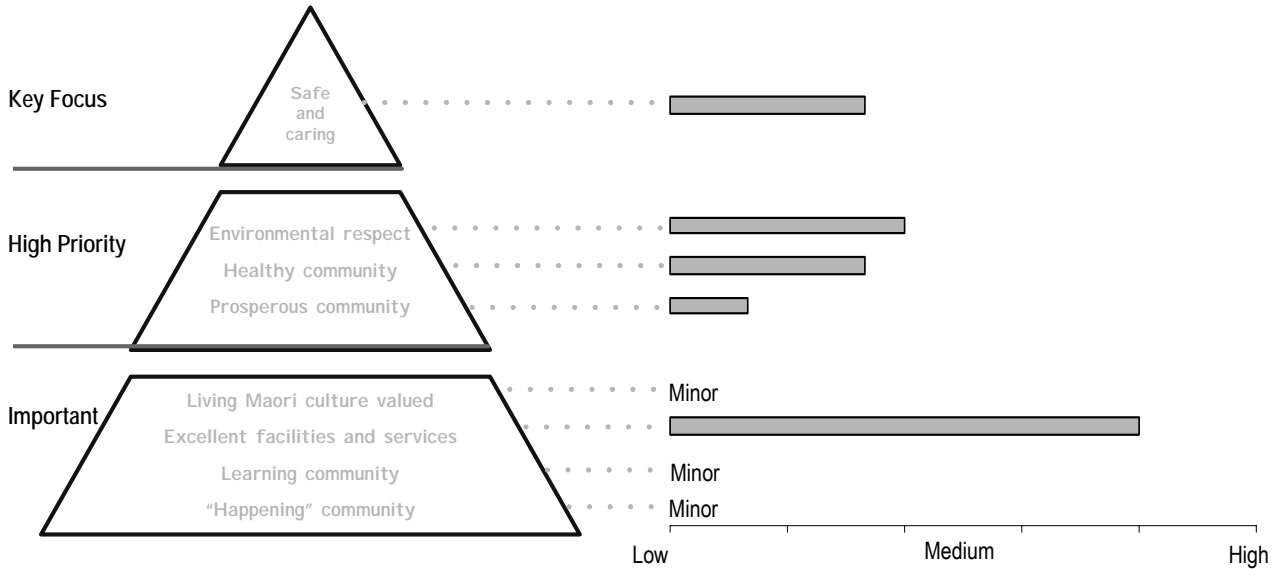
- Businesses create the need for exposure to wider markets.
- Visitors both domestic and international to the Rotorua District create the need for the service.

Funding source

- It is considered this activity primarily benefits those who use its services. These beneficiaries are visitors to the Centre who obtain information and the tourism operators whose services are sold to the tourist.
- The service also benefits the district as a whole by way of positive effects on the local economy created by the spending of tourists and visitors. Further, the activity compliments Tourism Marketing and the community benefits of that activity.

INFRASTRUCTURAL GROUP

Contribution to Community Outcomes by services in Group



Overview of Group

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

- Engineering Compliance
- Land Drainage
- Rotorua Regional Airport
- Rural Fire
- Transport
- Transport (Road Safety)
- Transport (State Highway Management)
- Waste Management
- Wastewater
- Water

The Infrastructural Group activities included provide many of the traditional key services associated with councils such as water, sewerage, roads and refuse collection in this area Council owns and manages many large and complex assets on behalf of the community.

Cost of Service Statement

	2007	2008	2008	2008
(thousands)	LTCCP	LTCCP	Annual Plan	Change
OPERATING COSTS				
Direct costs	22,497	23,444	23,575	-132
Depreciation	13,799	13,992	14,452	-460
Finance	3,972	5,149	4,784	365
Total Costs	40,267	42,585	42,811	-226
REVENUE				
Target Rates	15,919	18,393	17,235	1,158
Subsidies and grants	2,982	2,988	3,168	-180
Investment income	14	-2	109	-110
Fees and charges	4,591	4,794	4,247	547
Capital grants and contributions	12,567	22,627	9,933	12,694
Total Revenue	36,074	48,800	34,691	14,109
Net Cost of Service	4,193	-6,216	8,120	-14,335

Net Cost of Service

Description	2007	2008	2008	2008
(thousands)	LTCCP	LTCCP	Annual Plan	Change
Engineering Compliance	-307	-327	-256	-71
Land Drainage	2,684	2,909	2,831	79
Transport (Subsidised)	619	-62	-106	44
Transport (Unsubsidised) and Works General	7,102	7,626	7,081	544
Transport (Road Safety)	82	84	107	-23
Rotorua Regional Airport	-3,015	-9,842	1,138	-10,980
Rural Fire	146	149	158	-9
Transport (State Highways Management)	1	2	-38	40
Refuse Collection	17	3	7	-4
Waste Management	1,119	1,154	1,135	19
Landfill	130	79	809	-730
Wastewater	-4,306	-7,332	-3,959	-3373
Water	-79	-658	-788	130
Total Net Cost of Service	4,193	-6,216	8,120	-14,335

How we pay for this Activity

	2007	2008	2008	2008
(thousands)	LTCCP	LTCCP	Annual Plan	Change
OPERATIONAL FUNDING				
Net Cost of Service	4,193	-6,216	8,120	-14,335
Plus Capital Grants and Contributions	12,567	22,627	9,933	12,694
Funding	16,760	16,412	18,053	-1,641
Less Depreciation for Capital	-13,799	-13,992	-14,452	460
Add back half share roading depreciation	2,497	2,547	2,566	-19
Total Rates (General) for (from) Operations	5,459	4,967	6,167	-1,201
CAPITAL FUNDING				
Rates funding (General)	6,756	10,694	9,987	707
Loans from (to) Corporate Funds	16,975	13,650	24,124	-10,474
Capital Grants	12,401	22,207	9,513	12,694
Development Contributions	168	420	420	0
Roading half depreciation funded by grants	-2,497	-2,547	-2,566	19
Total Capital	33,801	44,424	41,478	2,947

Capital Program

	(thousands)	Rational	2008	2008	2008
			LTCCP	Annual Plan	Change
Development Engineering					
Computer Purchases		Renewal	9	3	6
Trade Waste					
Computer Purchases		Renewal		4	-4
Laboratory					
Computer Purchases / Plant & Equipment		Renewal	19	18	0
Engineering Administration					
Computer Purchases / Printers		Renewal	15	17	-2
Graphic Solutions					
Computer Purchases		Renewal	33	35	-3
Public Utilities Overheads					
Computer Purchases		Renewal	20	14	5
Works Overheads					
Computer Purchases		Renewal	4		4
Land Drainage					
Stormwater Renewals		Renewal	344	344	0
City Stormwater Upgrades		Provision for Growth	470	470	0
			814	813	0
Rotorua Airport					
Southern Extension		Level of Service Change	1,025	884	141
Runway / Fire Station		Renewal	41	32	10
Other Improvements (Non Trans-Tasman)		Level of Service Change	104	104	
Wetlands Mitigation		Level of Service Change	1,276	395	881
Security Secure Lounge		Level of Service Change	154		154

	(thousands)	Rational	2008	2008	2008
			LTCCP	Annual Plan	Change
Stat. Planning Trans-Tasman Development		Level of Service Change	108	60	48
Property Purchases / Other		Level of Service Change	519	940	-421
			3,227	2,414	813
Rural Fire					
Volunteer Rural Fire Forces (VRFF)		Renewal	21	21	
Transport (Subsidised)					
Cycleway Construction		Backlog	21	21	
Major Drainage Control		Backlog	34	34	
Minor Safety Projects		Backlog	620	620	
Preventative Maintenance		Backlog	69	69	
Seal Widening		Backlog	558	558	
Malfroy / Ranolf Roundabout		Provision for Growth	1,086	1,086	
Project Investigation / Planning		Provision for Growth	52	52	
Bus Shelter Renewals		Renewal	67	67	
Culvert Renewals		Renewal	52	52	
Rehabilitation Renewals		Renewal	776	776	
Road Reseals		Renewal	2,621	2,721	-100
Transit Designation		Renewal	51	51	
Urban Streetlight Renewals		Renewal	155	155	
			6,163	6,263	-100
Transport (Unsubsidised) and Works General					
Land Acquisition		Backlog	49	49	
Maori Road & Unformed Road Lines		Backlog	82	162	-80
Minor Safety Improvements		Backlog	31	31	0
Rural Seal Extension		Backlog	977	1,077	-100
Rural Street Improvements		Backlog	372	202	170
Urban Street Improvements		Backlog	290	354	-64
Urban Streetlight Undergrounding		Backlog		300	-300
Western Heights Shopping Centre		Backlog	424	424	
Contributions to Development		Provision for Growth	51	51	
Footpath Renewals		Renewal	128	126	2
Kerb & Channel Renewals		Renewal	50	50	0
Parks Roading Renewals		Renewal	72	90	-18
			2,526	2,917	-391
Waste Management					
Rural Transfer Station Development		Backlog		250	-250
Landfill					
Landfill Capital Development		Renewal	1,344	1,344	0
Waste Water Urban					
Septic Tank Reticulation		Growth / Backlog	1,739	969	770
Sewer Renewals		Renewal	1,125	3,176	-2,052
Pump Stations Renewals		Renewal	676	676	
Treatment Plant Renewals		Renewal	207	615	-408
Land Treatment Renewals		Renewal	27	181	-154
Land Treatment Improvements		Provision for Growth	209	209	
Pump Station Capital Improvement		Growth / Backlog	157	157	
WWTP Upgrade		Backlog / Growth	707	837	-130
Reticulation Extension		Growth / Backlog	419	619	-200
Other Renewals - Various		Renewal	7	4	3
			5,273	7,444	-2,171
Waste Water Rural					
Hamurana Sewerage		Backlog / Growth	628	150	478
Hinehopu Sewerage		Backlog / Growth	1,569	150	1,419
Okareka Sewerage		Backlog / Growth	7,824	2,765	5,059

	(thousands)	Rational	2008	2008	2008
			LTCCP	Annual Plan	Change
Capital Overheads		Growth / Backlog	394	394	
			10,415	3,459	6,956
Eastern Sewerage Scheme					
Eastern Trunk Line		Growth / Backlog	1,255	620	635
Brunswick/Rotokawa Sewerage		Growth / Backlog	3,138	5,100	-1,962
Okere Falls/Otaramarae Sewerage		Backlog / Growth	2,929	1,508	1,421
Capital Overheads		Growth / Backlog	288	288	
			7,610	7,516	94
Water Investigations & Overheads					
Plant and Equipment		Renewal	3	3	
Urban Water					
Project Renewals		Renewal	1,062	1,220	-158
Programmed Renewals / Connections		Renewal	36	36	
Reticulation Improvements		Backlog / Growth	1,809	3,389	-1,580
Backflow Preventors		Backlog / Growth	870	870	
Water Treatment		Backlog / Growth	109	109	
Source Development		Provision for Growth	109	109	
Eastern Trunk Line		Growth / Backlog	2,354	1,604	750
			6,348	7,336	-988
Mamaku Water					
Project & Programmed Renewals		Renewal	7	7	
Capital Improvements		Backlog / Growth	107	107	
			114	114	
Rotoiti Water					
Programmed Renewal		Renewal	3	3	
Capital Improvements		Backlog / Growth	109	109	
			112	112	
Rotoma Water					
Project & Programmed Renewals		Renewal	22	22	
Capital Improvements		Backlog / Growth	87	87	
			109	109	
Kaharoa Water					
Programmed Renewal		Renewal	5	5	
Capital Improvements		Backlog / Growth	178	178	
			183	183	
Reporoa Water					
Project & Programmed Renewals		Renewal	8	158	-150
Capital Improvements		Backlog / Growth		875	-875
			8	1,033	-1,025
Hamurana Water					
Programmed Renewal		Renewal	1	1	
Capital Improvements		Backlog / Growth	52	52	
			53	53	
Okareka Water					
Programmed Renewal		Renewal	1	1	
Total Capital for Infrastructural Group			44,424	41,478	2,947

Large variances explained

The large variances for this group result from the following:

- Depreciation is higher than anticipated following the recent revaluation of these assets.
- There is reduced income and capital expenditure for the airport because of the delay in obtaining a consent to extend the runway. Therefore the capital expenditure and corresponding grants have now been reprojected to the following year.
- There is some doubt as to whether Council would receive all the anticipated subsidy for the wastewater schemes in 2007/08. Therefore some of the capital expenditure (for Hinehopu, Okareka, and Okere Falls/Otaramarae sewerage schemes) and corresponding income has been deferred to the following years.
- There are a number of capital projects carried forward from 2006/2007 for:
 - Transport
 - Waste water – Urban
 - Eastern Sewerage Scheme
 - Urban Water
 - Reporoa Water

What we say we will do

Engineering Compliance

OUTCOME PROMOTED – A community that respects its environment

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Looking after our air, land and water resources • Waste reduction 	Manage and control discharges to the community waste systems, to protect the systems and environment.	Pollution Control Database.	<ul style="list-style-type: none"> • Reduce the impact of illegal discharges by ensuring that 40% of consented trade waste premises are audited annually. • 90% of complaints are responded to within two hours.

OUTCOME PROMOTED – A community with excellent facilities and services

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Good, safe, maintained services and roads • Good quality infrastructure for the future 	Ensuring the quality of infrastructural assets.	Compliance reporting.	Vested infrastructural assets comply with RCEIS.

Land Drainage

OUTCOME PROMOTED – A community that respects its environment

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
Improved lake water quality	Provision of a stormwater network to minimise the impact on the environment.	<ul style="list-style-type: none"> • Environment Waikato • EBOP • Compliance reports 	Contribution to improved lake water quality by complying with discharge consents.

OUTCOME PROMOTED – A community with excellent facilities and services

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
Good quality infrastructure for future	To minimise the impact of flooding to property.	Annual flooding report.	No habitable building inundated in a 50 year return period event.

Rotorua Airport

OUTCOME PROMOTED – A community with excellent facilities and services

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Good, safe, maintained services and roads • A great airport 	Safe and efficient infrastructure supporting air transport	Annual Audit.	Infrastructure available 100% of the time subject to weather

Rural Fire

OUTCOME PROMOTED – A safe and caring community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Safe homes and streets • Organisations working together on agreed priorities • Providing safe public places 	Protection for people, property and the environment from the hazards of fire	Updated and certified annual fire plan available.	Prevention suppression and control of fires in the rural area by updating annual fire plan by 1 October.

Transport

OUTCOME PROMOTED – A safe and caring community

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
Fewer road accidents	Provision of a transport network that meets nationally accepted safety standards.	<ul style="list-style-type: none"> • A database of accident blackspots prioritised annually through the minor safety programme • Triennial Transit audits. • Scrim testing for skid resistance • Geometric design standards. 	Contribute to fewer road crashes by: <ul style="list-style-type: none"> • Annually re-assess accident blackspots and propose solutions for following year. • Roads maintained to LTNZ standards. • 95% of arterial network compliant. • Design of all new works meet standard.

OUTCOME PROMOTED – A community that respects its environment

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
Looking after our land, air and water resources	Minimise the impact of the transport network on the environment.	EBOP and EW show no non-compliance. Compliance reports.	<ul style="list-style-type: none"> • Compliance with Air Discharge Standards. • Compliance with water discharge consents.

OUTCOME PROMOTED – A community with excellent facilities and services

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Easy to get from place to place • Good, safe, maintained services and roads 	Provision of maintenance of a transport network that is easy to get around and does not result in driver frustration	LOS D ¹ at peak times and LOS C ² at off-peak times. National benchmarking surveys.	Minimise travel delay and congestion by maintaining LOS for 95% of the network. Ride quality in top 50% of national benchmarking survey.

¹ LOS D is close to the limit of stable flow and approaching unstable flow. All drivers are severely restricted in their freedom to select their desired speed and manoeuvre within the traffic stream. The general level of comfort and convenience is poor and small increases in traffic flow will generally cause operational problems. LOS D is acceptable for short periods of high demand, such as a peak commuting periods but is unlikely to be acceptable for long periods.

² LOS C is in the zone of stable flow but most drivers are restricted to some extent in their freedom to select their desired speed and manoeuvre within the traffic stream. The general level of comfort and convenience declines noticeably at this level.

Transport (Road Safety)

OUTCOMES PROMOTED - A safe and caring community - A healthy community			
Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> Fewer road crashes. Providing safe public places. 	Develop, co-ordinate and facilitate Road Safety programmes.	Equal or lower crash rates of peer districts as shown in LTNZ annual reports.	Contribute to fewer road crashes by providing education programmes.
<ul style="list-style-type: none"> Improving health status Increasing recreational opportunities 	Plan & direct programmes and encourage walking and cycling and integration with other modes.	5 yearly counts at key sites as per strategy	Increased numbers walking and cycling compared with previous count.

Transport (State Highway Administration)

OUTCOME PROMOTED – A safe and caring community			
Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
Fewer road crashes	Plan, develop and advocate for safer district SH network.	Fewer road crashes by:	
		A database of current crash black spots is maintained and prioritised annually for the minor safety works programme.	Identifying, prioritising and programming black spots rectification.
		Development and acceptance of a highway Annual Plan to Transit standard each year.	Maintaining roads to national standards.
		Scrim testing to ensure network meets national skid resistance level.	Ensuring good stopping distances.
		Design of new works in accordance with current geometric design standards.	Designing any new works for safety.

OUTCOME PROMOTED – A community with excellent facilities and services			
Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> Good, safe maintained services and roads. Good quality infrastructure for future. 	Manage and administer the district SH network.	Annual benchmarking (Transit NZ).	Advance and manage the network locally within the national/local policy framework of Transit NZ and Council.

Waste Management

OUTCOME PROMOTED – A community that respects its environment			
Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> Waste reduction Looking after our air, land and water resource 	Managing the collection, re-use and disposal of waste to always have landfill capacity available.	Annual waste statistics. EBOP compliance reports.	Decrease in landfilled waste. Compliance with consent conditions.

OUTCOME PROMOTED – A community with excellent facilities and services

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
Good quality infrastructure for future	Provision of collection, disposal and recycling facilities.	Monthly capacity surveys. Surveys. Contractor records.	Always have landfill capacity available. 95% of population within 13kms of recycling facilities. To complete weekly refuse collection as scheduled.

Waste Water**OUTCOME PROMOTED – A healthy community**

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
Improve health status for all.	Provision of an efficient collection treatment and disposal system for community wastewater from service areas.	Monitoring data	<ul style="list-style-type: none"> • Continuous (24/7) operation of the wastewater service (flush and gone) • Zero sewage overflows under normal operation conditions

OUTCOME PROMOTED – A community that respects its environment

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Looking after our air, land and water resources. • Improved Lake Water quality. 	Implementation and management of schemes to minimise impact on the environment.	Annual compliance report from Regional Council.	<ul style="list-style-type: none"> • Compliance with air discharge requirement • Compliance with water discharge standards

OUTCOME PROMOTED – A community with excellent facilities and services

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Good safe maintained services and roads • Good quality infrastructure for the future 	Planning provision and maintenance of appropriate network and treatment facilities.	Project and contract progress reports to Council regarding renewal and improvement programme	Continuous (24/7) operation of the wastewater services for existing and future generations (Flush and gone)

Water**OUTCOME PROMOTED – A healthy community**

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Safe drinking water. • Healthy whanau, healthy communities. 	Provision of safe drinking water for the following water schemes: Central Urban Ngongotaha Rotokawa Mamaku Rotoiti Rotoma Kaharoa Reporoa/Mihi Hamurana Okareka	Sampling and laboratory testing records. WINZ database records.	100% compliance with the monitoring requirements of the current DWSNZ.

OUTCOME PROMOTED – A community with excellent facilities and services

Sub outcomes (Key result areas)	Service provided	How We Will Measure	2007/08 Targets
<ul style="list-style-type: none"> • Good quality infrastructure for the future • Good safe, maintained services and roads 	Provision of excellent water network and treatment facilities for the following water schemes:	Routine pressure flow tests. Hydraulic model analysis.	95% of connections will meet following:
	Central Urban		Min 30 litres/ min minimum flow for domestic connections. Min 30 metres pressure head. Max 90 metres pressure head.
	Eastern Area		Min 1,500 litres/ day flow. Min 10 metres pressure head. Max 90 metres pressure head.
	Rotokawa		Min 5 metres pressure head. Max 90 metres pressure head.
	Mamaku		20 litres/min flow for domestic connections. Min 20 metres pressure head. Max 90 metres pressure head.
	Rotoiti		20 litres/min minimum flow for residential connections. Min 20 metres pressure head. Max 90 metres pressure head.
	Rotoma		20 litres/min flow for residential connections. Min 20 metres pressure head. Max 90 metres pressure head.
	Kaharoa		450 litres/ha/ day flow for dairy. 250 litres/ha/ day for sheep/ beef. No minimum pressure. Max 90 metres pressure head.
	Reporoa/Mihi		20 litres/min minimum flow for residential. 505 litres/ha/ day farming. 3600m ³ /day factory. Min 15 metres pressure head. Max 90 metres pressure head.
	Hamurana		20 litres/min minimum flow for residential connections. Min 15 metres pressure head. Max 90 metres pressure head.
	Okareka		20 litres/min minimum flow for residential. connections. Min 20 metres pressure head. Max 90 metres pressure head.
	To provide adequate fire fighting water supply to the following areas: Central Urban Mamaku	NZFS Code of Practice	95% of fire hydrants comply.

Note: Flow/pressure figures are at point of supply.

Funding

Engineering Compliance

Development Engineering

Who benefits from the activity?

The community as a whole benefits from:

- Development engineering by ensuring compliance with consent conditions and the requirements of the RCEIS.
- Collection and management of trade waste.
- A clean environment.

What is the period of benefit?

- Benefits are intergenerational and ongoing as long as the services are maintained.

Who creates need for the activity?

- The need to undertake the development engineering activity is created by the community as a whole.
- The need to undertake the trade waste activity derives from those who create trade waste.

Funding source

The costs of development engineering cannot readily be identified to and collected from individuals and groups.

Trade Waste

Who benefits from the activity?

The community as a whole benefits from:

- Development engineering by ensuring compliance with consent conditions and the requirements of the RCEIS.
- Collection and management of trade waste.
- A clean environment.

What is the period of benefit?

- Benefits are intergenerational and ongoing as long as the services are maintained.

Who creates need for the activity?

- The need to undertake the development engineering activity is created by the community as a whole.
- The need to undertake the trade waste activity derives from those who create trade waste.

Funding source

The costs of trade waste are caused by individuals, groups, businesses and organisations, and are recovered from them.

Land Drainage

Who benefits from the activity?

- The community as a whole benefits from safe and efficient discharge of stormwater.
- Owners of property more prone to effects of stormwater also gain a particular benefit.

What is the period of benefit?

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

Who creates need for the activity?

- The community as a whole creates the need for a safe urban environment where stormwater discharges are adequately dealt with.
- Property owners directly affected by stormwater create a need for infrastructure to maintain adequate protection.

Funding source

This activity benefits:

- Both existing and future owners and occupiers of properties.
- Owners and occupiers who are connected to the system and those who are not connected but are within the catchment.
- The community as a whole by reducing the risk to public health resulting from storm events.
- It is considered all residents live within a catchment so benefit to greater or lesser extent.

This activity is currently funded by general rates after allowing for some development contributions. It is proposed that development contributions be used more in future. This however is subject to specific analysis per development, as the capital programme in this LTCCP addresses backlog only.

Rotorua Regional Airport

Who benefits from the activity?

- The community as a whole benefits from:
 - An efficient air service.
 - Increased employment opportunities and increased economic growth.
- Passengers in particular benefit from an efficient service.
- Visitors and tourists benefit from ready access to Rotorua and its attractions.

What is the period of benefit?

- Benefits are ongoing as long as the Airport continues in its current location.

Who creates need for the activity?

- Users of air transport create the need for a safe and efficient infrastructure for supporting air transport.
- Legislation creates the need for safe and efficient services.

Rural Fire

Who benefits from the activity?

- The community as a whole benefits from assurance that a plan for response and management is in place in the event of rural fire emergency.

What is the period of benefit?

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

Who creates need for the activity?

- Legislation creates the need for the activity.
- Local communities, forest owners, and other groups also create the need for the activity.

Transport

Transport Unsubsidised and Works General

Who benefits from the activity?

- The community as a whole benefits from accessibility of city and ease of transportation throughout the city and district.
- Road users gain a specific benefit.
- Users of parking facilities gain a specific benefit.
- Owners of properties adjacent to or connected to the network, and commercial operators derive a benefit, depending on the network.
- Visitors to the district also benefit.
- Developers gain specific benefits.

What is the period of benefit?

- Benefits are ongoing as long as infrastructure is maintained.

Who creates need for the activity?

- The community as a whole creates the need for an accessible urban environment where transport links are readily available for both business and public use. Growth also creates the need for expansion and upgrading of the network.
- Transport operators and businesses derive a benefit from being able to carry out their activities.

Funding source

This sub-activity essentially serves the community as a whole. Council cannot practically recover costs for this activity.

Transport Subsidised

Who benefits from the activity?

- The community as a whole benefits from accessibility of city and ease of transportation throughout the city and district.
- Road users gain a specific benefit.
- Users of parking facilities gain a specific benefit.
- Owners of properties adjacent to or connected to the network, and commercial operators derive a benefit, depending on the network.
- Visitors to the district also benefit.
- Developers gain specific benefits.

What is the period of benefit?

- Benefits are ongoing as long as infrastructure is maintained.

Who creates need for the activity?

- The community as a whole creates the need for an accessible urban environment where transport links are readily available for both business and public use. Growth also creates the need for expansion and upgrading of the network.
- Transport operators and businesses derive a benefit from being able to carry out their activities.

Funding source

From 2006/07 Land Transport NZ pays 46% of roading maintenance costs and 56% of capital upgrade costs from transport and petrol taxes collected. The financial assistance rate (FAR) is set by LTNZ policy. The local share for capital work can be met by a combination of development contributions and general rates.

Transport (Road Safety)

Who benefits from the activity?

- The community as a whole benefits from:
 - Accessibility of the city and ease of transportation throughout the city and District.
 - Increasing the safety of all road users.
- Road users gain specific benefits.

What is the period of benefit?

- Benefits will be ongoing and be intergenerational.

Who creates need for the activity?

- The need is created by Council taking on community leadership and responsibility to try to reduce the effects of road crashes on personal lives in terms of death and injury for those directly involved and wider with family and work.

- Users for provision of facilities, encouragement and education to increase walking and cycling as more active modes of transport for Health and sustainability.
- Road users create the need for the activity by way of education to increase safety.
- Road users also create the benefit by way of provision of facilities, encouragement and education to increase walking and cycling as active modes of transport for health and sustainability.

Funding source

Some funding comes from Land Transport NZ. The balance needs to be funded by the community. An estimated Crown income is included beyond Year 1 as Crown funding is decided on a year by year basis, but historically greater than shown.

Transport (State Highway Administration)

Who benefits from the activity?

- The community as a whole benefits from accessibility of the city and ease of transportation of goods, services and people throughout the city and district.
- Road users benefit directly.

What is the period of benefit?

- Benefits are ongoing while maintenance of the infrastructure is adequate.

Who creates need for the activity?

- The community as a whole creates the need for a sustainable, accessible and planned transport network.

Waste Management

Refuse Collection

Who benefits from the activity?

- The community as a whole, including future generations, benefit from:
 - The safe and efficient disposal of solid waste.
 - Maintaining a clean and healthy environment, removing hazardous wastes, and protecting standards of health and safety.
- Households and business premises benefit from refuse collection and recycling.

What is the period of benefit?

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

Who creates need for the activity?

- The need to undertake this activity is created by the community as a whole.
- The need to undertake this activity derives from individuals, groups, households, and businesses that create solid waste.

Funding source

This activity benefits residential properties and businesses by removing solid waste. The service does not cover all properties. Those that are not serviced have to make their own provision at their own cost. It is practical to identify and direct charge properties that receive the benefit. Council therefore recovers this cost by way of targeted rate.

Waste Management

Who benefits from the activity?

- The community as a whole, including future generations, benefit from:
 - The safe and efficient disposal of solid waste.
 - Maintaining a clean and healthy environment, removing hazardous wastes, and protecting standards of health and safety.
- Households and business premises benefit from refuse collection and recycling.

What is the period of benefit?

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

Who creates need for the activity?

- The need to undertake this activity is created by the community as a whole.

- The need to undertake this activity derives from individuals, groups, households, and businesses that create solid waste.

Funding source

This activity benefits both the community as a whole and individuals and groups in the community.

Whilst litter is typically deposited by the public, it is primarily generated from packaging originating from commercial premises. These owners and operators receive a primary benefit from litter clearance.

Since the service is available to the community as a whole, inclusive of external visitors, and there are no practical mechanisms to identify individual contributors, the cost is recovered mainly from general rates.

Landfill

Who benefits from the activity?

- The community as a whole, including future generations, benefit from:
 - The safe and efficient disposal of solid waste.
 - Maintaining a clean and healthy environment, removing hazardous wastes, and protecting standards of health and safety.
- Households and business premises benefit from refuse collection and recycling.

What is the period of benefit?

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

Who creates need for the activity?

- The need to undertake this activity is created by the community as a whole.
- The need to undertake this activity derives from individuals, groups, households, and businesses that create solid waste.

Funding source

The main benefits derive to individuals and businesses who use the landfill to dispose of solid waste. This also benefits the community as a whole.

Costs can reasonably be recovered by direct charges to users of the landfill in line with the NZ Waste Strategy.

Wastewater

Who benefits from the activity?

- The community as a whole including domestic, commercial, institutional and industrial premises connected to the public wastewater reticulation system.
- Visitors to the District.
- Developers gain specific benefits.

What is the period of benefit?

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

Who creates need for the activity?

- The community as a whole creates the need for environmentally safe and efficient treatment and disposal of wastewater.
- The need to undertake this activity is also created by legislation.
- The need to undertake this activity derives from households and businesses.

Water

Urban supply (operating and capital)

Who benefits from the activity?

- The community as a whole benefits from:
 - Safe and efficient provision of drinking water.
 - Provision of water services for fire fighting to maintain community safety services.
- Commercial businesses benefit specifically from the provision of water services.
- Households benefit from the provision of water services.
- Developers gain specific benefits.

What is the period of benefit?

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

Who creates need for the activity?

- The community as a whole creates the need for a safe urban environment where water services are adequately provided and health standards maintained.

- Commercial and industrial enterprises create need for water services applicable to their business.
- Fire fighting services create need for water services to carry out their job.
- Property owners create the need for the service.

Funding source

- The primary beneficiaries are existing and future users (consumers) of the water supply, and non-users within the water supply area (whose property values increase due to the availability of the supply and the improved fire protection capability).
- The community as a whole benefits in terms of improved health, clean environment and fire fighting capabilities.
- The activity is funded by user charges comprising:
 - Domestic by way of targeted rate of a uniform amount.
 - Business by way of targeted rate based on metered use.

Rural residential (capital)

Who benefits from the activity?

- The community as a whole benefits from:
 - Safe and efficient provision of drinking water.
 - Provision of water services for fire fighting to maintain community safety services.
- Commercial businesses benefit specifically from the provision of water services.
- Households benefit from the provision of water services.
- Developers gain specific benefits.

What is the period of benefit?

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

Who creates need for the activity?

- The community as a whole creates the need for a safe urban environment where water services are adequately provided and health standards maintained.

- Commercial and industrial enterprises create need for water services applicable to their business.
- Fire fighting services create need for water services to carry out their job.
- Property owners create the need for the service.

Funding source

- The primary beneficiaries are existing and future users (consumers) of the water supply, and non-users within the water supply area (whose property values increase due to the availability of the supply and the improved fire protection capability).
- The community as a whole benefits in terms of improved health, clean environment and fire fighting capabilities.
- Each property within the scheme contributes a maximum of \$2,500 towards the costs of any rural water supply scheme and any extension to an existing rural water supply scheme that is deemed necessary, and the balance by way of general rates as a measure of the benefit to the community.

Rural residential (operating)

Who benefits from the activity?

- The community as a whole benefits from:
 - Safe and efficient provision of drinking water.
 - Provision of water services for fire fighting to maintain community safety services.
- Commercial businesses benefit specifically from the provision of water services.
- Households benefit from the provision of water services.

What is the period of benefit?

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

Who creates need for the activity?

- The community as a whole creates the need for a safe urban environment where water services are adequately provided and health standards maintained.
- Commercial and industrial enterprises create need for water services applicable to their business.

- Fire fighting services create need for water services to carry out their job.
- Property owners create the need for the service.

Funding source

- The primary beneficiaries are existing and future users (consumers) of the water supply, and non-users within the water supply area (whose property values increase due to the availability of the supply and the improved fire protection capability).
- The community as a whole benefits in terms of improved health, clean environment and fire fighting capabilities.
- The Mamaku, Rotoiti, Rotoma, Hamurana, Kaharoa and Okareka supplies are 100% user pays by a combination of fixed quarterly charge which is set to recover 75% of the fixed costs of the scheme, and a charge per cubic metre consumed. The cost per cubic metre is set to recover all of the variable costs of the scheme plus 25% of the fixed costs. However, where this formula results in a reduction in the fixed charge from the previous year, the 75 /25 ratio shall be modified so that the fixed charge stays the same.

Rural farming (capital)

Who benefits from the activity?

- The community as a whole benefits from:
 - Safe and efficient provision of drinking water.
 - Provision of water services for fire fighting to maintain community safety services.
- Commercial businesses benefit specifically from the provision of water services.
- Households benefit from the provision of water services.
- Developers gain specific benefits.

What is the period of benefit?

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

Who creates need for the activity?

- The community as a whole creates the need for a safe urban environment where water services are adequately provided and health standards maintained.

- Commercial and industrial enterprises create need for water services applicable to their business.
- Fire fighting services create need for water services to carry out their job.
- Property owners create the need for the service.

Funding source

- It is considered that the benefits obtained from expenditure on this activity are primarily private in relation to each farm. The private beneficiaries are the existing and future users (consumers) of the water supply, with water for stock being the predominant use (commercial purposes). Residents receive the benefits of supply to the farms.
- It is noted that new farming water supply schemes are used primarily to increase farm productivity and are based on a commercial decision by the farming community to increase productivity and the wealth of the district.

Rural farming (operating)

Who benefits from the activity?

- The community as a whole benefits from:
 - Safe and efficient provision of drinking water.
 - Provision of water services for fire fighting to maintain community safety services.
- Commercial businesses benefit specifically from the provision of water services.
- Households benefit from the provision of water services.

What is the period of benefit?

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

Who creates need for the activity?

- The community as a whole creates the need for a safe urban environment where water services are adequately provided and health standards maintained.

- Commercial and industrial enterprises create need for water services applicable to their business.
- Fire fighting services create need for water services to carry out their job.
- Property owners create the need for the service.

Funding source

- This activity relates solely to the Reporoa water supply at this stage. It is considered that the benefits obtained from expenditure on this activity are primarily private in relation to each farm. The private beneficiaries are the existing and future users (consumers) of the water supply, with water for stock being the predominant use (commercial purposes). Residents receive the benefit of supply to the farms.
- It is noted that currently the activity is funded by way of 100% user charges by a combination of fixed quarterly charges and metered consumption over and above a fixed quarterly quantity.





Overview of Group

Range of activity

Castlecorp is a separate business unit within the Rotorua District Council whose purpose is to provide infrastructural services to the residents of the District of Rotorua 365 days per year for:

- Water
- Wastewater
- Refuse
- Land Drainage
- Parks and Reserves
- Sports Fields
- Public Gardens
- Fleet Maintenance

Its brand represents the organisational values of reliability, honesty and integrity. The strap line 'Keeping Rotorua' can be used in Keeping Rotorua Beautiful, Keeping Rotorua Clean, Keeping Rotorua services, or in the more traditional meaning of the word "keep", being to guard, protect or look after.

The logo features:

- a stylised mirror of a letter "R".
- cogs of a wheel in motion, representing the work ethic.
- fronds of a ponga, representing the environmental aspects of our role.
- turrets of a castle, linking the "keep" and "Castle" theme.

Cost of Service Statement

	2007	2008	2008	2008
(thousands)	LTCCP	LTCCP	Annual Plan	Change
OPERATING COSTS				
Direct costs	-665	-741	-698	-43
Depreciation	790	805	826	-21
Finance	22	22	22	0
Total Costs	147	86	150	-64
REVENUE				
Fees and charges	148	150	150	0
Net Cost of Service	0	-64	0	-64

Net Cost of Service

Description	2007	2008	2008	2008
(thousands)	LTCCP	LTCCP	Annual Plan	Change
Total Net Cost of Service	0	-64	0	-64

How we pay for this Activity

	2007	2008	2008	2008
(thousands)	LTCCP	LTCCP	Annual Plan	Change
OPERATIONAL FUNDING				
Net Cost of Service	0	-64	0	-64
Funding	0	-64	0	-64
Less Depreciation for Capital	-790	-805	-826	21
Total Rates (General) for (from) Operations	-791	-869	-826	-43
CAPITAL FUNDING				
Rates funding (General)	790	805	826	-21
Loans from (to) Corporate Funds	257	459	458	1
Asset sales	193	308	308	0
Total Capital	1,241	1,572	1,592	-21

Capital Program

		2008	2008	2008
(thousands)	Rational	LTCCP	Annual Plan	Change
Business Unit Castlecorp				
Computer Purchases	Renewal	21	22	-1
Furniture & Fittings / Plant & Equipment	Renewal	10	30	-20
		32	52	-21
Fleet				
Fleet & Plant	Renewal	1,540	1,540	
Total Capital for Castlecorp Group		1,572	1,592	-21

Forecast Financial Statements



PURPOSE OF FINANCIAL STATEMENTS

Prospective Income Statement

This statement discloses the net surplus or deficit and the components of the net surplus (deficit), arising from activities or events during the year that are significant for the assessment of both past and future financial performance.

Prospective Statement of Changes in Equity

This financial statement contributes to the objectives of general purpose financial reporting by combining information, about net surplus (deficit) with other aspects of Council's financial performance in order to give a degree of measure of comprehensive income.

Prospective Balance Sheet

Information about the economic resources controlled by Council and its capacity to modify those resources, is useful in assessing Council's ability to generate cash and/or provide services in the future. Information about the financing structure is useful in assessing future borrowing needs, and how future surpluses and cashflows may be distributed among those with an interest in the Council. The information is also useful in assessing how successful the Council is likely to be in raising further finance.

Prospective Cashflow Statement

This statement reflects Council's cash receipts and cash payments during the year and provides useful information about Council's activities in generating cash through operations to:

- repay debt; or
- re-invest to maintain or expand operating capacity.

Statement of Accounting Policies

The accounting policies adopted by Council can have a significant impact on the financial and service performance, financial position and cashflows that are reported in its financial reports. Therefore, for a proper appreciation of those reports, users need to be aware of:

- a) the measurement system underlying the preparation of the financial reports; and
- b) the accounting policies followed in respect of individual items in the financial reports, especially where there are acceptable alternatives for dealing with any such items; and
- c) any changes in the measurement system, assumptions or particular accounting policies.

PROSPECTIVE INCOME STATEMENT

	(thousands)	2007	2008	2008	Variance
		LTCCP	LTCCP	Annual Plan	
General Rates		40,952	42,715	43,509	(794)
Less Rates Paid By Council		(777)	(795)	(803)	8
Total Rates		40,175	41,920	42,706	(786)
Castlecorp Bus Unit		148	150	150	
Corporate Wide		1,692	1,740	1,740	
Economic		2,191	2,345	2,279	66
Environment		4,102	4,138	4,622	(484)
Infrastructure		36,074	48,800	34,691	14,109
Community Leadership		916	829	1,173	(344)
Social and Cultural		8,270	12,154	12,900	(746)
Less Water by Meter used internally		(153)	(160)	(173)	13
Total Other Revenue		53,239	69,997	57,383	12,614
Total Revenue		93,414	111,917	100,089	11,828
OPERATING EXPENDITURE					
Castlecorp Bus Unit		147	86	150	(64)
Corporate Wide		800	826	984	(158)
Economic		5,200	5,471	5,453	18
Environment		9,073	8,907	9,628	(721)
Infrastructure		40,267	42,585	42,811	(226)
Community Leadership		3,901	3,794	4,260	(466)
Social and Cultural		29,431	31,872	32,311	(439)
		88,819	93,541	95,597	(2,056)
Less Internal Charges Included in Operating Expenses		930	955	976	(22)
Total Operating Expenditure		87,889	92,586	94,621	(2,034)
Operating Surplus		5,524	19,331	5,468	13,863
Income Taxation					
SURPLUS FOR THE YEAR		5,524	19,331	5,468	13,863
Footnote:- Included in the above Operating Expenditure					
Finance Costs		5,583	7,533	7,337	196
Depreciation/Amortisation		21,795	22,598	22,863	(265)

This statement contains prospective financial information and should be read in conjunction with the accompanying Statement of Accounting Policies.

PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

	(thousands)	2007 LTCCP	2008 LTCCP	2008 Annual Plan	Variance
-					
Opening Equity		730,782	736,306	736,725	419
Net Surplus for the Period		5,524	19,331	5,468	-13,863
Revaluation Changes		0	24	0	-24
CLOSING EQUITY		736,306	755,661	742,193	-13,468

This statement contains prospective financial information and should be read in conjunction with the accompanying Statement of Accounting Policies.

PROSPECTIVE BALANCE SHEET

	(thousands)	2007 LTCCP	2008 LTCCP	2008 Annual Plan	Variance
CURRENT ASSETS					
Financial Assets:-					
Cash and Cash Equivalents		1,964	1,922	2,148	226
Loans & Other Receivables		11,085	11,085	11,677	592
Inventories		1,125	1,125	1,238	113
Assets Held for Sale		0	0	60	60
Capital Projects under Construction		8,591	8,591	8,566	-25
TOTAL CURRENT ASSETS		22,765	22,723	23,689	966
Less CURRENT LIABILITIES					
Financial Liabilities:-					
Trade and Other Payables		8,680	8,680	7,793	887
Other Financial Liabilities		2,637	2,637	3,397	-760
Current Portion of Landfill Aftercare costs		60	60	60	0
Current Portion of Employee Entitlements		2,430	2,430	2,430	0
Current Portion of Public Debt		9,007	22,507	12,507	10,000
TOTAL CURRENT LIABILITIES		22,814	36,314	26,187	10,127
WORKING CAPITAL		-49	-13,591	-2,498	11,093
NON-CURRENT ASSETS					
Held to Maturity Financial Assets		1,932	1,917	3,185	1,268
Property, Plant & Equipment		828,392	865,673	855,519	-10,154
Intangible Assets		2,693	2,257	1,595	-662
Biological Assets		856	880	856	-24
Assets held for sale		85	85	1,032	947
TOTAL NON-CURRENT ASSETS		833,958	870,812	862,187	-8,625
LESS NON-CURRENT LIABILITIES					
Financial Liabilities		96,093	100,050	115,151	15,101
Less Employee Entitlements		970	970	839	-131
Landfill Aftercare Provision		540	540	1,506	966
TOTAL NON-CURRENT LIABILITIES		97,603	101,560	117,496	15,936
TOTAL NET ASSETS		736,306	755,661	742,193	-13,468
Represented By:					
RATEPAYERS EQUITY					
General Reserve		420,327	447,840	444,025	-3,815
Self-funding Reserves		-41,646	-50,136	-53,942	-3,806
Council Created Reserves		48	49	31	-18
Restricted Reserves		76	383	1,216	833
Asset Revaluation Reserve		357,501	357,525	350,863	-6,662
TOTAL RATEPAYERS EQUITY		736,306	755,661	742,193	-13,468

This statement contains prospective financial information and should be read in conjunction with the accompanying Statement of Accounting Policies.

PROSPECTIVE CASHFLOW STATEMENT

Description	(thousands)	2007	2008	2008	Variance
		LTCCP	LTCCP	Annual Plan	
Cash flows from Operating Activities:					
Cash was provided from:					
Rates		56,071	60,283	59,811	(472)
General Revenue		34,819	49,037	37,043	(11,994)
Interest on Investments		32	32	32	0
Dividends		0	0	0	0
		<u>90,922</u>	<u>109,352</u>	<u>96,886</u>	<u>(12,466)</u>
Cash was applied to:					
Payments to Employees & Councillors		27,735	28,477	30,619	2,142
Other Payments		42,959	32,996	32,656	(340)
Taxation Payments		0	0	0	0
Interest on Public Debt		5,583	7,533	7,337	(196)
Net Goods and Services Tax Paid		0	0	0	0
		<u>76,277</u>	<u>69,006</u>	<u>70,612</u>	<u>1,606</u>
					<u>0</u>
Net Cash Flows From Operating Activities		<u>14,645</u>	<u>40,346</u>	<u>26,274</u>	<u>(14,072)</u>
Cash flows from Investing Activities:					
Cash was provided from:					
Proceeds from Sale of Fixed Assets		363	1,255	929	(326)
Collections on Advances		686	15	15	0
		<u>1,049</u>	<u>1,270</u>	<u>944</u>	<u>(326)</u>
Cash was applied to:					
Purchase of Fixed Assets		58,274	58,958	63,750	4,792
Net Movement in Investments		1,108	145	360	215
Loan Advances made		21	12	996	984
		<u>59,403</u>	<u>59,115</u>	<u>65,106</u>	<u>5,991</u>
Net Cash Used In Investing Activities		<u>(58,354)</u>	<u>(57,845)</u>	<u>(64,162)</u>	<u>(6,317)</u>
Cash flows from Financing Activities:					
Cash was provided from:					
Loans Raised		53,242	26,464	47,502	21,038
Cash was applied to:					
Repayment of Public Debt		10,409	9,007	9,007	0
Net Cash Used In Financing Activities		<u>42,833</u>	<u>17,457</u>	<u>38,495</u>	<u>21,038</u>
Net Increase (Decrease) in Cash		(876)	(42)	607	649
Opening Cash Brought Forward		2,840	1,964	1,541	(423)
CLOSING CASH CARRIED FORWARD		<u>1,964</u>	<u>1,922</u>	<u>2,148</u>	<u>226</u>

This statement contains prospective financial information and should be read in conjunction with the accompanying Statement of Accounting Policies.

STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

Rotorua District Council is a territorial local authority governed by the Local Government Act 2002.

The financial statements are prepared in accordance with the Local Government Act 2002. The Council's financial statements are for Rotorua District Council as a separate legal entity (the Parent). Consolidated financial statements, where shown, are of the "Group" comprising Rotorua District Council, and its subsidiary Rotorua Regional Airport (100% owned).

The primary objective of Rotorua District Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, Rotorua District Council has designated itself and the group as public benefit entities for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

Rotorua District Council has chosen to take advantage of public benefit exemptions available within the following standards:

- NZIFRS 1 First-time Adoption of New Zealand Equivalents to International Financial Reporting Standards
- NZIAS 16 Property, Plant & Equipment
- NZIAS 20 Accounting for Government Grants & Disclosure of Government Assistance
- NZIAS 40 Investment Property

The financial statements incorporated in the Annual Plan have been prepared in compliance with NZFRS 42; Prospective Financial Statements.

Basis of Preparation

The prospective financial statements of Rotorua District Council are for the year ending 30 June 2008 and were adopted by Council on 27 June 2007.

The Annual Plan budget figures included in these financial statements are for the Council as a separate entity and do not include budget information relating to any subsidiary. These figures are those approved by the Council prior to the beginning of the year following a period of consultation with the public as part of the Annual Plan process. These figures do not include any additional expenditure subsequently approved by the Council outside the Annual Plan process.

The financial statements of Rotorua District Council have been prepared in accordance with the Local Government Act 2002: Part 6, Section 98 and Part 3 of Schedule 10, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

They comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investment property, biological assets and financial instruments (including derivative instruments).

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000).

Accounting Policies

Where individual financial statements of subsidiaries, associates and joint ventures of the Rotorua District Council are prepared using accounting policies different from those of the group, appropriate adjustments are made on consolidation, in order to ensure that uniform accounting policies have been applied.

Judgements and Estimations

The preparation of financial statements in conformity with NZ IFRS requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Where material, information on the major assumptions is provided in the relevant accounting policy or will be provided in the relevant note to the financial statements.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Basis of Consolidation

Subsidiaries

For this Annual Plan the financial accounts are for the parent only. The Council has not presented group prospective financial statements because the Council believes that the parent prospective financial statements are more relevant to users. The main purpose of prospective financial statements in the Annual Plan is to provide users with information about the core services that the Council intends to provide ratepayers, the expected cost of those services and as a consequence how much the Council requires by way of rates to fund the intended levels of service. The level of rates funding required is not affected by subsidiaries except to the extent that the Council obtains distributions from, or further invests in, those subsidiaries. Such effects are included in the prospective financial statements of the Council.

Associates

Associates are entities in which the Council has significant influence, but not control, over their operating and financial policies. The Council's share of the assets, liabilities, income and expenditure of associates is included in the financial statements of the Group on an equity accounting basis. Dividends from associates are recognised in the parent's income statement, while in the consolidated financial statements they reduce the carrying amount of the investment.

If Rotorua District Council's share of deficits of an associate equals or exceeds its interest in the associate, Rotorua District Council discontinues recognising its share of further deficits. After Rotorua District Council interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that Rotorua District Council has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports surpluses, Rotorua District Council will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

Rotorua District Council's share in the associate's surplus or deficits resulting from unrealised gains on transactions between the Rotorua District Council and its associates is eliminated.

Rotorua District Council's investments in associates are carried at cost in Rotorua District Council's own "parent entity" financial statements.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. The parent financial statements show investments in associates at cost.

Income

Revenue

Revenue is measured at the fair value of consideration received.

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.

Water billing revenue is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year-end, is accrued on an average usage basis.

Grants

Grants income includes any transfers of resources to the Council in return for past or future compliance with certain conditions relating to the operating activities of the Council. An unconditional grant is recognised in the income statement as other operating income when the grant becomes receivable. A conditional grant is recognised in the income statement as other operating income to the extent that conditions have been complied with. For the purposes at this Policy, a grant is defined as 'conditional' where Council has legal, constructive, or moral obligation to refund the grant (or part thereof), should conditions not be met.

Commission income

Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission or free on the transaction.

Traffic and parking infringements

Traffic and parking infringements are recognised when cash is received.

Donated, subsidised or vested assets

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue.

Interest

Interest income is accrued using the effective interest rate method. The effective interest rate exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this rate to the principal outstanding to determine interest income each period.

Dividends

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Rental income

Rental income is recognised on a straight line basis over the term of the lease. Lease incentives granted are recognised evenly over the term of the lease as a reduction in total rental income.

Sales of goods

Sales of goods are recognised when a Group entity has transferred the risks and rewards of ownership of the goods to the purchaser. Sales of goods are recognised net of GST, rebates and discounts.

Other income

All other income is recognised when billed or earned on an accrual basis.

Expenses

Grants and subsidies

Expenditure is classified as a grant if it results in a transfer of resources to another entity in return for past or future compliance with certain conditions relating to the operating activities of that entity. Grants expenditure includes any expenditure arising from a funding arrangement with another entity that has been entered into to achieve the objectives of the Council. Grants are distinct from donations which are discretionary charitable gifts.

Where grants and subsidies are discretionary until payment, the expense is recognised when the payment is made. Otherwise, the expense is recognised when the specified criteria have been fulfilled and notice has been given.

Interest

Interest expense is accrued using the effective interest rate method. The effective interest rate exactly discounts estimated future cash payments through the expected life of the financial liability to that liability's net carrying amount. The method applies this rate to the principal outstanding to determine interest expense each period.

Donated Services

The Council benefits from the voluntary service of many community minded organisations and individuals in the delivery of its activities and services. Due to the difficulty in determining the value of these donated services with

sufficient reliability, donated services are not recognised in these financial statements.

Cost Allocation

Rotorua District Council has derived the cost of service for each significant activity of Rotorua District Council using the cost allocation system outlined below.

The major types of indirect costs are building costs, payroll/personnel, information technology and information management, administration costs, treasury, accounting costs, records, asset management overheads, fleet, land information services, waterworks overheads, business units, laboratory and graphic solutions. The net costs of support services are charged to significant activities on the appropriation basis of floor space, staff time, direct use when available, share of estimated rates, volume of transactions used, volume of records used, level of activity areas supported, and percentage of service utilised.

Interest Allocation

Council allocates the net cost of interest, being interest expense less interest income, to its various activities:

- a) Interest is credited to or allocated to self-funding activities based on the average annual balance of the self funding account according to whether the balances are in funds or overdrawn respectively.
- b) The balance of interest is allocated to other significant activities on the basis of the book value of fixed assets employed in the activity.

Leases

Leases in which substantially all of the risks and rewards of ownership transfer to the lessee are classified as finance leases. At inception, finance leases are recognized as assets and liabilities on the balance sheet at the lower of the fair value of the leased property and the present value of the minimum lease payments. Any additional direct costs of the lessee are added to the amount recognized as an asset. Subsequently, assets leased under a finance lease are depreciated as if the assets are owned.

Operating Lease Payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

Finance Lease Payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability, the finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Taxation

Council's income tax expense comprises the total amount included in the determination of profit or loss for the period in respect of current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year (using tax rates enacted or substantially enacted at balance sheet date) together with any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method and applied on temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the tax base of assets and liabilities.

The enactment of tax rates and legislation at balance sheet date determine the application of deferred tax and applies when the related deferred tax asset is realised or when deferred tax liability is settled.

Deferred tax is not accounted for if an asset or liability of a non-business transaction does not affect either accounting profit or taxable profit. Similarly, deferred tax is not accounted for on temporary differences associated with investments in subsidiaries, branches, associates and joint ventures where the reversal of the temporary difference is controlled by Council, and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable future taxable profit will be available against which deductible temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Goods and Services Tax (GST)

All items in the financial statements are exclusive of GST, with the exception of receivables and payables, which are stated as GST inclusive. Where GST is not recoverable as an input tax (e.g. residential housing) then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

Commitments and contingencies are disclosed exclusive of GST.

Financial Instruments

The Group classifies its financial assets and financial liabilities according to the purpose for which they were acquired. The Group determines the classification of its

investments at initial recognition and re-evaluates this designation at every reporting date.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

Financial Assets

The Group classifies its investments into the following categories: financial assets at fair value through profit and loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss are further separated into two sub-categories: financial assets held for trading, and those designated at fair value through profit and loss. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivative financial instruments are also categorised as held for trading unless they are designated as hedges. Financial assets are classified as current assets if they are either held for trading or are expected to be realised within 12 months of balance sheet date. Financial assets held for trading and financial assets designated at fair value through profit or loss are recorded at fair value with any realised and unrealised gains or losses recognised in the Income Statement. Gains or losses reported in the Income Statement include any interest component. Transaction costs are expensed as they are incurred.

Available for sale financial assets

Available for sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Available for sale financial assets are initially recorded at fair value plus transaction costs. They are subsequently recorded at fair value with any resultant fair value gains or losses recognised directly in equity except for impairment losses. Any interest is calculated using the effective interest method. At derecognition the cumulative fair value gain or loss previously recognised directly in equity is recognised in the Income Statement.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money,

goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for maturities greater than 12 months after balance date in which case they are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet. Loans and receivables are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Loans and receivables issued with duration less than 12 months are recognised at their nominal value. Allowances for estimated irrecoverable amounts are recognised when there is objective evidence that the asset is impaired.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

Held-to-maturity financial assets

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group has the positive intention and ability to hold to maturity. They are included in non-current assets, except for those with maturities less than 12 months from balance sheet date, which are classified as current assets. Held-to-maturity investments are initially recognised at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method.

Cash and cash equivalents comprise cash balances and call deposits with up to three months maturity. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Biological Assets

Biological Assets comprise standing trees, being predominantly radiata pine wood lots located on various reserve land owned by Council. Valuations are performed at fair value annually. Methodologies involve market valuation based on discounted cashflow of projected earnings, less costs and compounded cost calculations. Any agricultural produce harvested from Council's biological assets are measured at fair value, less estimated point-of-sale costs, at point of harvest. The latest valuation of the Forestry assets was performed as at July 2005. No biological assets have matured to date, and no harvesting has been performed.

Investment Property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs.

After initial recognition, Rotorua District Council measures all investment property at fair value as determined annually by an independent valuer.

Gains or losses arising from a change in the fair value of investment property are recognised in the statement of financial performance.

Timing of Recognition

Purchases and sales of investments are recognised on trade-date - the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Fair values

If the market for financial assets is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same and discounted cash flow analysis.

Impairment

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss previously recognised in profit and loss for that asset - is removed from equity and recognised in the income statement.

Financial Liabilities

The Group classifies its financial liabilities into the following categories: financial liabilities at fair value through profit and loss or other financial liabilities. Financial liabilities at fair value through profit and loss are further separated into two sub-categories: liabilities held for trading and those designated as fair value through profit and loss. Financial

liabilities held for trading and financial liabilities designated at fair value through profit and loss are recorded at fair value with any realised and unrealised gains or losses recognised in the Income Statement. Gains or losses reported in the Income Statement include any interest component. Transaction costs are expensed as they are incurred.

Other financial liabilities are recognised initially at fair value less transaction costs and subsequently measured at amortised cost using the effective interest rate method. Financial liabilities entered into with duration less than 12 months are recognised at their nominal value. Amortisation is recognised in the Income Statement as is any gain or loss when the liability is derecognised.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Derivatives

Derivative financial instruments are recognised as either assets or liabilities at fair value on the date the derivative is entered into and are subsequently re-measured to their fair value. Derivatives that do not qualify for hedge accounting are classified as held for trading financial instruments with fair value gains or losses recognised in the Income Statement.

Inventory

Inventories (such as spare parts and other items) held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at the lower of cost and current replacement cost.

Inventories held for use in the production of goods and services on a commercial basis are valued at the lower of cost and net realisable value. The cost of purchased inventory is determined using the FIFO method.

Non-current assets held for sale

Non-current assets are separately classified as held for sale where their carrying amount will be recovered through a sale transaction rather than through continuing use. A non-current asset is classified as held for sale where:

- The asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets,
- The Group is committed to a plan to sell the asset, and an active programme to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

- The sale is expected to qualify for recognition as a sale within one year from the date of classification or beyond one year where a delay has occurred which is caused by events beyond the Group's control and there is sufficient evidence that the Group remains committed to its plan to sell the asset, and
- Actions required to complete the plan to sell the asset indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

A non-current asset classified as held for sale is recognised at the lower of its carrying amount and fair value less costs to sell. An impairment loss is recognised for any initial or subsequent write down of the asset (or disposal group) to fair value less costs to sell.

A gain is recognised for any subsequent increases in fair value less costs to sell of the asset but not in excess of any cumulative impairment losses previously recognised. Impairment losses or reversal of impairment losses are included in profit or loss. Any gain or loss not previously recognised by the date of the sale of the asset is recognised at the date of derecognition.

Property, Plant and Equipment

Recognition

Property, plant and equipment consists of operational assets, restricted assets and infrastructure assets. Expenditure is capitalised as property, plant and equipment when it creates a new asset or increases the economic benefits over the total life of an existing asset and can be measured reliably. Costs that do not meet the criteria for capitalisation are expensed.

Operational assets include (but is not limited to) land, buildings, Energy Events Centre, Convention Centre, Tourism Office, Library building, International Stadium, Museum, and plant and equipment.

Restricted assets include heritage buildings, and parks and reserves land. These assets provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

Infrastructure assets include the fixed utility systems comprising the roading, water reticulation and drainage systems, land under roads and infrastructure land and airport. Each asset type includes all items that are required for the network to function.

Measurement

Vested assets are recognised within their respective asset classes at fair value. Vested assets are those assets where ownership and control is transferred to the Council from a third party (for example; infrastructure assets constructed by developers and transferred to the Council on completion of a

sub-division). Fair value is determined on a basis consistent with the valuation of existing assets within the class.

Revaluations

The result of any revaluation of the Council's property, plant and equipment is credited or debited to the asset revaluation reserve for that class of property, plant and equipment. Where this results in a debit balance in the reserve for a class of property, plant and equipment, the balance is expensed in the Income Statement. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the Income Statement, will be recognised firstly in the Income Statement up to the amount previously expensed, and then secondly credited to the revaluation reserve for that class of property, plant and equipment.

Accumulated depreciation at revaluation date is eliminated against the gross carrying amount and the net amount is restated to the revalued amount.

Impairment

Non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the Income Statement.

For assets not carried at a revalued amount, the total impairment loss is recognised in the Income Statement. The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the Income Statement, a reversal of the impairment loss is also recognised in the Income Statement.

For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised in the Income Statement.

Disposal

Gains and losses arising from the disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised in the Income Statement in the period in which the transaction occurs. Any balance attributable to the disposed asset in the asset revaluation reserve is transferred to retained earnings.

Valuation

Those asset classes that are revalued are valued on a three yearly 'rolling' valuation cycle on the basis described below. All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

Land and Buildings are recorded at fair value at highest and best use as at 1 July 2005. Quotable Value New Zealand Ltd has certified that these valuations are appropriate for financial reporting purposes.

Asset additions since 1 July 2005 are valued at historic cost. The fair value of Land and Buildings is reviewed at three yearly intervals.

Infrastructural Assets (roading network, bridges, drains, water and sewerage reticulation systems) have been valued by Council's engineers at replacement cost. An estimate for accumulated depreciation has then been deducted to give a depreciated replacement value as at 1 July 2005. Road reserves have been valued on an average of the district's land value adjusted for restrictions on the land and its existing use. The basis of these in-house valuations have been certified as correct by an independent registered valuer. All capital expenditure on these assets since 1 July 2005 have been capitalised at historic cost. The value of all of Council's infrastructural assets will be revised at three yearly 'rolling' intervals.

The library collection was valued at estimated depreciated replacement cost as at 1 July 2005 as estimated by Council's library staff. The basis of these in-house valuations have been certified as correct by an independent registered valuer. All library purchases since 1 July 2005 have been capitalised at historical cost. The value of the library collection is revised at three yearly intervals.

The collections of the Rotorua Museum of Art & History are valued at market value as at 30 June 1992 by Gow, Landsford Fine Art Valuers and Peter Webb Galleries Limited, Estate & Fine Art Auctioneers & Valuers. Any additions since then have been capitalised at historic cost.

Vested infrastructural assets have been valued based on the actual quantities of infrastructural components vested at the

current "in the ground" cost of providing identical services. All other revenue is recognised when it is due and receivable.

Council purchased the Airport assets of Rotorua Regional Airport Limited on 30 June 2005. The Airport land, buildings and runway were re-valued as at 28 September 2004 by registered valuers Cleghorn Gillespie Jensen Limited at fair value in accordance with FRS 36. Asset purchased by RRAL subsequent to re-valuation date were purchased by Council at cost

All other fixed assets are valued at cost except where historic cost records were not available, in which case Council has estimated the cost.

Depreciation

Depreciation is provided on all fixed assets with certain exceptions. The exceptions are:

- Land is not depreciated.
- Roading, wastewater reticulation, stormwater systems and water reticulation assets are depreciated as noted below. A number of the components of the roading network such as excavation, sub base materials and compaction are not depreciated as these assets have an infinite life. Signs and markings are not depreciated as these assets are maintained to the same level.
- The useful lives of the Rotorua Museum of Art & History collections and the library reference collection are considered to be extremely long. Therefore, due to its insignificance, no depreciation has been brought to charge.

All other assets are depreciated on a straight line basis at rates that will write off their cost or valuation over their expected useful economic lives.

Vehicles are depreciated on the basis of diminishing value and at a rate of 20% calculated to allocate the motor vehicles cost over their estimated useful lives.

The expected lives of major classes of assets are:

General	Years
Bathroom building	40
Buildings (other)	50
Plant and Equipment	10 to 15
Office Equipment	5
Furniture and Fittings	10 to 20
Computer Systems	3 to 5
Library Books (excl Reference)	2 to 15
Parking	10 to 50
Landfill Improvements	3 to 100
Wastewater Reticulation	
Man holes	110
Treatment Plant	10 to 100
Pump Stations	10 to 75
Pipes	100

Water Reticulation	Years
Pipes	50 to 90
Motors/Pumps	20 to 30
Reservoirs and other	
Water-Retaining Structures	50 to 100
Meters	15 to 100
Parks	
Street and Outdoor Furniture	15
Street Signals	15
Fencing and Related Structures	15
Playgrounds	25
Jetties and Related Structures	20
Irrigation Pipes and Sprinklers	6 to 50
Park roads, paths	20 to 100
Kerbs	100
Bridges	70 to 100
Top surface (seal)	1 to 15
Pavement (basecourse)	20 to 100
Drainage	100
Shoulders/Feathers	20 to 100
Culverts	100
Footpaths (concrete)	100
Footpaths (bitumen)	10 to 15
Stormwater systems	
Pipes	70 to 100
Manholes, Cesspits	70 to 100
Service connections and outlets	70 to 100
Airport	
Runway 150mm AC surface	10 to 15

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

Work in progress

The cost of projects within work in progress is transferred to the relevant asset class when the project is completed and then depreciated.

Intangible Assets

Acquired intangible assets are initially recorded at cost. The cost of an internally generated intangible asset represents expenditure incurred in the development phase of the asset only. The development phase occurs after the following can be demonstrated: technical feasibility; ability to complete the asset; intention and ability to sell or use; and development expenditure can be reliably measured. Development costs with a finite useful life that have been capitalised are amortised from the commencement of use or sale of the products developed on a straight line basis over the period of its expected benefit.

Expenditure incurred on research of an internally generated intangible asset is expensed when it is incurred. Where the research phase cannot be distinguished from the development phase, the expenditure is expensed when it is incurred. Development costs previously recognised as an

expense are not subsequently recognised as an asset in a subsequent period.

Intangible assets with finite lives are subsequently recorded at cost less any amortisation and impairment losses. Amortisation is charged to the Income Statement on a straight-line basis over the useful life of the asset. Typically, the estimated useful lives of these assets are as follows:

Computer Software 3 to 8 years

Easements are recognised at cost, being the costs directly attributable in bringing the asset to its intended use. Easements have an indefinite useful life and are not amortised, but are instead tested for impairment annually.

Goodwill is initially measured at its cost, being the excess of the cost of the acquisition over Rotorua District Council's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Goodwill on acquisition of subsidiaries is included in intangible assets by applying the purchase method. Goodwill on acquisition of associates is included in investments in associates by applying the equity method.

Realised gains and losses arising from disposal of intangible assets are recognised in the Income Statement in the period in which the transaction occurs. Intangible assets are reviewed at least annually to determine if there is any indication of impairment. Where an intangible asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. Losses resulting from impairment are reported in the Income Statement.

The residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each balance date.

Employee Benefits

A provision for employee benefits (holiday leave, long service leave, and retirement allowances) is recognised as a liability when benefits are earned.

Short Term Benefits

Liabilities for wages and salaries, including non-monetary benefits, expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Holiday Leave

Holiday leave (annual leave and time off in lieu) is calculated on an actual entitlement basis at the greater of the average or current hourly earnings in accordance with sections 16(2) & 16(4) of the Holidays Act 2003. Liabilities for wages and

salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the balance sheet date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Sick Leave

Liabilities for accumulating short-term compensated absences (e.g., annual and sick leave) are measured as the amount of unused entitlement accumulated at the balance sheet date that the entity anticipates employees will use in future periods in excess of the days that they will be entitled to in each of those periods.

Long Service Leave

Long-service leave (not yet qualified for) and retirement gratuities have been calculated on an actuarial basis based on the likely future entitlements accruing to staff, after taking into account years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and other contractual entitlements information. The present value of the estimated future cash flows has been calculated using an inflation factor of 3.3% and a discount rate of 6.75%. The discount rate used represents the Council's average cost of borrowing.

Other Contractual Entitlements

Other contractual entitlements include termination benefits. Termination benefits are recognised in the Income Statement only when there is a demonstrable commitment to either terminate employment prior to normal retirement date or to provide such benefits as a result of an offer to encourage voluntary redundancy. Termination benefits settled within 12 months are reported at the amount expected to be paid, otherwise they are reported as the present value of the estimated future cash outflows.

Critical accounting estimates and assumptions

In preparing these financial statements Rotorua District Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Landfill post closure costs

The council, as operator of the Rotorua Landfill, has a legal obligation to apply for resource consents when the landfill, or landfill stages, reaches the end of their operating life and are to be closed. These resource consents will set out the closure requirements and the requirements for ongoing maintenance and monitoring services at the landfill site after closure. A provision for post-closure costs is recognised as a liability when the obligation for post closure arises.

The provision is measured based on the present value of future cash flows expected to be incurred, taking into account future events including known changes to legal requirements and known improvements in technology. The provision includes all costs associated with landfill post-closure including final cover application and vegetation; incremental drainage control features; completing facilities for leachate collection and monitoring; completing facilities for water quality monitoring; completing facilities for monitoring and recovery of gas.

Amounts provided for landfill post-closure are capitalised to the landfill asset where they give rise to future economic benefits or if they are incurred to enable future economic benefits to be obtained. The capitalised landfill asset is depreciated over the life of the landfill based on capacity used.

The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the Council.

Infrastructural assets

There are a number of assumptions and estimates used when performing DRC valuations over infrastructural assets. These include:

- The physical deterioration and condition of an asset, for example the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, waste water and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- Estimating any obsolescence or surplus capacity of an asset; and
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Rotorua District Council could be over or under estimating the annual depreciation charge recognised as an expense in the statement of financial performance. To minimise this risk Rotorua District Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation

Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the Rotorua District Council's asset management planning activities, which gives Rotorua District Council further assurance over its useful life estimates.

Experienced independent valuers perform the Council's infrastructural asset revaluations.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than no that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Other liabilities and provisions are recorded at the best estimate of the expenditure required to settle the obligation. Liabilities and provisions to be settled beyond 12 months are recorded at their present value.

Contingent Assets and Liabilities

Contingent liabilities and contingent assets are disclosed in the Statement of Contingent Liabilities and Contingent Assets at the point at which the contingency is evident. Contingent liabilities are disclosed if the possibility that they will crystallise is not remote. Contingent assets are disclosed if it is probable that the benefits will be realised.

Third party transfer payment agencies

Rotorua District Council collects monies for many organisations. Where collections are processed through Rotorua District Council's books, any monies held are shown as Accounts Payable in the Statement of Financial Position. Amounts collected on behalf of third parties are not recognised as revenues, but commissions earned from acting as agent are recognised in revenue.

Financial guarantee contracts

A financial guarantee contract is a contract that requires Rotorua District Council to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value. If a financial guarantee contract was issued in a stand-alone arm's length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received a provision is recognised based on the probability Rotorua District Council will be required to reimburse a holder for a loss incurred, discounted to present value. The portion of the guarantee that remains

unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

Financial guarantees are subsequently measured at the initial recognition amount less any amortisation, however if Rotorua District Council assesses that it is probable that expenditure will be required to settle a guarantee, then the provision for the guarantee is measured at the present value of the future expenditure.

Borrowings

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Equity

Ratepayers' Equity is the community's interest in the Council as measured by the value of the total assets less liabilities. Ratepayers' Equity is disaggregated and classified into a number of reserves to enable a clearer identification of the specific uses Council makes of its accumulated surpluses.

Statement of Cash Flows

The statement of cash flows has been prepared using the direct approach subject to the netting of certain cash flows. Cash flows in respect of investments and borrowings that have been rolled-over under arranged finance facilities have been netted in order to provide more meaningful disclosures.

Operating activities include cash received from all income sources of the Council and the Group; record the cash payments made for the supply of goods and services and include cash flows from other activities that are neither investing nor financing activities. Investing activities relate to the acquisition and disposal of assets. Financing activities relate to activities that change the equity and debt capital structure of the Council and Group.

Related Parties

A party is related to the Council if:

- directly or indirectly through one or more intermediaries, the party:
 - controls, is controlled by, or is under common control with, the council
 - has an interest in the council that gives it significant influence over the council
 - has joint control over the council
- the party is an associate of the council
- the party is a joint venture in which the council is a venturer
- the party is a member of key management personnel (including any directors) of the council or its parent
- the party is a close member of the family of any individual referred to above

- the party is an entity controlled jointly control or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to above

Councillors, including the Mayor, are considered directors as they occupy the position of a member of the governing body of the Council reporting entity. Directors' remuneration is any money, consideration or benefit received receivable or otherwise made available, directly or indirectly, to a director during the reporting period. Directors' remuneration does not include reimbursement of legitimate work expenses or the provision of work related equipment such as cell phones and laptops.

Reserves

Council Created Reserves:

Council Created Reserves are that part of the accumulated surpluses established by Council resolution. Council may alter Council Created Reserves without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of Council.

Restricted Reserves:

Restricted Reserves are those reserves subject to specific conditions accepted as binding by the Council, and which may not be revised by Council without reference to the courts or a third party. Transfers from Restricted Reserves may be made only for certain specified purposes or if certain specified conditions are met.

Sinking Fund Reserves:

Prior to 1 July 1998, when the Local Government Act was amended, funds were required to be set aside each year to meet future repayments of loans or commitments. These funds, described as sinking funds, were administered by an independent body of Sinking Fund Commissioners appointed by the council. These funds are included in the Balance Sheet and any associated interest income is included in the Income Statement.

Self-funding Reserves:

Certain activities are undertaken by Council on the basis that the activities generate enough revenue over time to cover the cost of their operation. The net surplus or deficit held on behalf of these activities have been included in the Balance Sheet as Self-funding Reserves.

Asset Revaluation Reserves

Revaluations are credited or debited to an asset revaluation reserve for that class of asset. When this results in a debit balance in the asset revaluation reserve, this balance is expensed in the Income Statement.

Funding



FUNDING IMPACT STATEMENT

The Funding Impact Statement is required to include the information set out in clause 10 of Part 1 of Schedule 10 of the Local Government Act 2002 and sections 13 to 19 of the Local Government (Rating) Act.

Revenue and Financing Mechanisms

Council has decided to use the following revenue and financing mechanisms to cover the estimated expenses for each financial year covered by the plan. In relation to each year covered by the plan, there is an indication of the level or amount of funds to be produced by each mechanism.

(thousands)	2007 LTCCP	2008 LTCCP	2008 Annual Plan	Variance Variance
Rating Mechanisms				
Rates	30,916	32,255	32,842	587
Uniform Annual General Charge	10,035	10,460	10,667	207
Less RDC Rates	(777)	(795)	(803)	(8)
Water Rates	2,732	3,114	3,032	(81)
Sewerage Rates	8,335	9,727	9,076	(651)
Sewerage Capital Rates	99	300	69	(232)
Refuse Rates	1,631	1,705	1,705	0
Water by Meter	2,735	3,140	2,947	(193)
Water By Meter Penalty	7	8	8	0
Lakes Enhancement Rate	380	398	398	0
Lakes Community Board Rate			50	50
Less Water By Meter	(153)	(160)	(173)	(13)
Total From Rating Mechanisms	55,941	60,153	59,817	(336)
Dev. Contributions	250	621	621	0
Resource Management Contributions	600	612	612	0
Subsidies & Grants	16,462	29,352	17,608	(11,744)
Investment Revenue	32	32	512	479
Fees and Charges	4,589	4,636	5,208	572
Trading Revenue	13,846	14,771	13,971	(800)
Profit on Disposal	1	1	1	0
Non-Operating Revenue	1,692	1,740	1,740	0
Other Revenue Sources	37,472	51,764	40,272	(11,493)
Total Revenue Funding Mechanisms	93,414	111,917	100,089	(11,828)
Finance Mechanisms				
Debt (Net Funding)	42,833	17,456	38,495	21,039
Sale of Assets	363	1,255	929	(326)
Sinking Funds (Net funding)	0	0	0	0
Net Council and Created Reserves	1,248	(308)	(10)	298
Collection of Advances	(686)	(15)	(826)	(811)
Transfer Equity				
Working Capital Funding	(11,111)	380	380	
Total Funding from Financing Mechanisms	32,647	18,769	38,968	20,199
Total Revenue and Financing Mechanisms	126,060	130,685	139,057	8,372

Rates set for 2007/2008

Council has set the following rates, pursuant to the Local Government (Rating) Act 2002, for the 2007/2008 rating year:

- a) A uniform annual general charge;
- b) A differential general rate;

- c) Targeted rate for lakes enhancement;
- d) Targeted rates for water supply;
- e) Targeted rates for sewage disposal;
- f) Targeted rates for capital costs of sewerage schemes;
- g) Targeted rate for urban sewerage development;
- h) Targeted rates for refuse collection.

Uniform Annual General Charge

Council sets a uniform annual general charge for each rating unit (GST inclusive).

The amount to be collected is \$12,000,375.

The uniform annual general charge has been set at a fixed amount per rating unit approximately 70% of the maximum allowed, excluding metered water from the calculation.

2007/2008	\$430.00
2006/2007 was	\$420.00

Targeted Rate for Lakes Enhancement

Council sets a lakes enhancement rate by way of a uniform amount for each rating unit that pays a UAGC (GST inclusive).

The amount to be collected is \$447,750.

The lakes enhancement rate is set at:

2007/2008	\$16.00
2006/2007	\$16.00

General Rates

Council sets a general rate on land value on a differential basis (GST inclusive).

The amount to be collected is \$36,950,625.

The general rate will be collected from eleven differential rating categories (four differential rating groups)

The General Rates definitions for these categories are in the Rating Policy.

		Rate per \$ of land value	
		2007/08	2006/07
Residential rating group			
1	Residential - General - Urban	0.00648	0.00625
2	Residential - General - Rural	0.00453	0.00438
3	Residential - Vacant - Urban	0.00583	0.00563
4	Residential - Vacant - Rural	0.00421	0.00407
5	Residential - Two Unit - Urban	0.00712	0.00688
6	Residential - Multi Unit	0.02753	0.02658
Farming rating group			
7	Farming - General	0.00421	0.00407
Business rating group			
8	Business - Inside CBD	0.02720	0.02627
9	Business - Urban Outside CBD	0.02720	0.02627
10	Business - Rural	0.01684	0.01626
Council rating group			
11	Council property	0.02720	0.02627

Targeted Rates for Water Supply

Council has set targeted rates for water supply to properties within the respective service areas on a differential basis.

For these purposes:

A "rating unit connected" is one to which water is supplied from a Council water supply service.

A "serviceable rating unit" is one to which water is not connected, but the whole, or some part of which is within a Council water supply area and within 100 metres of a Council water main.

A "separately used or inhabited part" is any part of a rating unit that is or is able to be used or inhabited by the ratepayer or by any other person or body having a right to use or inhabit that part by virtue of tenancy, lease, licence or other agreement.

The Targeted Rates for water supply are as follows (GST inclusive):

Urban (Plan number 11015 Sheet 1)	Charging unit	2007/2008	2006/2007
The amount to be collected is \$5,795,594 (GST inclusive) (Metered water \$2,461,666; General water rate \$3,333,928)			
A differential targeted rate of:			
• A fixed amount on each separately used or inhabited part of a rating unit connected (and not metered)	Annual for rating units connected	\$172.80	\$158.00
• A fixed amount on each serviceable rating unit capable of connection.	Annual for rating units capable of connection	\$86.40	\$79.00
• A fixed amount on each separately used or inhabited part of a rating unit connected (and metered)	Annual for rating units connected and metered	\$172.80	\$158.00
A targeted rate on each metered separately used or inhabited part of a rating unit of a fixed amount per cubic metre supplied in excess of 56 cubic metres per quarter.	Per cubic metre	\$0.78	\$0.69

Mamaku (Plan number 11015 Sheet 4)	Charging unit	2007/2008	2006/2007
The amount to be collected is \$66,630 (GST inclusive)			
A targeted rate of a fixed amount per connection on each rating unit connected.	Annual for rating units connected	\$140.60	\$129.00
A targeted rate on each metered rating unit of a fixed charge per cubic metre supplied to the rating unit.	Per cubic metre	\$0.47	\$0.43
Rotoiti (Plan number 11015 Sheet 5)	Charging unit	2007/2008	2006/2007
The amount to be collected is \$71,287 (GST inclusive)			
A differential targeted rate:			
• A fixed amount per connection on each rating unit connected.	Annual for rating units connected	\$112.40	\$96.40
• A fixed amount on each serviceable rating unit capable of connection.	Annual for rating units capable of connection	\$56.20	\$48.20
A targeted rate on each metered rating unit of a fixed amount per cubic meter supplied to the rating unit.	Per cubic metre	\$0.42	\$0.38
Rotoma (Plan number 11015 Sheet 6)	Charging unit	2007/2008	2006/2007
The amount to be collected is \$50,765 (GST inclusive)			
A differential targeted rate:			
• A fixed amount per connection on each rating unit connected.	Annual for rating units connected	\$252.40	\$238.00
• A fixed amount on each serviceable rating unit capable of connection	Annual for rating units capable of connection	\$126.20	\$119.00
A targeted rate on each metered rating unit of a fixed amount per cubic metre supplied to the rating unit.	Per cubic metre	\$0.91	\$0.83
Kaharoa (Plan number 11015 Sheet 7)	Charging unit	2007/2008	2006/2007
The amount to be collected is \$186,215 (GST inclusive)			
A targeted rate of a fixed amount per connection on each rating unit connected.	Annual for rating units connected	\$273.00	\$272.00
A targeted rate on each metered rating unit of a fixed amount per cubic metre supplied to the rating unit.	Per cubic metre	\$0.29	\$0.25
Reporoa (Plan number 11015 Sheet 8)	Charging unit	2007/2008	2006/2007
The amount to be collected is \$462,760 (GST inclusive)			
A differential targeted rate:			
• A fixed amount per connection on each Domestic/Non-Farming rating unit connected	Annual for rating units connected	\$130.00	\$120.00
• A fixed amount per connection on each Farming/Dairy-Factory rating unit connected.	Annual for rating units connected	\$198.00	\$173.00
A differential targeted rate:			
• A fixed amount on each metered Domestic/Non-Farming rating unit per cubic metre supplied in excess of the 83 cubic metres per quarter.	Per cubic metre	\$0.39	\$0.36
• A fixed amount on each metered Farming/Dairy-Factory rating unit per cubic metre supplied in excess of 206 cubic metres per quarter.	Per cubic metre	\$0.24	\$0.21

Hamurana (Plan number 11015 Sheet 9)	Charging unit	2007/2008	2006/2007
The amount to be collected is \$66,649 (GST inclusive)			
A differential targeted rate:			
• A fixed amount per connection on each rating unit connected	Annual for rating units connected	\$105.00	\$86.00
• A fixed amount on each serviceable rating unit. capable of connection	Annual for rating units capable of connection	\$52.50	\$43.00
A targeted rate on each metered rating unit of a fixed amount per cubic metre supplied.	Per cubic metre	\$0.32	\$0.30
Okareka (Plan number 11015 Sheet 10)	Charging unit	2007/2008	2006/2007
The amount to be collected is \$34,873 (GST inclusive)			
A differential targeted rate:			
• A fixed amount per connection on each rating unit connected	Annual for rating units connected	\$71.80	\$70.00
• A fixed amount (being 50% of the above amount) on each serviceable rating unit.	Annual for rating units capable of connection	\$35.90	\$35.00
A targeted rate on each metered rating unit of a fixed amount per cubic metre supplied.	Per cubic metre	\$0.28	\$0.28

Targeted Rates for Sewage Disposal

Council sets the following targeted rate on a differential basis all rating units from which sewage is collected or are serviceable rating units. For these purposes:

- A "rating unit connected" means a rating unit from which sewage is collected either directly or by private drain to a public sewerage system.
- A "serviceable rating unit" means a rating unit from which sewage is not collected but the rating unit (part) is within 30 metres of Council's sewerage system and could be effectively connected to the sewerage scheme.

Council sets the following targeted rates (GST inclusive):

Urban (Plan number 11163 Sheet 2) and Eastern (Mourea, Okawa Bay, Marama Point and Duxton Hotel areas) (Plan number 11163 Sheets 4, 5 and 14)	Charging Unit	2007/2008	2006/2007
The amount to be collected is \$10,210,500 (GST inclusive)			
1. Residential Property			
A targeted rate on each rating unit connected.	Annual for rating units connected	\$326.20	\$305.00
2. Commercial/Industrial Property as follows:			
Category 1 - means the rating units with 1 to 4 toilets (water closets or urinals)	Uniform charge for each toilet	\$326.20	\$305.00
Category 2 - means the rating units with 5 to 10 toilets (water closets or urinals)	Uniform charge for each toilet	\$277.27	\$259.25
Category 3 - means the rating units with 11 or more toilets (water closets or urinals)	Uniform charge for each toilet	\$260.96	\$244.00
3. Availability			
- means the rating units which are serviceable rating units.	Annual for rating units capable of connection	\$163.10	\$152.50

Targeted Rates for Urban Sewerage Development

Council sets an urban sewerage development rate by way of a uniform amount for each rating unit in the "Urban Sector" that pays a UAGC (GST inclusive).

The amount to be collected is \$127,863.

The urban sewerage development rate is set at:

2007/2008 \$6.10

Targeted Rates for Capital Cost of Sewerage Schemes

Council sets the following targeted rates on a differential basis for sewerage schemes in the Mourea, Marama Point, Okawa Bay and Duxton Hotel areas (GST inclusive).

Okawa Bay (Plan number 11163, Sheet 5)	Charging Unit	2007/2008	2006/2007
The amount to be collected is \$28,070 (GST incl)			
A fixed amount on each household unit equivalent (HUE)	Per HUE Annually	\$519.82	\$519.82
Mourea (Plan number 11163, Sheet 4)	Charging Unit	2007/2008	2006/2007
The amount to be collected is \$49,025 (GST incl)			
A fixed amount on each household unit equivalent (HUE)	Per HUE Annually	\$335.79	\$335.79
Marama Point (Plan Number 11163, Sheet 14)	Charging Unit	2007/2008	2006/2007
The amount to be collected is \$20,938 (GST incl)			
A fixed amount on each household unit equivalent (HUE)	Per HUE Annually	\$268.44	\$268.44
Duxton (Plan number 11163, Sheet 5)	Charging Unit	2007/2008	2006/2007
The amount to be collected is \$14,102.14 (GST incl)			
A fixed amount	Annually	\$14,102.14	\$14,102.14

Targeted Rates for Refuse Collection

(Plan number 10196, Sheets 1 and 2)

A "separately used or inhabited part" is any part of a rating unit that is or is able to be used or inhabited by the ratepayer or by any other person or body having a right to use or inhabit that part by virtue of tenancy, lease, licence or other agreement.

Council set targeted rates for refuse collection from each separately used or inhabited part of a rating unit within the respective service areas on a differential basis for refuse collection in urban and rural areas respectively, where the service is provided, as follows (GST inclusive):

Refuse Collection (Plan numbers 10196-002 [urban] and 10196-001 [rural])	Charging Unit	2007/2008	2006/2007
The total amount to be collected is \$1,918,125 (GST inclusive)			
Urban (weekly collection)	Annual	\$67.60	\$65.45
Urban (CBD twice-weekly collection)	Annual	\$135.20	\$130.90
Rural (weekly collection)	Annual	\$70.10	\$67.95

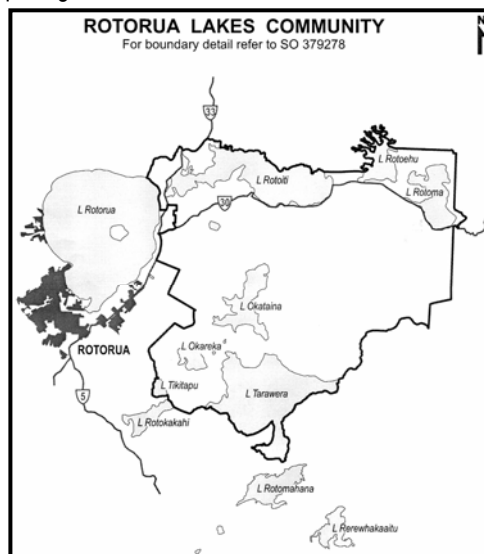
Targeted Rates for Lakes Community Board

Council sets a lakes community board rate by way of a uniform amount for each rating unit that is wholly or partially within the area defined by the 2006 decision of the Local Government Commission, comprising the area delineated on SO Plan No.379278.

The amount to be collected is \$56,250 (GST inclusive).

The lakes community board rate is set at:

2007/2008 \$21.90



Rates Postponement

To cover costs, the following fees and charges are set for the 2007/2008 rating year. All fees and charges for this will be added as either a one-off or annual charge as the case may be, to the approved applicants rate account.

Initial Charges - One-Off (GST Inclusive)	Charging Unit	2007/2008
Application Fee	One-Off	\$100.00
Contribution to Counselling	One-Off	\$300.00
Half Year Interest Charges		
Interest calculated on Councils marginal borrowing rate 6 monthly on all amounts outstanding		
Annual Charges (GST inclusive)		
Annual Account Fee	Annual	\$50.00
Administration Fee	Annual	1.00%
Reserve Fund Fee	Annual	0.25%
Property Insurance *	Annual	TBA

* Property Insurance: A ratepayer must submit a current insurance certificate annually. If the ratepayer cannot afford separate cover Council will arrange cover.

Due dates for payment of rates

All rates (including targeted rates for water supply charged annually, but excluding targeted rates for water supply charged quarterly) will be payable in four instalments by the due dates, as follows:

<u>Instalment</u>	<u>Due Date</u>
Instalment Number 1	25 August 2007
Instalment Number 2	25 November 2007
Instalment Number 3	25 February 2008
Instalment Number 4	25 May 2008

Targeted rates for metered water supply charged quarterly (separately) will be payable within 30 days of invoice.

Discount for Prompt Payment

A discount, at a rate set annually, is allowed to any ratepayer who pays the total rates, charges, and levies as specified on the rates assessment, (excluding targeted rates for water supply charged quarterly), by the due date for the first instalment. The discount for 2007/2008 is 2%.

Penalties on unpaid rates

- **Current overdue rates instalments:**
A penalty will be added to any part of an instalment that remains unpaid after the due date for payment of the instalment. The penalty will be 10% of the unpaid instalment.
- **Arrears of rates (including past instalments):**
 - A further penalty of 10% will be added on rates assessed in any previous financial year and which remain unpaid on 12 July 2007.
 - A further penalty of 10% will be added on rates assessed in any previous financial year, plus any previous further penalty, and which remain unpaid on 12 January 2008.
- **Postponed rates:**
Penalties will not be applied to any postponed rates

Penalties on unpaid water invoices

- **Current overdue invoices for water supply charged quarterly:**
A penalty will be added to any part of an invoice that remains unpaid after the due date for payment of the invoice. The penalty will be 10% of the unpaid invoice.
- **Arrears of water rates (including past instalments):**
A further penalty will be added to unpaid water invoices (including penalties) at the beginning of the next financial year. The penalty will be 10% of the unpaid amount. A further penalty will be added on water invoices still owing 6 months after the above further penalty was added. The penalty will be 10% of the unpaid amount.

TREASURY POLICY

Introduction

Council has made a minor change to its Treasury Policy to ensure borrowing limits are realistic in the current and anticipated future financial climate. It is important that Council's policy ensures intergenerational equity and enables prudent financial management for ratepayers of the district.

This will enable major investment in infrastructural assets, particularly in the Wastewater activity, and facilitate the transfer of the Rotorua Regional Airport assets to Council.

Philosophy

Council has treasury risks arising from debt raising, investments and associated interest rate management activity. Council carries out its borrowing and investment (in total referred to in this document as treasury activity) within its finance function. Council's broad objectives in relation to treasury activity are as follows;

- to comply with the Local Government Act 2002, amendments, and other relevant local authority legislation
- to develop and maintain professional relationships with the financial markets
- to manage all of Council's investments within its strategic objectives; invest surplus cash in liquid and credit worthy investments
- to raise appropriate finance, in terms of both maturity and interest rate
- to manage the overall cash position of Council's operations

Council's treasury policy is managed by the Treasury Management Group (TMG), being officers of Council with delegated authority.

Liability Management Policy

Borrowing Policy

Council borrows as it considers appropriate. Council exercises its flexible and diversified borrowing powers within the Local Government Act 2002. Council approves borrowing by resolution arising from the Annual Planning processes. Projected debt levels are ascertained from cashflow forecasts prepared during the Long Term Council Community Plan and Annual planning processes.

Council raises borrowing for the following primary purposes:

- General debt to fund Council's Balance Sheet, including borrowing to fund Council-Controlled Organisations (CCOs).
- Specific debt associated with "special one-off" projects and capital expenditure.

- To fund assets with intergenerational qualities.

Council is able to borrow through a variety of market mechanisms including the issue of stock and debentures and direct bank borrowing or by accessing the capital markets directly.

In evaluating new borrowings (in relation to source, term, size and pricing) the TMG will take into account the following:

- The size and the economic life of the project as appropriate.
- The impact of the new debt on borrowing limits.
- Relevant margins under each borrowing source.
- Council's overall debt maturity profile, to ensure concentration of debt is avoided at reissue/rollover time.
- Prevailing interest rates relative to term for both stock issuance and bank borrowing, and management's view of future interest rate movements.
- Available term from bank and stock issuance.
- Implied finance terms within any specific debt (e.g. project finance) to ensure these are at least as favourable as Council could achieve in its own right.
- Legal documentation and financial covenants.

Borrowing Limits, Liquidity and Credit Risk Management

In managing borrowing, Council determines appropriate control limits based on the following covenants:

- The gross interest expense of all borrowings will not exceed a specified percentage of total annual rates revenue. (The specified percent for 2007/08 is 15% of total rates).
- Net cashflows from operating activities are to exceed gross annual interest expense by a specified multiple. (The specified multiple for 2007/08 is 2.5).

The applicable control limits will be set by the full Council and reviewed on an annual basis.

To minimise the risk of large concentrations of debt maturing or being reissued in periods where credit margins are high for reasons within or beyond Council's control, Council ensures debt maturity is spread over a band of maturities. Council manages this specifically by ensuring that:

- No more than \$40 million or 50% of existing external borrowing (whichever is the greater) is subject to refinancing in any financial year.

Interest Rate Risk Management

Council's borrowing gives rise to direct exposure to interest rate movements. Table 1 outlines the maximum unhedged or floating rate exposure requirements allocated into various time

bands. The actual percentage will be determined and reviewed on a regular basis, by the TMG:

Table 1: Percentage of Fixed Rate Borrowing

These hedging percentages relate to total existing and forecast debt identified as "Core" debt by the TMG after reference to the current LTCCP and Annual Plans. The level of Core Debt used in determining policy compliance will be reviewed as appropriate, but at least on an annual basis.

Term of Exposure	Minimum Fixed Rate Exposure	Maximum Fixed Rate Exposure
0 - 1 year	60%	100%
1 – 2 years	40%	90%
3 - 5 years	30%	70%
5 – 10 years	0%	60%
10 years and over	Any hedging must be approved by Council	

The TMG sets interest rate risk management strategy by monitoring the interest rate markets on a regular basis, evaluating the outlook for short term rates in comparison to the rates payable on its fixed rate borrowing, and managing these risks using approved risk management instruments.

Security

In general Council will secure its borrowings against its rate revenue. In unusual circumstances, with prior Council approval, a charge over one or more of the Council's assets may be offered.

Contingent Liabilities

Council from time to time provides financial guarantees to recreation and service organisations pursuant to Council policy for such guarantees.

Investment Policy

Council maintains investments in the following financial assets:

- Equity investments, including shareholdings and loan advances, to trading and service enterprises, charitable trusts, and incorporated societies (e.g. sporting and community organisations), and for residential and rural housing purposes, which are consistent with Council's normal course of business.
- Investments in land and buildings (property) and from time to time commercial mortgages and deferred payment licenses.
- Treasury instruments for cash flow management.

Equity Investments and Loan Advances

Investments may include shareholdings in and advances to CCOs, charitable trusts, incorporated societies, residential and rural housing, and other long term investments which are

consistent with Council's strategic plan and subject to legislation requirements.

Property Investments

Council's overall objective is to only own property that is necessary to achieve its strategic objectives.

Council reviews the performance of its property investments on a regular basis.

Treasury Investments

Council maintains treasury investments:

- to invest amounts allocated to special funds, sinking funds and reserves
- for short term Investment of proceeds from the sale of assets
- To invest surplus cash, and working capital funds

Liquidity Management

The TMG sets overall investment strategy, but in general terms Council will use surplus funds to decrease its overall level of borrowings by proactive management of its bank facilities.

- Liquidity risk management is implemented by ensuring that cash investments are capable of being liquidated and in any case are for a term of less than twelve months. Committed bank facilities are also held to assist in the management of short term funding requirements as well as contributing to the funding of core debt.

Interest Rate Risk Management

The TMG sets interest rate risk management strategy by monitoring the interest rate markets on a regular basis, evaluating the outlook, and determining the interest rate profile to adopt for investments.

Sinking Funds

A statement of sinking funds is prepared annually by the sinking fund commissioners and reported to Council.

Foreign Exchange Policy

Council may have foreign exchange exposure through the occasional purchase of foreign exchange denominated plant and equipment.

Significant commitments in excess of NZD50,000 are defined as an exposure. Foreign exchange dealings are hedged using foreign exchange contracts, once expenditure is approved by management and/or Council.

Cash Management

Council maintains rolling daily, monthly and yearly cashflows. These cashflows determine Council's borrowing requirements and surpluses for investment. Cash investments are generally covered by Section 3 of this policy.

Performance Measurement

Measuring the effectiveness of Council's treasury activities is achieved through a mixture of subjective and objective measures. The predominant subjective measure is the overall quality of treasury management information including the development of Key Performance Indicators (KPIs) by agreement with the Chief Executive.

Delegated Authorities and Key Internal Controls

Delegated Authorities

Delegated authorities are in place as per the Delegated Authority Manual.

Key Internal Controls

Sound treasury procedures with appropriate controls are in place to minimise risks the Council may experience through unauthorised treasury activity or unintentional error, and such controls are outlined in the relevant treasury procedures documentation.

Fees and Charges



ANIMAL CONTROL FEES AND CHARGES

Estimated Financial Position

The estimated expenditure of the Animal Control Unit for the 2007/2008 financial period is \$869,000.

Sources of Funding

Current sources of funding available for Animal Control, including relevant Council funding policies as applicable are:

- Rates – This activity is funded 46% from general rates as per Council's Funding Policy.
- Prosecution Fees – Fees collected from prosecutions lodged for a variety of offences including infringement notices issued.
- Impounding Fees – Fees charged for the impounding and release of dogs and wandering stock.
- Dog Registration Fees – Fees set for the various categories of dogs as determined by Council.

Current Level of Registration

As at 1 March 2007 a total of 10,086 dogs had been registered.

Proposed New Fee Structure

	Existing Fees	New Fees
Urban Domiciled Dogs	\$55.00	\$56.50
Rural Domiciled Dogs	\$32.00	\$33.00
Selected Dog Owner Status	\$32.00	\$33.00

Rebate for sterilised dogs	\$10.00	\$10.00
Rebate for superannuitants	\$10.00	\$10.00

Note – In terms of Council policy only one of either of these rebates is able to be claimed.

Penalty for Late Payment	\$10.00	\$10.00
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	Existing Fees	New Fees
Dog Impounding Fees:		
First Impounding	\$93.20	\$50.00
Second Impounding	\$112.50	\$115.00
Third and Subsequent Impounding	\$132.40	\$135.00
Sustenance Fee (per day)	\$7.00	\$7.20
Microchip implant	\$30.00	\$31.00
Replacement Tag	\$5.80	\$6.00
Collars:		
Toy Dog	\$3.85	\$4.85
Small	\$5.40	\$6.40
Medium	\$6.20	\$7.20
Large	\$8.50	\$9.50

	Existing Fees	New Fees
Extra Large Nylon	\$10.50	\$11.50
Nylon	\$7.40	\$8.40
Leads:		
Narrow	\$7.20	\$8.20
Wide	\$7.70	\$8.70
Muzzles:		
Nylon Mesh	\$15.50	\$16.50
Wire	\$25.75	\$26.75
Plastic – Size		
2	\$14.30	\$15.30
3	\$15.40	\$16.40
4	\$16.75	\$17.75
5	\$17.00	\$18.00
6	\$19.00	\$20.00
7	\$21.00	\$22.00
8	\$21.75	\$22.75
9	\$22.95	\$23.95
10	\$23.40	\$24.40
Kennel Licensing:		
Initial Licence	\$44.70	\$46.00
Renewal of Licence	\$16.50	\$17.00

Re-Homing Fees

Re-homing fees were set in 1997 when Council determined that as a matter of policy all dogs to be re-homed from the pound would be either spayed or neutered before being released to their new owners.

Animal Control staff arrange for the animal concerned to be delivered to the vet for the procedure to be carried out. The animal is then collected from the vet by the new owner following completion of registration documentation etc.

In addition to the actual fee charged by the veterinary surgeon, there is an additional comparatively small fee charged by the Animal Control Unit to cover the cost of feeding the dog from the time it was impounded until it is released to its new owner plus the cost of delivering the dog from the pound to the veterinary clinic to enable the procedure to be carried out.

The fees to be charged by Council's Veterinary services provider still offer a substantial advantage to the Animal Control Unit in its re-homing operation.

	Existing Fees	New Fees
i) For a female dog	\$123.60	\$123.60
ii) For a male dog	\$82.40	\$82.40
Hire of bark collar:		
Hire for seven (7) days	\$21.20	\$21.80
Purchase Ag'tronics	\$154.50	\$159.00
K.9 Anti-Bark	\$190.50	\$196.00
Dog Watch	\$223.50	\$230.00

Stock Impounding Fee

1. Callout Charges (minimum)

	Existing Fees per 2 hours	New Fees per 2 hours
7.00am to 6.00pm	\$84.90	\$88.90
6.00pm to 10.00pm	\$106.00	\$109.00
10.00pm to 7.00am	\$158.50	\$163.00
Weekends and Holidays	\$158.50	\$163.00

Where extra labour is used, this cost will be added to the above charges.

2. Transportation:

In addition, transport costs on a distance basis or the actual charge of the carrier (if used) will be added.

3. Release Fee:

	Existing Fees	New Fees
Release Fee	\$26.00	\$26.50

This fee is charged to the owner of the stock when the stock is released from the pound to cover time and vehicle expenses.

4. Poundage Fees:

	Fee (no change)
For every horse, donkey, cattle beast or deer	\$15.00 per head per day
For every sheep, goat or pig	\$10.00 per head per day

Note: Such costs for the above are to be increased if necessary to cover the actual labour and vehicle running costs and feeding of the stock. Any special food purchase e.g. pig pellets, hay, etc is to be charged directly against the animal which consumed it, as provided for by Section 14(3) of the Impounding Act 1955.

(All fees include GST)

BUILDING CONTROL FEES AND CHARGES

It is considered that it is reasonable to charge the full cost of consents to those applying for them; however, those who receive consents should not pay for the cost of providing information to the general public. From analysis of services provided, approximately 20% of staff time is involved in the provision of public information; this means it is reasonable to recover 80% of the total costs by way of user charges.

The cost of meeting Council's accreditation requirements have resulted in an average increase of 20% across the board. In

the majority of cases, inspection fees will be assessed and calculated at the time of consent processing. The additional costs of gaining accreditation will come from building consent and PIM fees.

Some fees related to territorial authority functions have increased only by the inflationary adjustment, with warrant of fitness audits and administration costs remaining the same.

Code	Category	Existing Building Consent Fees	New Building Consent Fees	Existing PIM Fees	New PIM Fee
Category 1 - Small Works value less than \$20,000					
CT1A	Basic Garage, Carport, Deck, Farm Buildings, Swimming Pools	\$295.00	\$360.00	\$145.00	\$180.00
CT1B	Sleepout without plumbing	\$350.00	\$360.00	\$145.00	\$180.00
CT1C	Sleepout with plumbing	\$395.00	\$400.00	\$145.00	\$180.00
CT1D	Additions and alterations	\$395.00	\$450.00	\$145.00	\$180.00
CT1E	Solid Fuel Heaters	\$115.00	\$140.00	\$30.00	\$35.00
CT1F	Minor work - signs, ramps, single inspection consents ie spa pools, drainage alterations	\$115.00	\$140.00	\$30.00	\$35.00
CT1G	Residential Demolition - plus disconnection fees where applicable	\$95.00	\$115.00	\$30.00	\$35.00
CT2	Category 2 - Minor structures, additions and alterations value \$20,000 to \$40,000. Plus commercial demolition.	\$500.00	\$600.00	\$180.00	\$220.00
CT3	Category 3 - Dwellings and Commercial buildings value less than \$100,000	\$600.00	\$720.00	\$180.00	\$220.00
CT4	Category 4 - Dwellings and Commercial buildings between \$100,000 & \$250,000	\$600.00	\$840.00	\$310.00	\$480.00
CT5	Category 5 - Dwellings and Commercial buildings between \$250,000 & \$500,00	\$700.00	\$840.00	\$400.00	\$480.00
CT6	Category 6 - Balance for each \$100,000 or part thereof in excess of \$500,000 and additional fee of \$500	\$700.00 plus surcharge	\$1,200.00	\$450.00	\$540.00
Sundry Charges					
				Existing Fees	New Fees
A	Certificate of Title			\$15.50	\$15.00
B	Code Compliance Certificate - Category 1			\$35.00	\$36.50
C	Code Compliance Certificate - Category 2+			\$75.00	\$77.50
C1	Compliance Schedule			\$85.00	\$100.00
D	Amendment to Compliance Schedule + new compliance schedule			\$50.00	\$60.00
D1	Building Warrant of Fitness - Admin Charge			\$45.00	\$45.00
E	Building Warrant of Fitness - Site Audit			\$150.00	\$150.00
F	IQP Application 3 Year term			\$100.00	\$105.00
G	Knock Down Swimming Pool inspections per annum			\$50.00	\$60.00

	Sundry Charges	Existing Fees	New Fees
H	Installation/Alteration of Fire Alarms + Compliance Schedule Amendment fee	\$90.00	\$110.00
I	Additional / Re-inspections – 30 minutes	\$65.00	\$80.00
J	Inspection – 45 minutes	N/A	\$120.00
K	Inspection – 1 hour	N/A	\$160.00
L	Section 77 Notice (Over 2 boundaries)	\$55.00	\$65.00
M	Certificate of Acceptance - Lodgement fee	\$150.00	\$400.00
N	Certificate of Acceptance - Processing fee per 1/2 hr Normal PIM & Consent fees apply	\$65.00	\$80.00
O	Notice to Fix - Issue & Inspection	\$85.00	\$100.00
P	Amendments to Warrant of Fitness	\$75.00	\$90.00
Q	Certificate of Public Safety Section 363a	\$155.00	\$190.00
R	Amendment to Issued Building Consent	\$75.00	\$90.00
S	Re-site Report for Existing Dwellings	\$130.00	\$160.00

ENVIRONMENTAL HEALTH FEES

The following fees have been approved by Council for the 2007/2008 financial year.

Strategic Direction

The collection of fees is a partial cost recovery for a range of activities undertaken across the key result areas of the Strategic Plan.

Issues

Reasonable fees are required to be set by the Council to enable recovery of costs within Environmental Health's activities involving registration, licensing, inspection and other miscellaneous functions.

The fees were last increased in 2004.

Food Premises

The table below (Table 1) sets out the different classifications of food premises that require registration/inspection, the past RDC fees, as well as the new fees.

In general, the increase ranges between 2.2% to 3.1%, a proportion of which is to supplement the cost of purchasing specialist equipment and necessary to enable the proper inspection of food premises. The equipment may include digital thermometers and probes, thermal data loggers, hand-held non-contact thermometers and digital cameras.

Table 1

1. Food Premises

Pursuant to the Health (Registration of Premises) Regulations 1966, the following shall be the fees payable on application for Certificates of Registration and upon the issue, renewal and noting of certificates:

- i) **Category FP1A.** Premises required to be registered within terms of Regulation 4(1)(2) of Food Hygiene Regulations 1974.

Category FP1A	Existing Fees	New Fees
Application Fee	\$340.00	\$350.00
Transfer Fee	\$95.00	\$97.00

- ii) **Category FP1B.** Premises required to be registered pursuant to Regulation 4(1)(4)(2) of the Food Hygiene Regulations 1974 being school canteens not operated for private profit, confectionery shops, health food shops, fruit and vegetable shops and produce markets; and wholesale and retail premises on which no food is prepared, manufactured, handled or stored unless

the food is at all times enclosed in a wrapper or container, and which is not a delicatessen.

Category FP1B	Existing Fees	New Fees
Application Fee	\$205.00	\$210.00
Transfer Fee	\$70.00	\$72.00

- iii) Notwithstanding anything contained in Clauses (i) and (ii), where a person in any one registration year is a holder of, or applies to become the holder of, a Certificate of Registration in respect of any one premises for one or more of the purposes described in Regulation 4(1)(42) of the Food Hygiene Regulations 1974, only one application or one renewal fee shall be payable in respect to that premises, the fee being the higher applicable.

2. Other Food Premises

- i) **Category FP2A.** Premises used by the Crown and state owned enterprise or the Rotorua District Council (for their own use); any partially exempt premises, or any licensed premises within the meaning of the Sale of Liquor Act 1989, being an on-licence, off-licence, other than (iii) below, club licence, chartered club.

Category FP2A	Existing Fees	New Fees
Application Fee	\$340.00	\$350.00
Transfer Fee	\$95.00	\$97.00

- ii) **Category FP2B.** Any occasional food premises with the exception of those operated by a non-profit making organisation.

Category FP2B	Existing Fees	New Fees
Application Fee	\$140.00	\$144.00
Transfer Fee	\$70.00	\$72.00

- iii) **Category FP2C.** Premises which are an off-licence within the meaning of Sale of Liquor Act 1989 and not being part of a premises registered under the Food and Hygiene Regulations, or part of a premises licensed as an on-licence or club licence.

Category FP2C	Existing Fees	New Fees
Application Fee	\$205.00	\$210.00
Transfer Fee	\$70.00	\$72.00

- iv) **Category FP2D.** Any premises that, being a warehouse or storeroom are food premises by reason only of the fact that they are used for the storage and handling in the course of storage, of food packages and containers.

Category FP2D	Existing Fees	New Fees
Application Fee	\$135.00	\$138.00
Transfer Fee	\$47.00	\$49.00

- v) **Category FP2E.** Any premises in which food is supplied or sold:
- Together with accommodation; or
 - Incidental to the rendering of any service in consideration of exclusive charge for the food and service and not otherwise registered or licensed.

Category FP2E	Existing Fees	New Fees
Application Fee	\$135.00	\$138.00
Transfer Fee	\$47.00	\$49.00

Table 2

General Health Activities and Miscellaneous Fees

1. Funeral Directors and/or Mortuaries

In pursuance of Regulation 13 of the Health (Burial) Regulations 1946 as inserted by Regulation 3 of the Health (Burial) Regulations 1946 Amendment No. 2, the following fees shall be payable:

Category	Existing Fees	New Fees
Application Fee	\$135.00	\$138.00
Transfer Fee	\$47.00	\$49.00

2. Offensive Trades

That in pursuance of Regulation 7 of the Health (Registration of Premises) Regulations 1966, the following fees shall be payable:

Category	Existing Fees	New Fees
Application Fee	\$205.00	\$210.00
Transfer Fee	\$70.00	\$72.00

3. Hairdressers

In pursuance of Regulation 3 of the Health (Hairdressers) Regulation 1967 and Regulation 7 of the Health (Registration of Premises) Regulations 1966, the following fees shall be payable:

Category	Existing Fees	New Fees
Application Fee	\$135.00	\$138.00
Transfer Fee	\$47.00	\$49.00

4. Hawkers and Mobile Shops, etc

Category	Existing Fees	New Fees
i) Hawkers	\$25.00	\$26.00
ii) Itinerant traders	\$125.00	\$129.00
iii) Keepers of mobile and travelling shops	\$125.00	\$129.00

- * Licences under (ii) and (iii) above have proportional fees for the periods of less than 12 months with a maximum of \$29.53 for the first 12 weeks plus \$2.50 per week thereafter.

5. Camping Grounds

These fees are set pursuant to the Health (Registration of Premises) Regulations 1966 and Council's bylaws for the licensing of residential institutions.

Category	Existing Fees	New Fees
Application Fee	\$240.00	\$247.00
Transfer Fee	\$95.00	\$97.00

6. Bee Keeping

Category	Existing Fees	New Fees
Licence fee in residential area (maximum of 4 hives then planning application)	\$90.00	\$90.00

7. Billiard Room

Category	Existing Fees	New Fees
Application Fee	\$90.00	\$90.00
Transfer Fee	\$45.00	\$45.00

8. Miscellaneous

Category	Existing Fees	New Fees
New Premise Establishment Fee	\$125.00	\$129.00
Additional Inspection Fee	\$125.00	\$129.00

9. Noise

Return of seized and impounded noise equipment pursuant to Section 323 and 328 of the Resource Management Act 1991.

Category	Existing Fees	New Fees
Cost for first seizure	\$160.00	\$160.00
Cost for subsequent seizures	\$300.00	\$300.00

RESOURCE MANAGEMENT ACT CHARGES

Matters relevant to all fees and charges

The following charges shall take effect from 1 July 2007. The following charges have been set under Section 36 of the Resource Management Act 1991. The charges relate to services provided by the Rotorua District Council. Charges are expressed as either a fixed fee or a deposit. All charges are GST inclusive.

Deposits

Where a deposit applies Council will charge the actual and reasonable cost of the goods and services provided. Where costs exceed the deposit by \$50.00, there shall be an additional charge. This charge shall be sourced from the Project Time Recording Sheet kept by the assessing planner.

Additional costs

Applicants shall be advised in advance of the estimate of the additional costs that are to be levied. Applicants will also be advised at what stage in the process the additional costs are to be paid to the Council. The charge out rate for additional costs shall be \$140.00 per hour. This charge shall be sourced from the Project Time Recording Sheet kept by the assessing planner.

Maximum costs

Any deposit may be increased up to a maximum cost of \$25,000 in the case of a land use or subdivision consent, or up to a maximum cost of \$40,000 in the case of a private plan change.

Refunds

Where costs are less than the deposit held, a refund will be due to the applicant where the difference is greater than \$50.00.

Actual and reasonable costs

Actual and reasonable costs will relate to any matters for which a charge is payable under Section 36(1) of the Resource Management Act 1991, and will include costs incurred by Council in respect of staff salaries and wages including; travel time, and on-costed to cover overheads, internal processing and assessment costs, information management and record keeping, external assessment/audit or consultant costs, and any direct costs or disbursements.

Application of charges

A charge applies to each document required in the case of certificates and legal documents. A charge applies to each identifiable application of consent being applied for.

Monitoring charges

For all land use consents, excluding Controlled CBD and Controlled Minors, that require monitoring will be charged a monitoring fee. The monitoring fee is set at \$140.00 per hour, plus Actual Costs. A higher monitoring charge may be applied as a condition of consent to implement a specific monitoring programme, or to review particularly complex consent conditions. The higher monitoring charge may be incorporated by way of condition of consent as either a fixed charge or as an annual charge where ongoing monitoring is required.

Where no monitoring is required by the consent, or where a resource consent has been declined the monitoring charge will be refunded to the applicant.

Land Use Fees

	CLASSIFICATION	PRESENT FEES	NEW FEES
A. Notified land use (235-50114-6722)			
1	Notified land use	1800	*2000+A+M
2	Notified sign bond	50	50
3	Limited notified	850	*910+A+M
4	Statutory Hearing fee	150	155
5	Additional consent fees, commissioning reports, peer review, photocopying and other costs related to consents	Actual costs	Actual costs
B. Non-notified land use (235-50114-6734)			
6	Application for consents related to conservation, restoration, and protection of heritage buildings and features listed in Appendix A	No charge	No charge
7	Controlled CBD Design Guide	130	280
8	Controlled (Minors)	130	280
9	Controlled	450+M	420+M
10	Restricted/Limited discretionary	450+M	*490+M
11	Discretionary	600+M	*630+M
12	Non-complying	600+M	*630+M
13	Additional consent fees, commissioning reports, peer review, photocopying and other costs related to consents	Actual costs	Actual costs
C. Monitoring (235-50114-6819)			
14	For all land use consents excluding Controlled CBD and Controlled (Minors) that require monitoring. See Footnote 3	125+A	*140+A
D. Related land use (235-50114-6720)			
15	Extension of time (S125)	130	140
16	Cancellation of approval (S126)	130	140
17	Change/Variation to conditions of consent (S127)	295+M	*420+A+M
18	Review of consent conditions (S 128)	600	*700+A
19	Compliance Certificates (S139)	350	*420+A
20	Existing use rights Certificates (S139A)	600	*560+A
21	Outline Plan approval(S176A)	350	*350+A
22	Planning Certificate (Sale of Liquor)	120	140
23	Overseas Investment, Motor Vehicle Dealers, and other certificates	120	140
24	Applications for street naming	250	280
25	Contribution to valuation for heritage and reserve purposes	50	55
26	Certificate of title	15	15
65	Financial contribution for reserves purposes (410-30201-6356)	As valued	As valued

M Monitoring charges @ \$140.00 per hour

A Additional charges @ \$140.00 per hour

* The fees stated are deposits, where additional charges will be in accordance with 'A' above. Additional costs will be incurred for additional processing and partial costs for independent assessments commissioned in relation to applications

Subdivision Fees

	CLASSIFICATION	PRESENT FEES	NEW FEES
A. Notified subdivision (235-50114-6735)			
27	Notified	1800	*2000+A
28	Notified sign bond	50	50
29	Limited Notified	850	*880+A
30	Statutory Hearing	150	155
31	Additional consent fees, commissioning reports, peer review, photocopying and other costs related to consents	Actual costs	Actual costs
B. Non-notified subdivision (235-50114-6744)			
32	Controlled, including cross lease to freehold	710	*770+A
33	Controlled, cross lease amendment	710	*770+A
34	Restricted/Limited Discretionary	710	*770+A
35	Discretionary	820	*910+A
36	Non-complying	880	*910+A
37	Additional lots	@\$40 per lots over 3	@\$40 per lots over 3
38	Survey Plan approval (S 223)	110	115
39	Compliance Certificate (S 224c)	160	165
40	Engineering inspection and plan approval	\$200 or min. 1% of work	\$280 or min. 1% of work
41	Contribution to valuation for heritage and reserve purposes	50	55
42	Additional consent fees, commissioning reports, peer review, photocopying and other costs related to consents	Actual costs	Actual costs
D. Related subdivision (235-50114-6720)			
43	Right of way	330	*350+A
44	Extension of time (S125)	130	140
45	Cancellation of approval (S126)	130	140
46	Change/Variation to conditions of consent (S127)	295+M	*420+A
47	Review of consent conditions (S 128)	600	*700+A
48	Section 226	710	*700+A
49	Preparation of Bonds, Consent Notices, legal documents	125	*140+A
50	Where separate from subdivision application, easement approval, cancellation of right-of-way, amalgamation, consent notice, easement, building line restriction, or other process related to subdivisions	110	*140+A
65	Financial contribution for reserves purposes (410-30201-6356)	As valued	As valued

M Monitoring charges @ \$140.00 per hour

A Additional charges @ \$140.00 per hour

* The fees stated are deposits, where additional charges will be in accordance with 'A' above. Additional costs will be incurred for additional processing and partial costs for independent assessments commissioned in relation to applications