

Rotorua District Council
Te Kaunihera ā rohe o Rotorua

Annual Plan 2011 / 2012



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The Annual Plan 2011/12 has been prepared in accordance with the requirements of the Local Government Act 2002. This Annual Plan (which includes prospective financial statements) was adopted at the extraordinary meeting of Rotorua District Council on Thursday 30 June 2011.

Message from the Mayor

*E te iwi whānui o te rohe o Rotorua.
Ngā mihi nui ki a koutou katoa.
Ko te mahere ā tau tenei e whaia ana i te mahere tekau
tau.
He whakatau tikanga e paana ki ngā tirohanga me ngā
tūmānako a Te Kaunihera ā rohe o Rotorua mo te hāpori
o Rotorua*

*To the people of Rotorua, warm greetings to you all.
This document is our annual plan and it follows on from
our longer ten year plan.
It establishes the direction Rotorua District Council
has determined for Rotorua in line with the aspirations
of the community.*



His Worship the Mayor, Kevin Winters JP

Kia ora koutou

Welcome to Rotorua District Council's Annual Plan for the 2011/12 financial year. This plan has been developed with valuable input from the Rotorua community and other interested parties following a comprehensive programme of consultation when the document was in draft form. I extend our thanks to everyone who engaged with the council during the consultation phase and contributed to the final plan for the 2011/12 financial year.

New Zealand's Best City

It's not surprising that Rotorua is the current holder of the title 'New Zealand's Best City' and that we have been accorded this honour a record six times in the last eleven years. Effective planning and management by your council is a major factor in these successes, as are our strong partnerships with local residents, iwi, businesses and other organisations that help make Rotorua a special place. This plan sets out to ensure we maintain our reputation as one of the best places in New Zealand - to live, to visit and to conduct business in.

Some of the key points of public interest in the annual plan are:

Rates increase kept below inflation

The plan has again been prepared in the face of a very challenging national and international economic environment. For that reason the council has taken a cautious and responsible approach in determining its programme and budgets for the 2011/12 year. While inflation for the coming year is forecast to be between 4% and 5% we will be holding our overall rates increase to just 3.1%. This will be the third year in a row we have achieved a sub-inflation rates increase and it means we are fulfilling the commitment we made in our ten year plan. In each of these three years we have produced the lowest, or at least one of the lowest, rates increases of any council in the country.

New tourism direction

Our recently formed Rotorua Tourism Committee comprises some of the best tourism brains from around the country and is ably chaired by former Pacific Blue CEO Tony Marks. The committee is well down the track in developing a comprehensive strategy for defining a new tourism direction for the district. This annual plan retains a strong commitment to destination tourism marketing and provides a range of other support for developing this important sector of our local economy.

Rotorua Airport and trans-Tasman services

The airport company's refreshed board of directors is working very well under the competent chairmanship of local businessman Ray Cook, and is well positioned to take advantage of new opportunities as world economies improve. The appointment of Tauranga mayor Stuart Crosby to the board is recognition that the airport is a truly regional facility with increasing utilisation by travellers from throughout the Bay of Plenty and neighbouring regions.

A recent independent economic impact report reveals the airport contributes between \$50 million and \$100 million to the regional economy each year.

The direct trans-Tasman Sydney-Rotorua service has now passed its first year milestone with loadings in line with expectations, and growing.

Much of the airport's recent infrastructural development has been financed by the council from loans and we will service this year's \$4 million interest payments from operational savings across departments, avoiding the need for additional rates specifically for this purpose.

We are also committing \$1 million to a joint venture marketing programme with Air New Zealand to attract more Australian visitors to Rotorua.

Message from the Mayor **cont.**

Museum development

Shortly we will celebrate the conclusion of a major \$22 million project to extend the iconic Rotorua Museum building to the original plans prepared by the building's architect more than a hundred years ago. A hugely successful fundraising programme by the Museum Centennial Trust, led by Lyall Thurston, means this project will be completed on time and within budget. Without question, our museum will be a world class cultural facility and one of our country's most important visitor attractions.

Improving lakes water quality

Rotorua District Council, in partnership with the Te Arawa Lakes Trust, the Bay of Plenty Regional Council and the Crown, is continuing its substantial programme of developing new sewerage schemes in lakeside communities. These projects are a significant investment in improving and protecting the water quality of the district's all-important lakes.

Support for homeless shelter

We have included a \$30,000 operational grant in the annual plan as assistance for the development of a night shelter for homeless residents. This will be the first of its kind for Rotorua.

CBD revitalisation

Our urban design framework adopted last year will move into its next phase in 2011/12 with a number of projects incorporated in the annual plan, aimed at revitalising the CBD. This programme will be rolled out over a number of years.

District Plan to be notified

During the 2011/12 financial year Rotorua's second-generation district plan will move from being a draft document to being formally notified as the Proposed District Plan 2011. This important document will play a major role in guiding the district's future development.

New parking pricing

A new parking policy in this plan aims to achieve between 70% and 90% occupancy in all parking spaces. This will be controlled by pricing rather than by time restrictions. Parking prices could vary from 50 cents per half hour in the most sought-after CBD locations to 50 cents for eight hours in significantly less busy places or free in some locations.

Tree replacements

The annual plan also signals the council's intention to remove a number of pin oak trees on Hinemaru St outside the council Civic Centre, as they have grown larger than expected and are affecting other more important trees in Government Gardens. These trees will be replaced with species that grow to lesser dimensions.

Maintaining service levels

Your council is very conscious of and sensitive to the difficult times most people in New Zealand are experiencing as a result of a tight economy. The annual plan therefore sets out to balance expenditure restraint with targeted support for programmes that will help create a positive environment for economic progress. At the same time we have consciously provided for a continuation of the services and the quality levels of service that this community has enjoyed over past years.

Conclusion

This introduction offers a simple snapshot of some of the wide range of activities and developments planned by the council for the 2010/11 financial year. More detail is provided elsewhere in this document.

Finally I extend appreciation to my colleagues on the council, to our committees, our community board and to chief executive Peter Guerin and his staff for their efforts in developing this responsible and progressive annual plan. Residents can be assured that we are committed to ensuring that Rotorua District Council retains its reputation as one of the best performing councils in New Zealand and that the quality of life enjoyed by Rotorua residents remains the envy of many.



Kevin Winters JP
Mayor

Mayor and councillors



Left to right: Cr Maggie Bentley, Cr Geoff Kenny, Chief Executive Peter Guerin, Cr Julie Calnan JP, Cr Mike McVicker, Cr Glenys Searancke, Cr Karen Hunt, His Worship the Mayor Kevin Winters JP, Cr Charles Sturt, Deputy Mayor Cr Trevor Maxwell MNZM, Cr Mark Gould JP, Cr Maureen Waaka MNZM JP, Cr Janet Wepa, Cr Dave Donaldson QSM

Rotorua lakes community board

(Left to right)
Geoff Palmer,
Leo Meharry,
Maggie Bentley,
Brentleigh Bond (chair),
Dave Donaldson,
Neil Callaghan



Te Arawa standing committee



Standing (L to R):
Arapeta Tahana,
Kingi Biddle,
Eraia Kiel,
Mauriora Kingi (Director Kaupapa Maori),
Cr Trevor Maxwell,
Roku Mihinui,
Potaua Biasiny-Tule

Seated (L to R):
Rene Mitchell,
His Worship the Mayor Kevin Winters (chair),
Cr Maureen Waaka,
Bella Tait (Policy Analyst/Maori Research Officer)

Chief Executive: major issues for 2011/12



Chief Executive, Peter Guerin

Kia ora,

The 2011/12 Annual Plan continues to apply the three overriding themes established in our current Ten Year Plan - economic growth, sustainability and affordability.

In the plan for next year we are presenting a programme of activities and budgets that will:

- sustain, protect, and where possible improve, our physical environment
- help develop a positive environment for economic growth, and
- acknowledge the ongoing difficult economic environment while maintaining service levels.

This plan supports all three broad aspirations of the mayor and councillors, and complements the provisions of the current Ten Year Plan.

For the 2011/12 financial year economists are forecasting inflation to be in the range of 4% to 5%. Local government inflation is likely to be even higher. However our council is again keeping its overall rates increase to well below inflation levels and with an increase of just 3.1%. This will be the third year in a row Rotorua District Council has achieved a sub-inflation rates increase, and the third year in a row Rotorua has had one of the lowest increases of all local authorities in New Zealand.

This means our budgets will be extremely tight with little allowance for contingency expenditure in the case of unforeseen events affecting revenue or increasing costs. However our management and staff have risen to the challenge issued by the mayor and councillors to maintain the services we provide to the community at similar levels to previous years, regardless of reduced budgets in many cases.

A recent restructuring of senior management of the council has better equipped us to manage the wide-ranging demands of the foreseeable future and this has been complemented by a parallel review of governance arrangements at committee level, resulting in a new committee structure now in place.

Our sustainability and procurement programmes remain an ongoing focus of attention in all our activities. In the coming year the operational arm of the council will embark on a major organisation-wide programme to improve efficiency processes by applying some of the principles developed by the Toyota corporation in their highly successful efficiency improvement programme known as 'Lean Thinking.' In short the principles of 'Lean Thinking' are about a process of continuous improvement - doing things *better, faster, quicker and cheaper*.

Following, in summary form, is commentary on major issues and changes in this Annual Plan for the 2011/12 financial year. I add my thanks to those of his Worship the Mayor, for the helpful community feedback we received on these issues as part of the public consultation programme we undertook in developing the plan.

Peter Guerin
Chief Executive

Fresh Vision for the District

A new vision statement for the district is being incorporated into a new economic development strategy currently being developed in partnership with local business and other community leaders. The new vision statement is:

ROTORUA - LIVING THE DREAM *world class in every way!*

The key elements of the new vision statement are:

- **Living the dream** - promotes lifestyle, prosperity, sustainability and vibrancy. It encompasses a wide variety of ideas into a concise statement, describing aspirations for an ideal community, environment, economy and infrastructure.
- **World Class** - sets a benchmark for businesses and organisations to strive for. It builds on Rotorua's reputation for world class sectors such as tourism and forestry, and challenges stakeholders to set similar standards.

New Organisational Structure

A major review of the council's organisational structure was undertaken in 2010. As a result of these changes the number of key operational groups at RDC has reduced from four to three, with new senior management appointments made. These three new groups and their respective activities are reflected in the layout of this annual plan. The council is placing greater emphasis on growing and strengthening local economic opportunities and the realignment of some council activities will help achieve this focus. The three management groups now in place are:

- Corporate & Customer Services Group
- Infrastructure Services Group, and
- Economic and Regulatory Services Group.

Chief Executive: major issues for 2011/12

New Tourism Committee and strategy

During 2010 the council undertook a major review of its involvement in tourism. As a proactive response to the local tourism sector's request for a greater involvement in decision-making around RDC's tourism spend and marketing activities, a new tourism committee was formed. Six leading tourism practitioners from around the country were appointed along with one district councillor, and the committee is well down the track in reviewing Rotorua's tourism direction and developing a major new tourism strategy. This is an exciting opportunity for this vital sector of our economy and it will support a new future for our visitor industry.



Rotorua Tourism Committee members from left:

Oscar Nathan, deputy chairman (Rotorua) – principal director Renosc Group, director Waka Digital, director On Tourism/24 Seven Consultants

Maureen Waaka, Rotorua District Councillor

Tony Marks, chairman (Auckland) – inaugural CEO Pacific Blue Airlines; former CEO Origin Pacific Airlines; former CEO Zespri; former commercial general manager Air New Zealand International

Stewart Brown (Rotorua) – regional general manager Ngai Tahu Tourism, responsible for Rainbow Springs, Kiwi Encounter and Huka Falls Jet; vice president ITOC (Inbound Tour Operators Council)

Elizabeth Valentine (Wellington) – chief executive ATTTO (Aviation, Tourism, Travel Training Organisation)

Karl Johnstone (Rotorua) – general manager, New Zealand Māori Arts and Crafts Institute; former head of Maori & Indigenous Development, Waiariki Institute of Technology; former concept leader, Te Papa

Marcus Keenan (Rotorua) – general manager Holiday Inn Rotorua

Supporting a homeless shelter

For a number of years the issue of homeless people in Rotorua has struggled to gain momentum. A trust was formed some time ago for the purposes of developing a night shelter and two years ago the council pledged support to the trust conditional on securing a suitable property and developing an acceptable plan. These have now both been achieved and the council has allowed funding for an operating grant of \$30,000 per annum for three years in support of this important community initiative.

Airport development funding

Over recent years the council has invested significantly in the development of Rotorua's airport in response to community expectations and to meet higher requirements and standards for domestic operations, particularly those related to new generation jet aircraft. Infrastructure investment also prepared the airport to meet direct trans-Tasman capability. Loans for this work have been separated from the rest of Council's infrastructure development debt, traditionally serviced directly from rates contributions.

Our Ten Year Plan shows that debt for the airport development was expected to increase over a number of years as interest compounded, until additional airport revenue generated from increased airline services and other related income reached the point where funds would be available for reducing the overall debt.

However factors unforeseen at that time have subsequently meant that this debt has risen higher than anticipated and forecast levels of airport revenue have not been realised for a number of reasons. These factors include the withdrawal of domestic jet services to Christchurch and Queenstown, the end of Qantas NZ domestic services, the world economic recession and a major downturn in international visitor numbers. Additionally, budgeted expectations for external partners to contribute up to \$12m for the airport's capital costs have to date not materialised.

The council is therefore paying this years interest on the loans of approximately \$4 million from operational savings across all departments rather than from additional rates. Operational budgets will therefore be extremely tight and there is some increased risk of budget over-run from unexpected events. However the council is confident that present service levels as set out in the 2009-19 Ten Year Plan can be maintained.

Tourism and economic strategic planning

Separate strategies are being developed for the district's tourism marketing and for economic growth. There is considerable input from the tourism sector into the tourism strategy, and from representatives of the wider business community into the economic growth alignment strategy. This annual plan includes budget provision to allow implementation of these strategies.

Chief Executive: major issues for 2011/12

Joint Venture marketing for trans-Tasman air services



An amount of \$1m has been included in the economic activity budget for 2011/12 for a joint venture marketing programme with Air New Zealand, around Rotorua's direct trans-Tasman service from Sydney. This also provides marketing opportunities to be complemented by the wider regional 'Central Park' brand activity with marketing support from neighbouring regional tourism offices. This extra expenditure is to be accounted for by way of the business and economic development targeted rate.

Parking changes

In September 2010 the council adopted a report called Parking Policy Review, with two major elements:

- Policy recommendations to be included in the District Plan review.
- Establishment of a new public parking policy.



District Plan recommendations will be included in the new District Plan development process but the second recommendation regarding public parking (ie on-street parking, parking buildings etc.) is controlled by formal council policy. Since then further work has identified how such a policy can be implemented and how it might work. Key features of the policy are:

- **Occupancy:** Target occupancy is to be between 70% and 90%. This will be measured on average throughout the day.

- **Pricing:** Pricing will be the only control. It may be that the parking price is zero and in fact it will be if occupancy drops below 70% where the lowest price is in place. A pricing regime will be based around the following principles:
 - Prices to be based on 50 cent units and half hour periods. This means that the minimum period purchased is half an hour but could cost 50 cents, \$1, \$1.50 etc. At the other end of the scale the lowest possible charge would be 50 cents for eight hours or free in some locations. Traditional 'lollipop' meters will be phased out over many years and replaced by 'pay & display' units.
 - Reviews and price adjustments will be undertaken annually but only in areas considered to not be meeting occupancy targets.
 - Changes to parking prices will be managed as a regulatory matter and delegated to the chair of the Infrastructure Services Committee and the Group Manager, Infrastructure Services.

The policy is relatively straight forward. The effect is to manage demand much better than at present and to favour short term use in high demand retail areas, ie to favour retail and business customer parking over all day workers' parking.

The same policy will apply to suburban shopping centres, but at this stage none would justify anything other than zero parking charges.

The report covers the CBD at this stage but could in due course apply to other centres.

The adopted policy was included with the draft Annual Plan (separate volume) for consultation.

CBD Revitalisation - Urban Design Framework

The council developed a draft Urban Design Framework in 2010. It has been useful for prompting discussion about the future form and development of the CBD and to traverse some of the problems currently being experienced with high levels of shop and upper floor vacancies, and continued business 'drift' out of the CBD.

Many of the key elements of the Urban Design Framework are now incorporated into the draft District Plan, which has recently been undergoing statutory consultation processes. In addition, the council will be promoting its Urban Design Implementation Strategy, which includes a number of projects and initiatives to promote development in the CBD. This plan is particularly important considering the ongoing recessionary environment.

Chief Executive: major issues for 2011/12

Rotorua Museum development on track

As key milestones in the \$22 million Rotorua Museum Centennial Project are ticked off, and the 20 August 2011 grand opening draws closer, the project remains on time and on budget.

When the Museum of Art & History opens its newly expanded areas, entry fees for non-residents will increase, off-setting increased costs for the much larger exhibition areas and an additional 3.7 FTE (full time equivalent) staff. However admission will remain free for Rotorua residents.



The new Don Stafford Wing, as it will be known, will feature a permanent exhibition on the ground floor, called *Nga Pumanawa o Te Arawa – The Beating Hearts of Te Arawa*. Spanning eight galleries, this major exhibition will follow the journey of Te Arawa people from their origins in Hawaiiki to their descendants today. Upstairs there will be two new art galleries hosting a range of regularly changing exhibitions. On opening, the galleries will feature a selection of works from the Rotorua Energy Charitable Trust collection, and works by Charles Blomfield.

New District Plan

During the 2011/12 financial year the second-generation district plan will progress from being a draft document to being formally notified as the Proposed District Plan 2011. With recent amendments to the Resource Management Act 1991, the council will need to decide which rules of the Proposed District Plan have immediate effect. Factoring in the demands of hosting Rugby World Cup matches and associated visitors to the city means the hearing of submissions and decisions by elected members are most likely to be in early 2012, as will the period for appeal to the Environment Court.

Lakefront Development Plan

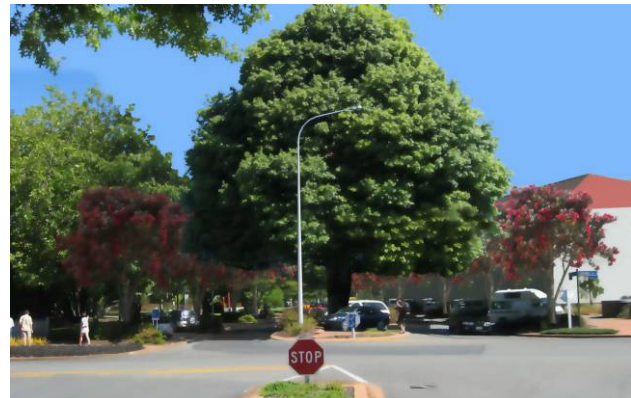
Year 3 of our Ten Year Plan includes \$8m for development of a new pier structure identified in the Lakefront Development Plan for Lake Rotorua. To date, discussions with owners of the lakebed have not concluded and detailed designs and consenting are yet to be completed. This part of the project has therefore been deferred until the 2012/13 year.

Pin Oak tree replacements near Civic Centre

The council intends replacing a number of large pin oak trees currently growing on Hinemaru Street, adjacent to the council Civic Centre and near Government Gardens. These trees are growing much larger than was predicted when first planted and are now adversely affecting existing more valuable tree specimens in Government Gardens. The pin oaks therefore needed to be either extensively pruned or replaced. The council believes that the best decision for the long term is to progressively replace the pin oaks with species that will grow to about 10 to 12 metres in height (rather than the 23 metre height and 20 metre width that the existing pin oaks reach). Any adverse effects from replacing these trees will be temporary.



Visualisation of Hinemaru Street with mature street trees following replacement (looking north)



Visualisation of Hinemaru Street with mature street trees following replacement (looking south)

Chief Executive: major issues for 2011/12

Debt over ten year period

Councils regularly borrow funds for major infrastructure development so that the cost of these services rests not only on the ratepayers of today but are shared with future generations of citizens who will also benefit from these developments. Local authorities in good financial shape, like Rotorua District Council, have access to very competitive interest rates for borrowing.

Rotorua District Council has a policy that sets its debt levels in terms of a maximum debt amount and interest payments as a proportion of revenue. The debt levels identified in this draft annual plan remain well under those thresholds set by council policy.

In short our debt will be approximately \$155 million by the end of the 2011/12 year, will peak at \$170 million in 2013/14 and will progressively reduce down to \$136 million by the end of the current Ten Year Plan term (2018/19).

Development Contributions Policy

A number of minor amendments have been made to the council's Development Contributions policy. In summary, these include:

- Revised Transportation Factors adopted in December 2009 and back-dated to July 2009
- Transfer of historic credits between activities
- Deferral of payments by Private Developer Agreement subject to security for non payment.
- Change default methodology to development contributions by demand assessment rather than by use of policy factors associated with gross floor area.

The full Development Contributions Policy is included in the Annual Plan.

Spectator Charges for the Aquatic Centre

Revenue estimates for the Aquatic Centre included a new fee for spectators in the draft Annual Plan. This \$1 charge was estimated to increase revenue by \$50,000 per annum. However as a result of submissions from people opposing introduction of the fee, the council has decided not to proceed with its introduction.

Removing Rubbish Bins from Reserves

A two year litter bin-free trial is being undertaken on selected reserves to determine the practical outcomes of implementing a reserves litter bin-free policy. Permanent changes will only be considered if trial results reveal that litter bin-free reserves are a practical option. Consultation will be undertaken if Council ultimately decides to proceed with implementing a litter bin-free policy.

Litter in parks and reserves is currently collected by Castlecorp at an annual cost of \$480,000. Litter bin-free parks require people to take responsibility for their own

rubbish by taking it away for recycling rather than leaving it on a reserve where it ultimately ends up in the landfill. The trial is to be undertaken on the following reserves for the period 1 March 2011 to 28 February 2013:

- Centennial Park, Tihiotonga Domain (Tree Trust)
- Murray Linton Park
- Pullar Park (West)
- Elliott Park
- Ray Boord Park
- Sheaf Park
- Warwick Drive Reserve
- Lake Okaro Reserve.

'Before and after' rubbish bin removal comparisons will then be made and reported back to Council for a decision on whether the approach should be applied to other reserves.

New cemetery/cremation fees

Cemetery and cremation fees are to be increased. Fees will now be more in line with other districts in the Bay of Plenty region. A full list of cemetery and cremation fees is included in the 'fees and charges' section of this draft plan. This reflects the first major review of fees in four years and takes into account the increasing costs of providing these services in the future. These substantial increases also reflect a recognition that the cemeteries must be maintained in perpetuity. Therefore costs of cemetery plots have to reflect not only the cost of the land but maintenance over an extended period of time.

Sewerage schemes

Hamurana/Awahou sewerage scheme

The funding policy for this scheme has been adopted, and it includes the option of making a lump sum contribution of \$10,154.10 (plus GST). At this stage it is estimated that the targeted rate (over 25 years) for those being connected to the scheme would be \$805.53 (excluding GST) per annum. Central government continues to provide up to 50% subsidy towards the cost of sewerage schemes at four priority Lakes. The community also receives a contribution to the sewerage scheme of nearly \$1.5m from the Bay of Plenty Regional Council.

With external funding from the government and the regional council the cost of connecting all properties in the defined area to the council's waste water treatment plant is considerably less than individual property owners would incur if installing complying septic tanks.

Okere Falls/Otaramarae/Whangamarino sewerage scheme

This scheme is scheduled for completion in early 2012. It will be funded from a combination of subsidies from Rotorua District Council, the crown and the regional council. The remainder will be funded from a targeted rate of \$623.28 (plus GST) per annum over 25 years.

Chief Executive: major issues for 2011/12

Lake Okareka sewerage scheme

This scheme is now complete and the overall cost of \$10.23m was \$1.64m below original estimates of \$11.87m. For those property owners choosing to pay the targeted rate over the next 25 year period, the annual cost will be \$876.45 (excluding GST) from 1 July 2011.

These projects continue this council's commitment to improving the water quality of Rotorua's iconic lakes.

Capital expenditure

In our current Ten Year Plan capital expenditure of \$59m is identified for the 2011/12 financial year. However in the draft plan for the coming year we indicated we were proposing to reduce the capital programme by \$11.6m, to \$47.4m.

The council carefully reviewed all items in the proposed capital programme and where work was not essential for renewing an asset and its current condition could be safely maintained, the capital expenditure was removed for that item. A number of other projects can only be completed following formal consultation or on securing resource consent. Where these processes are unlikely to be completed within the financial year the capital expenditure has been moved out to 2012/13. Full details of these changes are provided on page 160.

The two most significant changes in this area are \$8m for the new pier as part of the Rotorua Lakefront development and this has been moved out a year, and \$440,000 identified for Westbrook Field development which has also been moved out to the 2012/13 year.

Changes to Rates Framework

Rotorua District Council will increase its overall rates requirements (from all rating sources) by 3.1%, well under inflation forecasts at 4% to 5%. This increase follows sub-inflation increases of just 1.9% and 1% in the two previous two years - significantly lower than most councils in New Zealand over this period.

It is important to note that each property and each sector (business, farming and residential) will be subject to increases that vary from the overall 3.1% figure. Different targeted rates apply to different properties and these will result in variations above or below the 3.1% overall increase (eg water schemes, or where the business and economic development targeted rate applies.) Details of changes in each type of rate charged are set out in the Funding Impact Statement (FIS) on page 81 of this document. The targeted rates used by Council are detailed below.

Uniform Annual General Charge (UAGC)

The council is increasing the UAGC from \$511 to \$525 (plus GST) per property. The list of council activities and services attributed to this fixed element of the general rate is also being changed. This list now includes:

- Democracy & Kaupapa Maori
- Governance & Strategic Direction
- Library
- Aquatic Centre
- Museum of Art and History (50%)
- Events and Venues (50%)
- Community Halls
- Cemeteries and Crematorium
- Animal Control
- Emergency Management/Rural Fire.

Changes to business and economic development targeted rate

The council has agreed to enter into a \$1m joint venture with Air New Zealand for visitor marketing around Rotorua's direct trans-Tasman services from Australia. This expenditure is included in the economic development activity. The \$1m has been included within the business and economic development targeted rate.

Business differential

In the current Ten Year Plan the council proposed to consider reducing the business differential (currently sitting at 3.6) by 0.2 per annum on the general rate. However it has now been decided to not make this change in the 2011/12 financial year.

New targeted rate for stormwater and land drainage

Because of the ongoing difficult economic environment Council has resolved to establish a new targeted rate for a portion of the stormwater and land drainage activity rather than reducing the business differential.

The reasons for this are:

- During the Ten Year Plan consultation process there were calls in many submissions, particularly those from Federated Farmers, for Council to consider other targeted rates.
- A targeted rate would hold a higher proportion of the cost of this activity within the residential sector and against properties of any type with a high capital value
- There is less direct impact on the farming sector by using a targeted rate instead of simply adjusting the business differential on the general rate.

Chief Executive: major issues for 2011/12

The stormwater and land drainage activity area was chosen as a possible targeted rate for a number of specific reasons, including:

- In terms of 'who benefits (user/beneficiary pay principle) and across groups' the service is identified as having less benefit for the farming sector
- Benefits are predominantly in the urban area and the use of a targeted rate on undifferentiated capital value apportions the cost of the activity more specifically to those who benefit.
- The 2010 amendments to the Local Government Act mean that Council must make specific disclosures about the five major infrastructure

services (water, sewerage, stormwater, roading and flood protection). All except stormwater and land drainage are identified to a high level with targeted rates.

Under this targeted rate, approximately 80% of the cost of this activity will be pulled from the general rate and charged to all ratepayers as a targeted rate using undifferentiated capital value.

The Ten Year Plan amendment is included with this Annual Plan as a separate volume.

Targeted rates for 2011/12

Targeted Rates	Annual Plan 2010/11	Ten Year Plan 2011/12	Annual Plan 2011/12	Variance
	<i>\$ in thousands</i>			
Water Rates	3,321	3,522	3,387	(135)
Sewerage Rates	9,957	10,563	10,156	(407)
Sewerage Capital Rates	849	3,684	861	(2,823)
Refuse Rates	2,042	2,818	2,042	(776)
Water by Meter	3,521	3,627	3,592	(35)
Water by Meter Penalty	8	9	8	(1)
Lakes Enhancement Rate	419	432	427	(5)
Urban Sewerage Development Rate	57	124	58	(66)
Lakes Community Board Rate	50	53	50	(3)
Business and Economic Development Rate	4,673	4,876	5,358	482
Roading Targeted Rate	8,914	9,152	8,951	(201)
Stormwater and Land Drainage Targeted Rate	-	-	2,000	2,000
	33,811	38,860	36,890	(1,970)
Less Water by Meter	(254)	(183)	(266)	(83)
Total targeted rates	33,557	38,677	36,624	(2,053)

Mobile Shop Fees

Mobile shop fees have been reviewed to recognise the potential and popularity of prime trading sites along the arterial routes of Fenton Street and Ngongotaha Road. Sites on each of these roads have substantial traffic flows providing a trader with high product exposure to local and regional travellers and visitors.

For mobile shops the amended fees introduce some balance and parity with other competing ratepayer businesses nearby.

New Mobile Food Shops Fee

	2010/2011	2011/2012
Keeper of mobile and travelling food shops	\$102.22 ¹	A) Fenton Street and Ngongotaha Road sites: i) \$150 per year ¹ ii) \$150 per month, maximum of 2 consecutive months ¹ , plus one-tenth food premise registration per month B) Balance of Rotorua District \$200 per year ¹

¹ Plus food premise registration fee

Chief Executive: major issues for 2011/12

New Mobile Shops (Non Food) Fee

	2010/2011	2011/2012
Keeper of mobile and travelling shops (non food)	\$102.22	A) Fenton Street and Ngongotaha Road sites: i) \$1500 per year ii) \$150 per month, maximum of 2 consecutive months B) Balance of Rotorua District \$200 per year

Changes to draft Annual Plan

During deliberations on the draft Annual Plan, and following consideration of public submissions, the council made a number of changes to the draft plan. These included:

- Phase 2 of the Pressure on the Lakes Study. This is estimated to cost \$30,000 with council committing \$15,000. The remainder of the funding will need to come from other sources, including the Bay of Plenty Regional Council.
- Contributing to a CBD community safety programme in partnership with Police and retailers. This requires \$100,000 extra.
- Increasing RDC's grant to the local mountain bike club to provide \$20,000 for track maintenance.
- Not proceeding with the previously proposed \$1 spectator admission fee at the Aquatic Centre, therefore reducing revenue by \$50,000.
- Allocating an additional \$80,000 for improving public toilet services, to be funded through loans in line with standard practice for capital items. Therefore this will not impact on rates for 2011/12.
- Allocating an additional \$500,000 for insurances as a result of significant premium increases following the Canterbury earthquakes.
- Reducing the amount allocated for an Okareka fire appliance by \$30,000 as a result of updated information relating to the cost of the appliance.
- Harvesting storm damaged trees from the Tokorangi Triangle which is budgeted to provide an extra \$641,000 in revenue.
- Harvesting pine trees from council land at the district landfill to provide an additional \$125,000.
- Selling land no longer required on Apirana Road, originally purchased for developing a cemetery. This will provide a profit estimated to be \$100,000 in 2011/12.
- Not proceeding with sole catering for the Convention Centre, reducing revenue by \$185,000 for 2011/12.

Conclusion

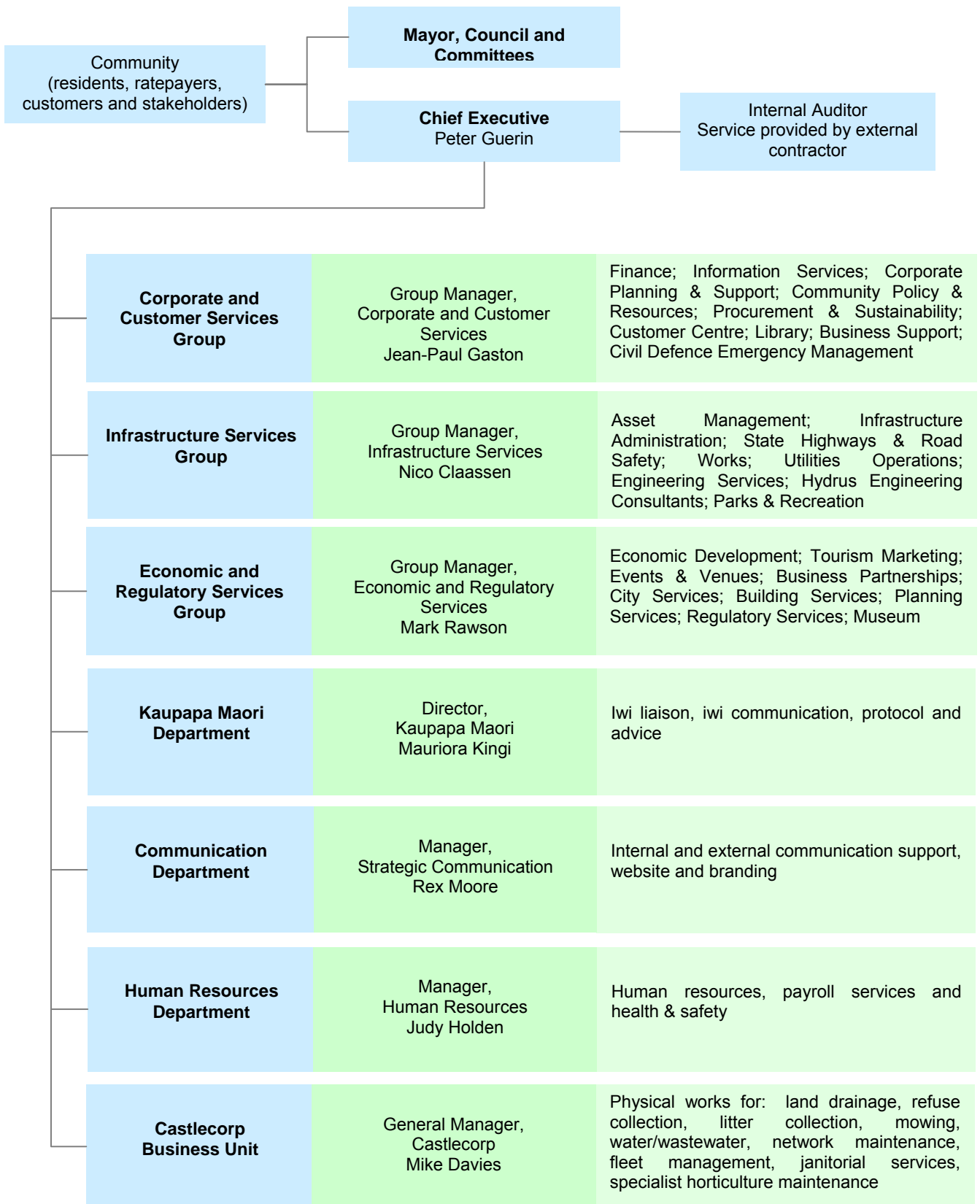
The changes made to the draft Annual Plan have involved a mix of additional expenditure and additional revenue. The effect is that we have been able to retain the originally proposed rates increase at 3.1%, a level that is below inflation.

Budgets for this Annual Plan are sustainable for the coming 12 month period but will put pressure on the council to exercise very careful budgetary controls throughout that period. It should be noted that many budget contingencies have been removed to keep budgets as low as possible. The relatively low 3.1% rate increase has been achieved with some difficulty given the expectation to maintain services at current levels.

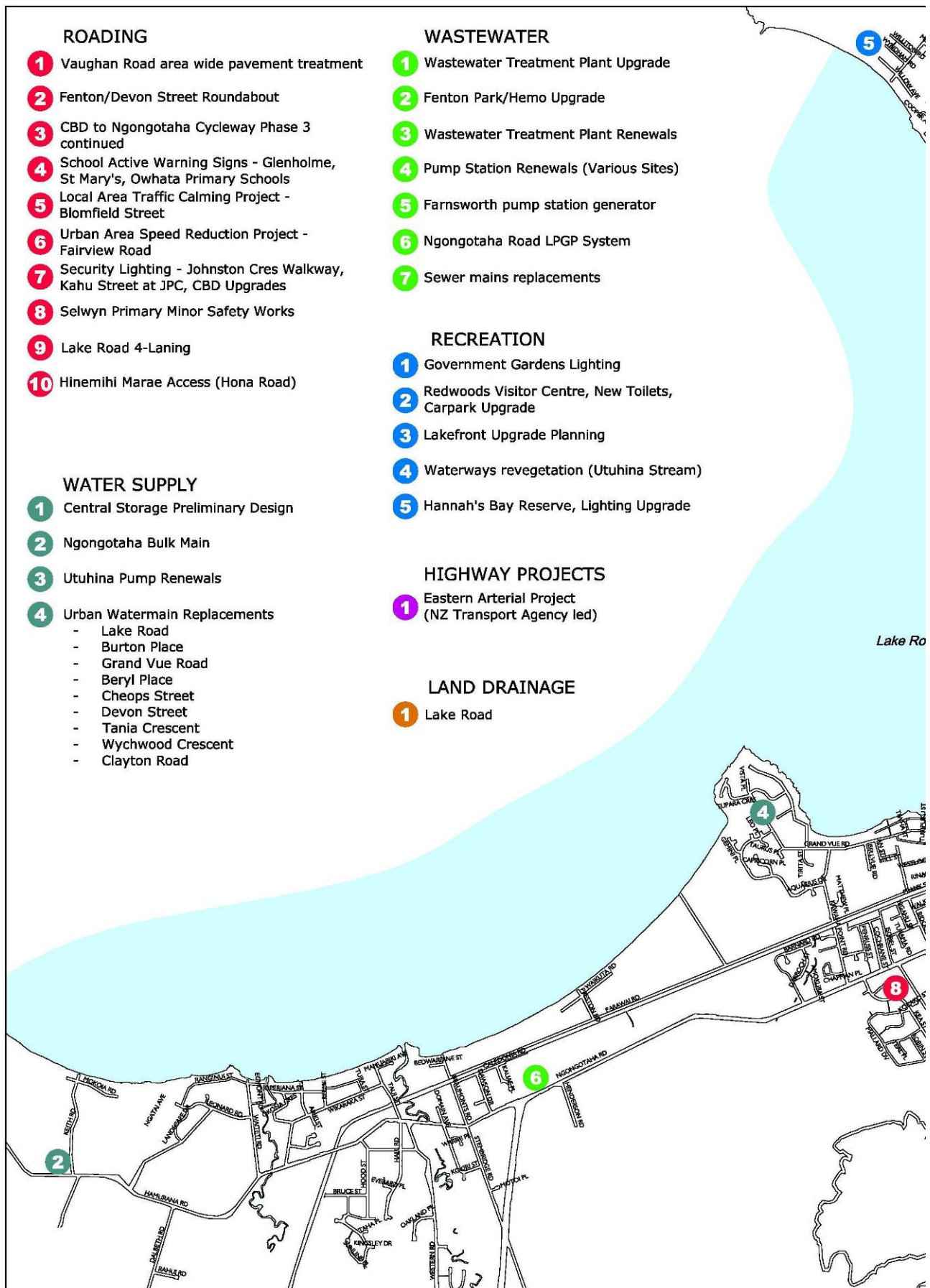
The Chief Executive has warned that low sub-inflation rates increases are not sustainable for the medium term. In the future there will be a need to change the way some of the business of the council is carried out. Some of these changes are expected to include:

- Introduction of the highly respected Lean Thinking continuous improvement programme throughout the organisation to improve levels of service and efficiencies
- Continued improvements in procurement processes to achieve efficiency gains
- Further exploration of shared services with other local authorities
- A comprehensive review of levels of service as part of Asset Management Plan reviews
- Investigating a range of different service delivery options

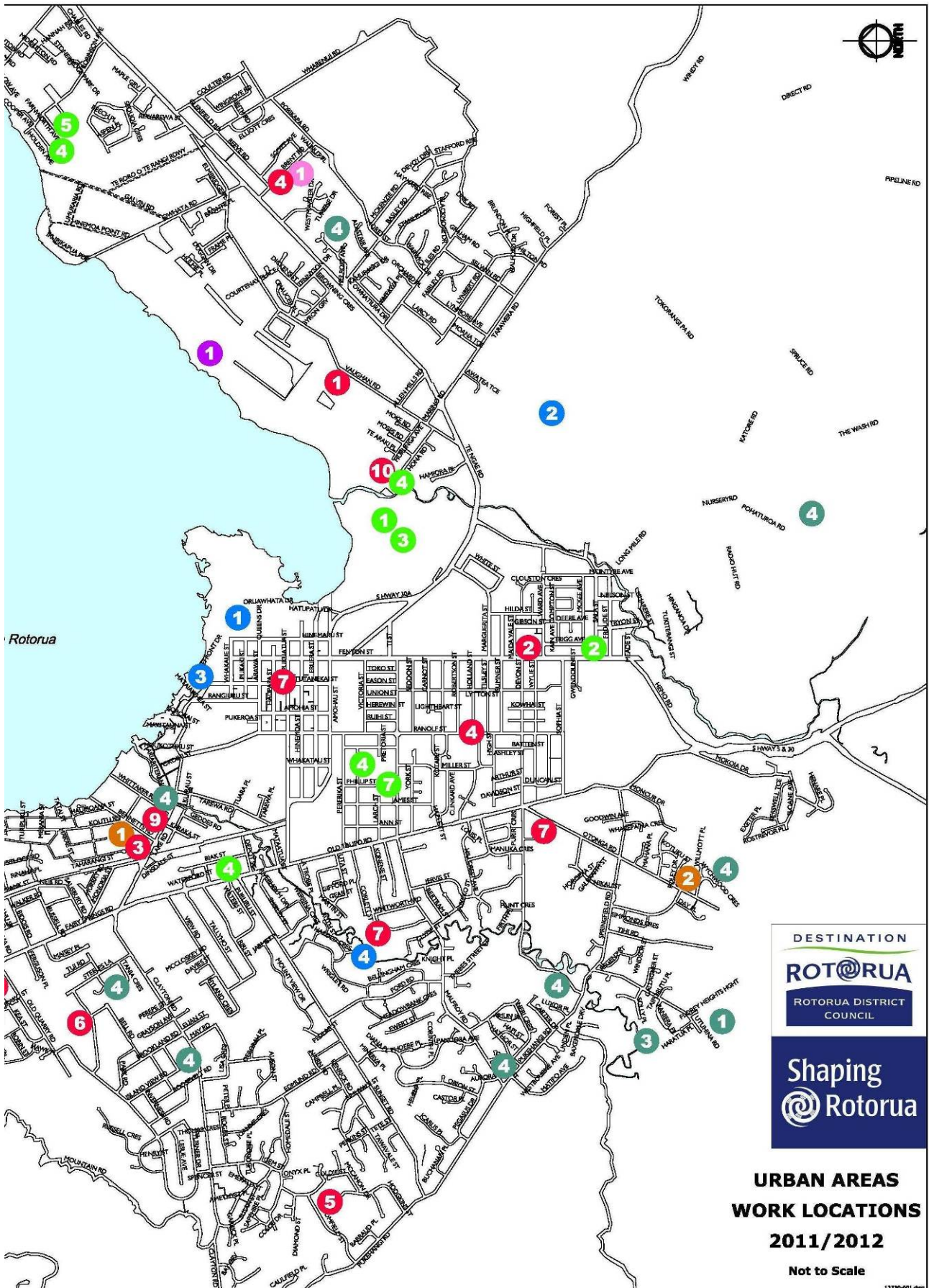
Senior management structure



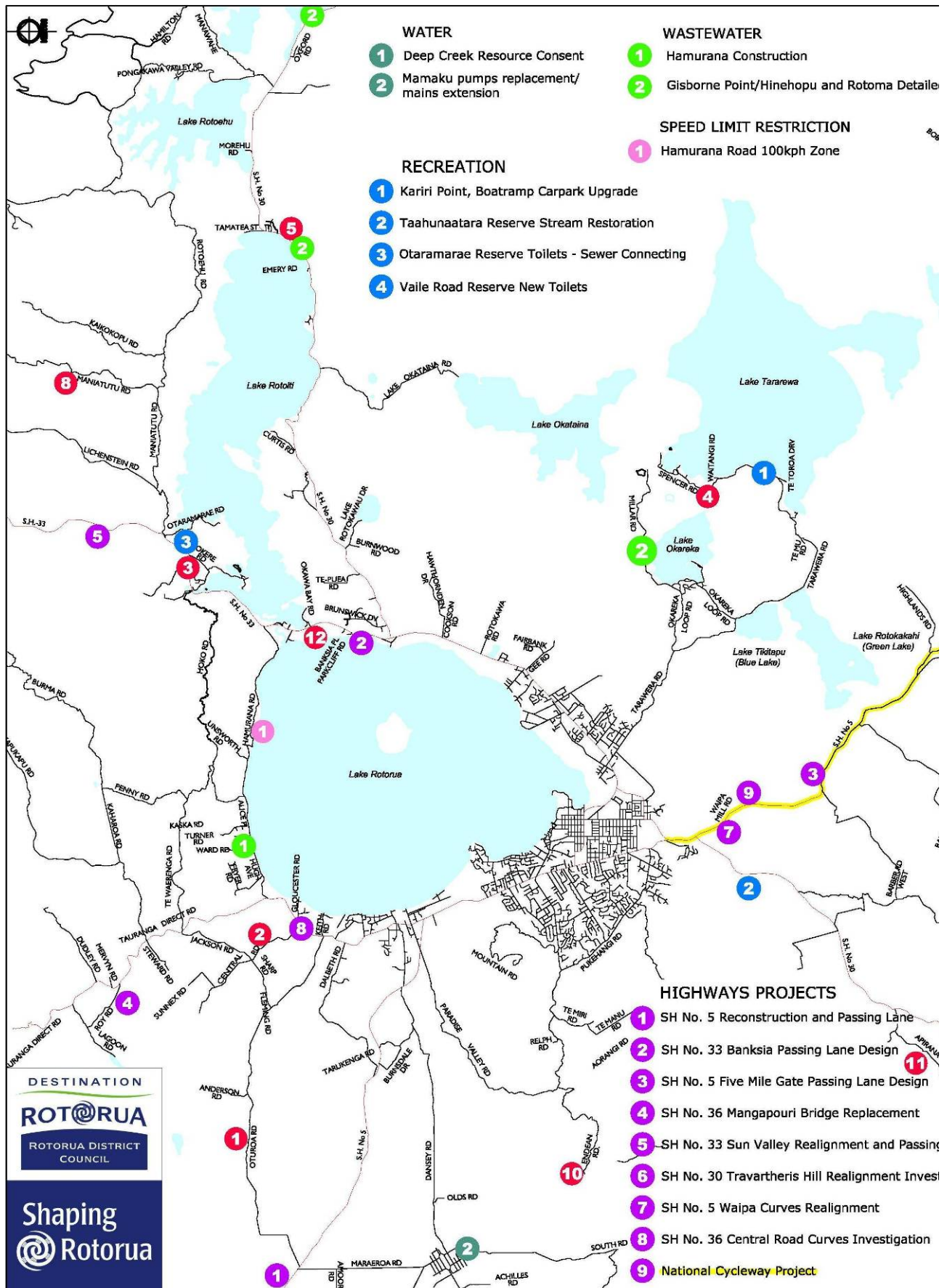
Capital works programme - urban



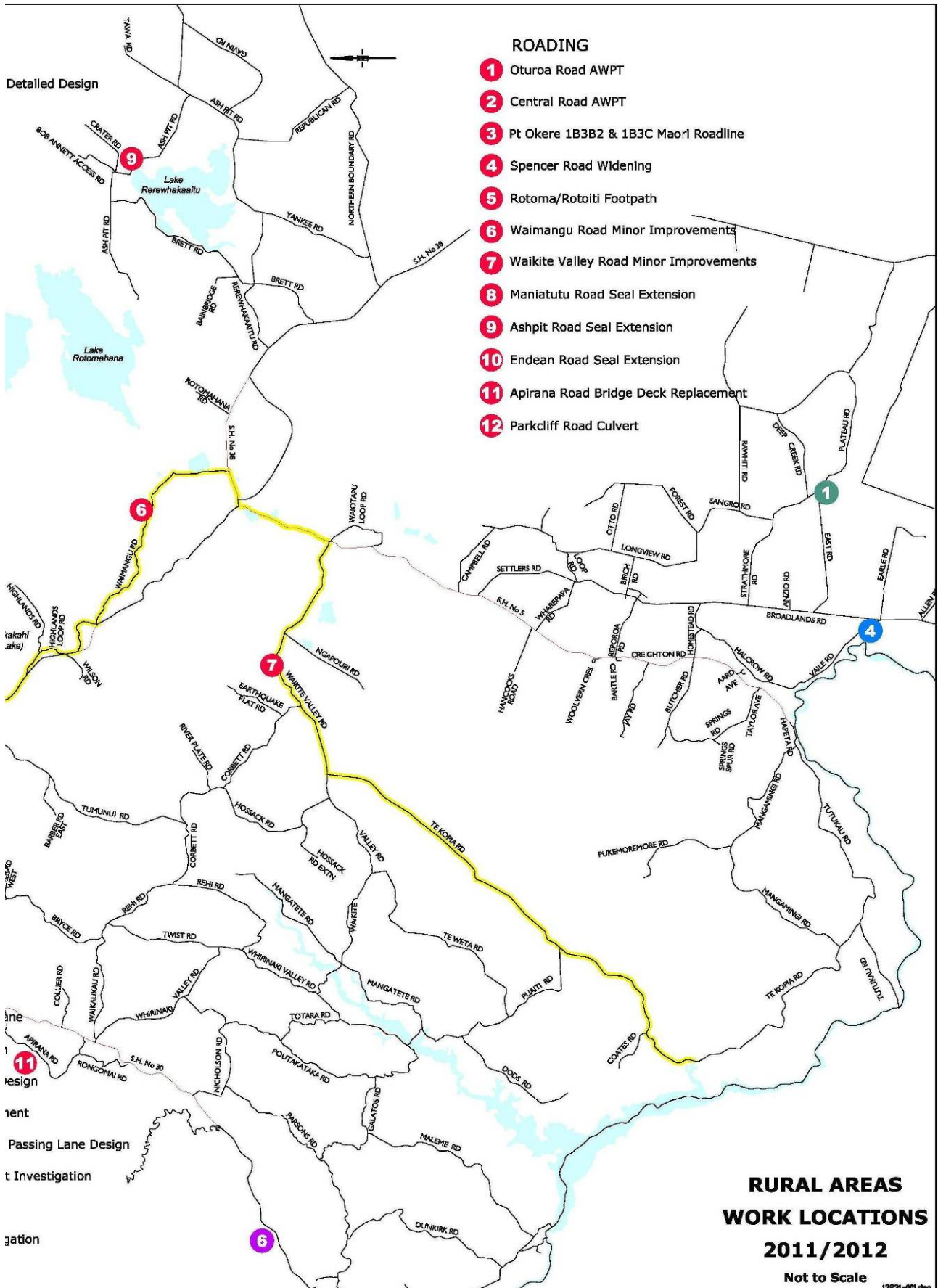
Capital works programme – urban cont.



Capital works programme - rural



Capital works programme – rural **cont.**



Detailed Design

Design

Investigation

Passing Lane Design

Investigation

Investigation

Guide to activity plans

Introduction

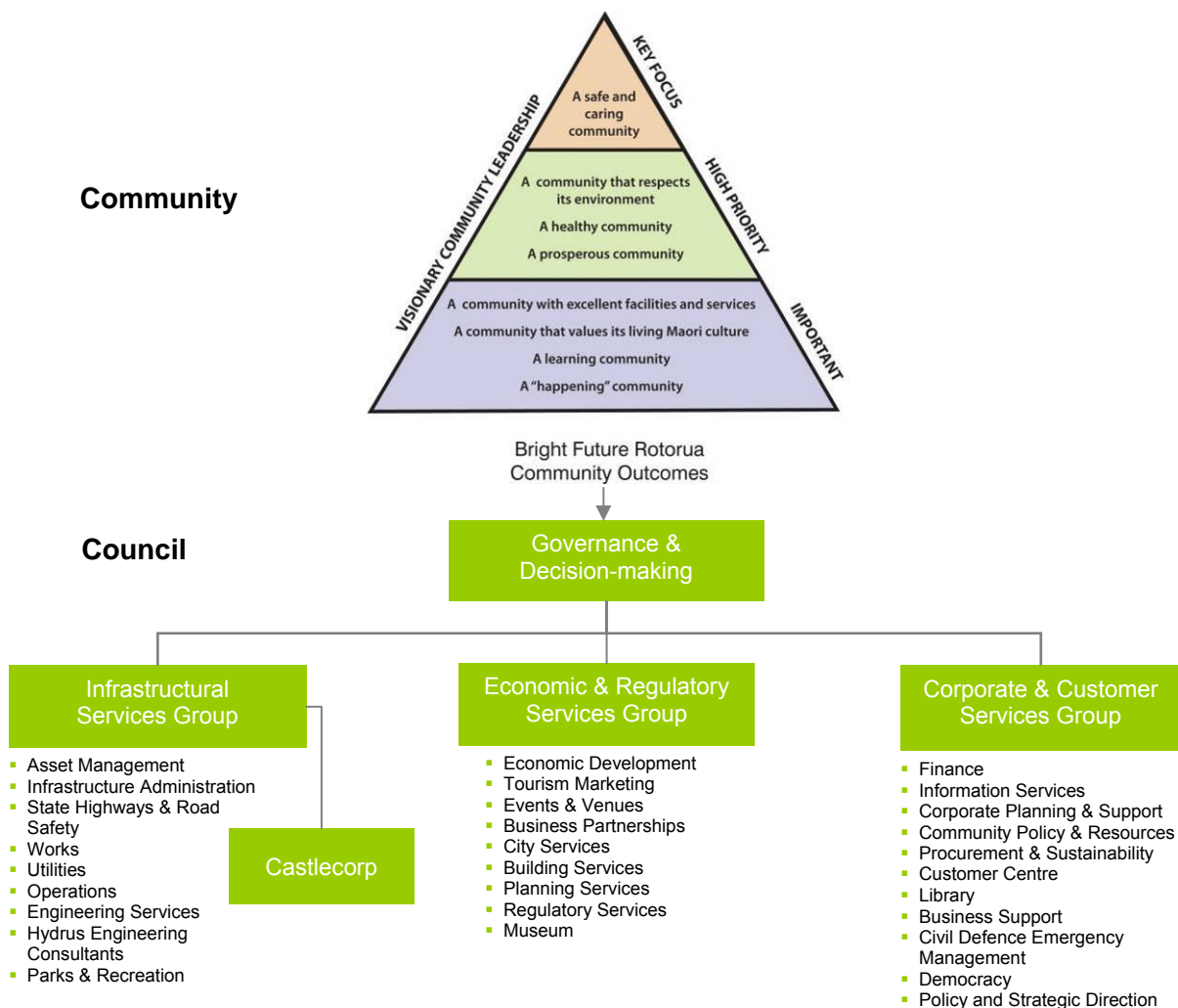
The activity plans section of the annual plan divides all of the activities and services undertaken by the council into groups that reflect their functional nature as well as well-being themes. In establishing the groups consideration was given to the description and nature of costs associated with each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

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

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

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.



Corporate & Customer Services Group

Overview of Group

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

- Community engagement and support:
 - Grants and community assistance
 - Pensioner housing
 - Community House
 - Halls
 - Community policy and resources
- Corporate support functions:
 - Corporate administration
 - Property management
 - Customer Centre
 - Financial services
 - Information management
 - Information technology
 - Geographic Information Systems (GIS)
 - Records
- Democracy
- District Library
- Emergency Management
- Governance and Strategic Direction:
 - Kaupapa Maori
 - Procurement and sustainability
 - Human Resources
 - Communication

The Corporate and Customer Services Group underpins council's democratic processes and provides policy and priorities for strategic direction, advocacy, and delivery of services to best meet the community's needs.

The activity is central to ensuring that Rotorua District Council's services are contributing towards the promotion of community outcomes and improving social, cultural, economic and environmental well-being for the people of the district. Some of the services provided are recognised as very important to the community and would not otherwise be provided to the level expected without council's contribution and involvement.

A number of support services are not detailed individually in the following section. The cost of these activities are included as part of the cost of service for all other council activities and services. This section details:

- Community engagement and support
- District library
- Emergency management
- Governance and strategic direction

Cost details of remaining support services are covered in the cost of service summary overleaf and capital expenditure on pages 160 to 162.

Council's role in promoting sustainable development and the well-being of the community is also of significant importance and underpins many of the proposals included in this plan.

Large budget variances explained

- Renewal budget of library books has been set at previous levels.
- \$250,000 included for Okareka fire tender. It is hoped to obtain a grant of approximately \$130,000 from the National Rural Fire Service.
- The increase in operating costs for Governance and Strategic Direction is a recognition and focus on procurement and sustainability. Relevant staff who work in this area have been pulled together as a team and now sit in the Corporate and Customer Services Group. This has not increased staff numbers.
- An amount of \$1.8 million of capital expenditure had been budgeted for the Grow Rotorua Fund under Governance and Strategic Direction. This has now been moved to Economic Development in the Economic and Regulatory Services Group.

Corporate & Customer Services Group **cont.**

Projected cost of service for year ended 30 June 2012

Corporate and Customer Services Group	Annual Plan 2010/11	Ten Year Plan 2011/12	Annual Plan 2011/12
	<i>\$ in thousands</i>		
OPERATING EXPENDITURE			
Community Engagement & Support	3,468	3,447	3,630
Governance & Strategic Direction	4,955	4,429	4,874
Public Library	4,098	3,816	4,133
Emergency Management	560	552	592
Total Operating Expenditure	13,081	12,244	13,229
Less Revenue for Operations			
Community Engagement & Support	914	916	895
Governance & Strategic Direction	956	885	1,061
Public Library	371	373	341
Emergency Management	6	6	6
Total Operating Revenue *	2,247	2,180	2,304
Net Cost of Service	10,834	10,064	10,925

* Excludes any capital revenue

Total Operating Expenditure funded by:			
General Rates	8,101	9,213	8,772
Fees & Charges	2,100	1,986	2,103
Investment Income	3	47	1
Subsidies & Grants	95	95	150
Targeted Rates	50	53	50
Self Funding/Reserve movements	(87)	(44)	55
Depreciation not funded	2,819	894	2,098
Total Operating Expenditure	13,081	12,244	13,229
	-	-	

CAPITAL EXPENDITURE			
Community Policy & Resources	158	18	18
Pensioner Housing	33	154	100
Emergency Management	-	37	152
Policy & Strategic Direction	1,800	-	
Customer Centre	-	46	
Finance	7	7	
Information Management	333	265	265
Information Technology	811	841	752
Land Information Services	239	111	100
Records	332	-	-
Property Management	623	1,163	1,090
Public Library	437	728	562
Total Capital Expenditure	4,772	3,371	3,040

Total Capital Expenditure funded by:			
Funding from Depreciation (Rates)	1,797	2,060	1,783
Loans from/(to) Corporate Fund	2,870	1,146	1,069
Capital Grants	72	11	89
Development Contributions	-	-	-
Reserves Net	33	154	100
Asset Sales	-	-	-
Total Capital Expenditure	4,772	3,371	3,040

Corporate & Customer Services Group **cont.**

Community engagement and support

Community outcomes

Community Outcome	How the Council contributes
Safe & Caring	<ul style="list-style-type: none"> ▪ By working with a range of organisations on agreed priorities, including Safe Community designation ▪ By working towards safe homes and streets, lowering crime rates, improving perceptions of safety amongst residents, curbing alcohol related violence in the district ▪ By providing safe public spaces through use of Crime Prevention Through Environmental Design (CPTED) principles ▪ By actively working to create supportive environments for those affected by child abuse and family violence in the district ▪ By supporting implementation of the Rotorua Safe Families Action Plan ▪ By contracting with local 'not-for-profit' organisations ▪ By implementing the RDC Crime Prevention Plan
Health	<ul style="list-style-type: none"> ▪ By working with a range of organisations to promote healthy eating – healthy action ▪ By implementing a range of activities and events which offer people the chance to be involved in activities which promote social and cultural wellbeing ▪ By working with young and older people, and families in the community, to support their needs and encourage contributions to the activities available ▪ By participating in projects which improve the health of those living in the district eg. Healthy Homes, Local Air Management Area (air quality)
Prosperity	<ul style="list-style-type: none"> ▪ By working with organisations who support young people involved in education, training and employment ▪ By facilitating capacity building amongst local artists and arts organisations
Facilities & Services	<ul style="list-style-type: none"> ▪ By contributing to the support of local not for profit organisations through accommodation and grants for services contracts ▪ By partnering with other agencies around priority projects e.g. Safe Families Campaign
Maori Culture	<ul style="list-style-type: none"> ▪ By use of Te Reo in a variety of areas: advertising of Community Assistance grant schemes; Maori language week activities; dual language signage at RDC venues; and in printed resources ▪ By maintaining relationships with local Maori communities/organisations ▪ By promoting events associated with Matariki each year
Learning	<ul style="list-style-type: none"> ▪ By supporting training for people working in voluntary roles eg. committee members ▪ By producing research/directory resources which are available to organisations and students within the district. ▪ By facilitation of professional development opportunities for people working in the community ▪ By ensuring access to information about sources of funding eg fund view databases
Happening	<ul style="list-style-type: none"> ▪ By working with groups and organisations in the community to hold a number of events and activities which support social and cultural wellbeing ▪ By facilitating and supporting projects which foster artistic expression, art, music, dancing, public performances and exhibitions

Corporate & Customer Services Group **cont.**

Community engagement and support **cont.**

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Directly and indirectly provide assistance to community groups to build their capacity and help them achieve their objectives.	Implement and maintain proposed safety initiatives.	Maintain WHO Safe Community designation. Maintain Safe Families and Crime Prevention Action Plans.	Maintain WHO Safe Community designation. Maintain Safe Families and Crime Prevention Action Plans.
	All rural and urban halls have a building warrant of fitness.	100%	100%
	Community grants rounds are completed each year.	4	4
	Grants for services contracts are in place with local not-for-profit groups and annual accountability reports are completed.	8	8
	% of tenancy level in Community House.	96%	98%
Management of pensioner housing tenancies so that the account is self funding.	Rental income covers 100% of operational costs.	No cost to ratepayer	No cost to ratepayer
	% of unit occupancy.	95%	95%
	% of tenants rate overall satisfaction with their units as good/very good in two-yearly satisfaction surveys.	85%	85%
Ensure quality information on the social and cultural composition and trends of the community are available and used in the direction setting of Rotorua district.	Update Good Health, Social Monitor and youth services information annually.	100%	100%

Corporate & Customer Services Group **cont.**

Community engagement and support **cont.**

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	541	613	560
Direct Costs	1,517	1,721	1,582
Financial Costs	24	76	67
Depreciation	839	439	845
Group Recovery Costs	92	208	8
Support Costs	486	469	569
Total Costs	3,499	3,526	3,631
Operating Income and Recoveries			
Internal Recoveries	(32)	(79)	-
Fees & Charges	(821)	(824)	(849)
Investment Income	(3)	(3)	(1)
Subsidies & Grants	(90)	(89)	(44)
Total Operating Income and Recoveries	(946)	(995)	(894)
Net Operating Costs	2,553	2,531	2,737
Net Cost of Service	2,553	2,531	2,737
Capital Costs			
Renewals	68	172	118
Level of Service	124	-	-
Total Capital	192	172	118
Operational Funding			
Net Cost of Service of General Rate Activities	2,553	2,531	2,737
Less Depreciation of General Rate Activities	(839)	(439)	(845)
Depreciation Funded by General Rates	34	18	18
Self Funding/DC Reserve Movements	87	42	4
Operations Funded by General Rates	1,835	2,152	1,914
Capital Funding			
Funding from Depreciation (Rates)	34	18	18
Loans from/(to) Corporate Fund	62	-	-
Capital Grants	62	-	-
Reserves Net	33	154	100
Total Capital	191	172	118

Capital Expenditure

Community House Asset Replacement – vinyl, floor coverings	Renewals	\$18,407
Pensioner Housing upgrade – Lucas Place	Renewals	\$100,000
Total		\$118,407

Corporate & Customer Services Group **cont.**

District Library

Community outcomes

Community Outcome	How the Council contributes
Prosperity	<ul style="list-style-type: none"> By providing improved opportunities A well educated workforce contributes to the economic performance of a community
Facilities & Services	<ul style="list-style-type: none"> By providing an excellent facility and resources to the community that would not otherwise be provided by private enterprise
Maori Culture	<ul style="list-style-type: none"> By fostering Maori cultural activities and expression By respecting Te Arawa as part of the unique heritage of Rotorua district
Learning	<ul style="list-style-type: none"> By providing learning activities accessible for everyone By providing excellent pre-school/infant facilities By providing whanau supported learning By encouraging literacy and lifelong learning, supporting formal and informal education
Happening	<ul style="list-style-type: none"> By providing leading edge activity events By fostering artistic expression, art, music, dancing, public performances and exhibitions By providing great facilities to visit

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Library readily accessible to residents and visitors and meets the needs of the community.	% of population are members of the library.	60%	60%
	% of households who have used the library in the last 12 months.	69%	75%
	Annual visits per capita.	5.5	5.5
	% of residents who are very/fairly satisfied with the level of service (as measured by community satisfaction survey).	86%	86%
Maintain a collection of local Maori and European print resources for reference and study.	% of published and unpublished print material reflecting Rotorua's heritage and culture purchased each year.	100%	100%
Maintain collections of fiction and non fiction for information, education and recreation.	Average annual items issued per capita	11	11
	Number of items purchased p.a. per capita.	0.28	0.28
Provide events that reflect the art and cultural interest of the community with a specific focus on literacy.	Number of children's programmes per year.	4 pa	4 pa
	Number of teens' programmes per year.	2 pa	3 pa
	Number of 'toddler time' sessions per week during term time.	2 per week	2 per week
	Number of guest authors per year.	6 pa	7 pa

Corporate & Customer Services Group **cont.**

District Library **cont.**

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	1,565	1,606	1,654
Direct Costs	635	615	679
Financial Costs	260	162	248
Depreciation	1,001	882	903
Group Recovery Costs	36	38	3
Support Costs	664	574	705
Total Costs	4,161	3,877	4,192
Operating Income and Recoveries			
Internal Recoveries	(62)	(60)	(59)
Fees & Charges	(371)	(373)	(341)
Total Operating Income and Recoveries	(433)	(433)	(400)
Net Operating Costs	3,728	3,444	3,792
Capital Revenue	(38)	(51)	(14)
Total Capital Revenue	(38)	(51)	(14)
Net Cost of Service	3,690	3,393	3,778
Capital Costs			
Renewals	395	664	509
Backlog	41	64	54
Total Capital	436	728	563

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operational Funding			
Net Cost of Service of General Rate Activities	3,690	3,393	3,778
Plus Capital Revenue	38	51	14
Less Depreciation of General Rate Activities	(1,001)	(882)	(903)
Depreciation Funded by General Rates	395	664	509
Operations Funded by General Rates	3,122	3,226	3,398
Capital Funding			
Funding from Depreciation (Rates)	395	664	509
Loans from/(to) Corporate Fund	41	64	54
Total Capital	436	728	563

Capital Expenditure

Library books	Backlog	\$57,732
	Renewals	\$483,587
Library asset replacement	Renewals	\$25,081
Total		\$562,400

Emergency Management

Community outcomes

Community Outcome	How the Council contributes
Safe & Caring	<ul style="list-style-type: none"> Civil Defence Emergency Management (CDEM) awareness is promoted throughout the community by talks/presentations to schools, community groups and organisations Effective liaison is maintained with local emergency service personnel, including joint search and rescue activities CDEM is a member of the RDC Community Safety Forum
Health	<ul style="list-style-type: none"> CDEM is a member of the Lakes DHB Key Stakeholders Forum CDEM input into the regional Pandemic Plan

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Reduction Reduce the long-term risk to human life or property arising from all hazards.	% of hazard maps reviewed, and changes to the hazardscape recorded and updated annually.	100%	100%

Corporate & Customer Services Group **cont.**

Emergency Management **cont.**

Measuring our achievements **cont.**

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Readiness Training and resources in place (plans, training exercises, standard operating procedures (SOPs) and equipment or access to them).	Number of locally run exercises each year (desk top and full mobilisation of local EOC).	1 desk top exercise 1 exercise involving the full mobilisation of local emergency operations centre	1 desk top exercise 1 exercise involving the full mobilisation of local emergency operations centre
Response Action immediately before, during or directly after an emergency that can save lives, minimise property damage, or improve recovery.	Availability of Emergency Management Controller or acting EMC.	100%	100%
	Current database of trained personnel.	100%	100%
Recovery Training and resources/contacts in place (plans, training exercises, SOPs) to recover.	% of plans/strategies are current and approved by Bay of Plenty CDEM Group.	100%	100%
Rural Fire Protection of people, property and the environment from the hazards of fire by prevention, suppression and control in rural areas.	Rural Fire forces trained and equipped.	100%	100%
	Database of current fire permits kept up to date.	100%	100%
	Fire plan updated and certified annually.	By 1 October each year	By 1 October each year

Activity Statement

<i>\$ in thousand</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	110	108	126
Direct Costs	181	196	194
Financial Costs	5	5	6
Depreciation	40	42	44
Group Recovery Costs	18	16	6
Support Costs	206	186	216
Total Costs	560	553	592
Operating Income and Recoveries			
Fees & Charges	(1)	(1)	-
Subsidies & Grants	(5)	(6)	(6)
Total Operating Income and Recoveries	(6)	(7)	(6)
Net Operating Costs	554	546	586
Capital Revenue	-	-	(60)
Total Capital Revenue	-	-	(60)
Net Cost of Service	554	546	526
Capital Costs			
Renewals	-	37	152
Total Capital	-	37	152

<i>\$ in thousand</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operational Funding			
Net Cost of Service of General Rate Activities	554	546	526
Less Depreciation of General Rate Activities	(40)	(42)	(44)
Depreciation Funded by General Rates	-	37	152
Operations Funded by General Rates	514	541	634
Capital Funding			
Funding from Depreciation (Rates)	-	37	74
Capital Grants	-	-	78
Total Capital	-	37	152

Capital Expenditure

Radio and office equipment	Renewals	\$1,552
Okareka Rural Fire Unit	Renewals	\$150,000
Total		\$151,552

Corporate & Customer Services Group **cont.**

Governance and Strategic Direction

Community outcomes

This activity covers a range of specific functions but is also the home of corporate governance and planning. It therefore contributes to all community outcomes by providing corporate leadership and direction for the organisation.

Community Outcome	How the Council contributes
Safe & Caring	<ul style="list-style-type: none"> By considering and incorporating safety aspects into services and facilities provided by council.
Environment	<ul style="list-style-type: none"> By helping to maintain the natural and physical environment through various activities. By sustainable leadership and community support.
Health	<ul style="list-style-type: none"> By providing facilities and services to standards and quality expected to ensure a healthy community.
Prosperity	<ul style="list-style-type: none"> By ensuring the community's views are heard before decisions are made.
Facilities & Services	<ul style="list-style-type: none"> By providing sound democratic and corporate governance. By leading the development of a vision for the district.
Maori Culture	<ul style="list-style-type: none"> By making decisions that respond to or plan for current and future community needs. By increasing the organisation's capacity to consult, inform and respond to concerns raised by Maori. By undertaking the role of caretaker for many of the district's resources, for today's and future generations.
Learning	<ul style="list-style-type: none"> By ensuring that council provides services and facilities that increase the learning and knowledge of its residents.
Happening	<ul style="list-style-type: none"> By undertaking a number of activities and initiatives to help make Rotorua the destination of choice for national and international visitors.

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Governance, Leadership and Decision making.	% of residents satisfied with Council's decisions and actions ¹ .	72%	73%
	% of residents rate level of council information to be sufficient ¹ .	62%	65%
	Triennial election held without successful appeal.	Triennial Elections held	N/A
	Review options for local government in Rotorua district.	Implementation of 2010 consultation results	N/A
Encourage the preservation and sustainable development of Maori resources.	Provide funding and assistance for the preparation of Mana Whenua plans.	1 Mana Whenua plan is produced for the year	1 Mana Whenua plan is produced for the year
Foster partnership between Council and Maori on matters of mutual interest.	Hold a workshop between Maori and Council to discuss matters of mutual interest.	1 workshop per year	1 workshop per year

¹ As measured by annual community satisfaction survey

Corporate & Customer Services Group **cont.**

Governance and Strategic Direction **cont.**

Activity Statement

<i>\$ in thousand</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	7,557	7,720	7,956
Direct Costs	5,093	4,854	4,807
Financial Costs	453	396	473
Depreciation	2,737	1,591	2,167
Group Recovery Costs	43	22	76
Support Costs	2,123	2,110	1,853
Total Costs	18,006	16,693	17,332
Operating Income and Recoveries			
Internal Recoveries	(13,052)	(12,265)	(12,458)
Fees & Charges	(899)	(782)	(905)
Investment Income	-	(44)	-
Subsidies & Grants	-	-	(100)
Targeted Rates (Operating)	(50)	(53)	(50)
Other Income	(6)	(6)	(6)
Total Operating Income and Recoveries	(14,007)	(13,150)	(13,519)
Net Operating Costs	3,999	3,543	3,813
Net Cost of Service	3,999	3,543	3,813
Capital Costs			
Renewals	1,368	1,341	1,182
Growth	1,810	11	11
Level of Service	967	1,082	1,015
Other Capital Expenditure	-	(2,334)	-
Total Capital	4,145	100	2,208
Operational Funding	-	-	-
Plus Capital Revenue	-	-	-
Less Depreciation of General Rate Activities	(2,737)	(1,591)	(2,167)
Depreciation Funded by General Rates	1,368	1,341	1,182
Operations Funded by General Rates	2,630	3,293	2,828
Capital Funding	-	-	-
Funding from Depreciation (Rates)	1,368	1,341	1,182
Capital Grants	10	11	11
Total Capital	4,145	2,434	2,208

Note: The Ten Year Plan figures vary to the 2009-19 Ten Year Plan due to overhead entities now being included on the appropriate lines instead of being netted off

Capital Expenditure

Property Management		
Furniture renewal	Renewals	\$15,000
Vaughan Rd Depot plant renewal	Renewals	\$11,601
Civic Building renewal	Renewals	\$63,278
Property acquisition – Victoria St	LOS	\$1,000,000
Information Technology		
Core hardware – new	Growth	\$10,609
Core hardware – replacement	Renewals	\$410,684
Core software – replacement	Renewals	\$76,385
Corporate IT equipment replacements	Renewals	\$254,616
Information Management		
Software development	Renewals	\$265,225
Land Information Services		
GPS gear, range finder, LDIR	LOS	\$15,000
Orthophotography	Renewals	\$85,171
Total		\$2,207,569

Economic & Regulatory Services Group

Overview of Group

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

- Animal Control
- Building Services
- City Services operations
- Economic Development
- Environmental Planning implementation
- Environmental Planning policy
- Events and Venues
- Inspection
- Parking enforcement
- Rotorua Museum of Art & History
- Tourism

Economic and Regulatory Services Group activities include the council's role in natural resources management and regulation. These activities help us to plan for the future and make sure that everyone gets a fair deal, often balancing competing rights of individuals and groups to do different things.

Some of the services provided are recognised as very important to the community and would not be provided to the level expected without council's contribution and involvement.

The government has signalled its intent to make changes to the Resource Management Act (RMA).

These changes may affect how council manages the resource consent process and the review of the District Plan.

Also included in this group are tourism, museum, events & venues, and economic development.

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

Council is putting greater emphasis on growing Rotorua's economy and encouraging more visitors to the area.

Large budget variances explained

- Animal control has an increase in staffing with budget included for a poundkeeper.
- \$1 million has been included in the economic development budgets to fund a joint venture trans-Tasman marketing initiative with Air New Zealand.
- Rotorua Museum of Art & History renovations are nearing completion. When the museum officially opens in August, entry fees for non-residents are set to increase. Offsetting increased revenue is increased staffing requirements with 3.7 additional fulltime equivalent positions being recruited.
- External grants and subsidies have been reduced for Destination Rotorua Tourism Marketing from \$900,000 in 2010/11 to \$600,000 for 2011/12. Council does not expect to receive as much funding from Tourism NZ for joint Australian marketing.

Economic & Regulatory Services Group **cont.**

Projected cost of service for year ended 30 June 2012

Economic and Regulatory Group	Annual Plan 2010/11	Ten Year Plan 2011/12	Annual Plan 2011/12
	<i>\$ in thousands</i>		
OPERATING EXPENDITURE			
Animal Control	910	917	1,040
Building Control	2,215	2,310	2,109
C B D Service Operations	3,176	3,082	3,074
Destination Rotorua Economic Development	1,263	1,645	2,144
Planning Implementation	2,207	2,286	1,785
Planning Policy	1,659	1,377	1,584
Events & Venues	6,620	7,167	6,654
Inspection	1,480	1,519	1,094
Parking Enforcement	956	997	1,033
Rotorua Museum of Art And History	3,152	4,130	3,953
Tourism	6,113	4,708	5,700
Total Operating Expenditure	29,751	30,138	30,170
Less Revenue for Operations			
Animal Control	580	597	633
Building Control	1,930	1,972	1,891
C B D Service Operations	1,545	1,591	1,545
Destination Rotorua Economic Development	1,051	1,528	1,997
Planning Implementation	235	350	344
Planning Policy	11	11	11
Events & Venues	3,605	3,557	3,869
Inspection	397	408	403
Parking Enforcement	1,731	1,576	1,802
Rotorua Museum of Art And History	1,183	1,362	1,526
Tourism	5,412	4,321	5,058
Total Operating Revenue *	17,680	17,273	19,076
Net Cost of Service	12,071	12,865	11,093
<i>* Excludes any capital revenue</i>			
Total Operating Expenditure funded by:			
General Rates	9,989	9,705	8,785
Fees & Charges	11,780	12,062	12,882
Investment Income	60	60	60
Subsidies & Grants	1,165	277	777
Targeted Rates	4,673	4,876	5,358
Self Funding/Reserve movements	-	337	-
Depreciation not funded	2,084	2,821	2,308
Total Operating Expenditure	29,751	30,138	30,170
CAPITAL EXPENDITURE			
C B D Service Operations	82	89	116
Destination Rotorua Economic Development			1,800
Convention Centre	1,939	107	328
Energy Events Centre	35	161	141
Events & Community Programmes	9	-	-
International Stadium	22	178	34
Te Runanga Tea House	-	9	-
Rotorua Museum of Art And History	10,104	150	1,510
Inspection	-	30	-
Parking Enforcement	72	-	-
Tourism	40	-	49
Total Capital Expenditure	12,304	724	3,978
Total Capital Expenditure funded by:			
Funding from Depreciation (Rates)	752	716	729
Loans from/(to) Corporate Fund	4,830	8	2,203
Capital Grants	6,722	-	1,046
Development Contributions	-	-	-
Reserves Net	-	-	-
Asset Sales	-	-	-
Total Capital Expenditure	12,304	724	3,978

Economic & Regulatory Services Group **cont.**

Animal Control

Community outcomes

Community Outcome	How the Council contributes
Safe & Caring	<ul style="list-style-type: none"> By providing safe public places free from uncontrolled dogs and wandering stock.
Environment	<ul style="list-style-type: none"> By facilitating the use and enjoyment of the natural environment without threat of uncontrolled dogs.

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Provide a dog registration service.	% of known dogs registered by 30 June (measured by monitoring and auditing of registration data).	> 97.5%	> 97.5%
Ensure dog complaints are actioned.	% of complaints responded to within 1½ working days (measured by monitoring and auditing of complaints register).	100%	100%
Ensure stock complaints are actioned.	% of complaints about wandering stock responded to immediately (measured by monitoring and auditing of complaints register).	100%	100%

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	456	450	502
Direct Costs	221	244	199
Financial Costs	1	2	1
Depreciation	6	3	4
Group Recovery Costs	44	45	143
Support Costs	183	173	191
Total Costs	911	917	1,040
Operating Income and Recoveries			
Fees & Charges	(580)	(597)	(633)
Total Operating Income and Recoveries	(580)	(597)	(633)
Net Operating Costs	331	320	407
Net Cost of Service	331	320	407
Operational Funding			
Net Cost of Service of General Rate Activities	331	320	407
Less Depreciation of General Rate Activities	(6)	(3)	(4)
Operations Funded by General Rates	325	317	403

Capital Expenditure

There is no capital expenditure planned for this activity.

Economic & Regulatory Services Group **cont.**

Building Services

Community outcomes

Community Outcome	How the Council contributes
Safe & Caring	<ul style="list-style-type: none"> By ensuring buildings are safely constructed and maintained.
Environment	<ul style="list-style-type: none"> By ensuring heritage buildings are given due consideration during alterations.
Health	<ul style="list-style-type: none"> By ensuring dangerous and insanitary buildings are dealt with to mitigate or remove the danger or insanitary condition.
Prosperity	<ul style="list-style-type: none"> By ensuring consents are processed in a timely manner. By ensuring inspections are available within a reasonable timeframe.
Learning	<ul style="list-style-type: none"> By ensuring council provides information to the community on various acts and regulations.

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Buildings are constructed and maintained so people can use them safely.	% of PIMs, building consents processed within 19 working days.	96%	96%
	% of inspections undertaken within 72 hours.	100%	100%
	Accredited system under the Building Act 2004 is maintained after bi-annual audits.	100%	100%
	% of buildings with Building Warrants of Fitness audited annually.	> 25%	> 25%
	% of complaints investigated within 72 hours.	100%	100%

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	1,050	1,154	1,082
Direct Costs	278	273	209
Financial Costs	1	1	1
Depreciation	9	-	7
Group Recovery Costs	277	281	124
Support Costs	632	631	687
Total Costs	2,247	2,340	2,110
Operating Income and Recoveries			
Internal Recoveries	(32)	(32)	-
Fees & Charges	(1,930)	(1,972)	(1,891)
Total Operating Income and Recoveries	(1,962)	(2,004)	(1,891)
Net Operating Costs	285	336	219
Net Cost of Service	285	336	219

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operational Funding			
Net Cost of Service of General Rate Activities	285	336	219
Less Depreciation of General Rate Activities	(9)	-	(7)
Operations Funded by General Rates	276	336	212

Capital Expenditure

There is no capital expenditure planned for this activity.

Economic & Regulatory Services Group **cont.**

City Services operations

Community outcomes

Community Outcome	How the Council contributes
Safe & Caring	<ul style="list-style-type: none"> By providing safe public places, buildings, and streets. By providing and managing a crime prevention camera network. By ensuring a very high standard of cleaning and maintenance in the areas administered.
Environment	<ul style="list-style-type: none"> By removing tagging by 7.30 am daily. By maintaining public conveniences to a very high standard of upkeep and cleanliness. By ensuring the central city area is always clean and tidy.
Facilities & Services	<ul style="list-style-type: none"> By ensuring ease of getting from place to place. By providing a good quality infrastructure for now and the future.
Happening	<ul style="list-style-type: none"> By providing well managed and organised events. By ensuring activity in the City Focus and central business district is encouraged, adds flavour, and enhances Rotorua's character and reputation.

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Provide a high standard of CBD cleaning and maintenance.	% of residents that are satisfied with appearance and cleanliness of CBD (as measured by periodic survey).	70%	95%
Car parking availability in CBD is managed to the satisfaction of users.	% satisfied with parking in the CBD (as measured by periodic survey).	60%	70%
Provision of public toilets in the CBD that meets the expectation of users.	% satisfied with public toilets (as measured by periodic survey).	55%	60%
Facilitating events at the city centre which contribute to the vibrancy of the city.	Number of events held in the city centre annually.	> 300 events	> 350 events .

Economic & Regulatory Services Group **cont.**

City Services operations **cont.**

Activity Statement

	Annual Plan \$ in thousands 2010/2011	Ten Year Annual Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	344	362	324
Direct Costs	2,156	2,092	2,150
Financial Costs	68	71	66
Depreciation	285	268	268
Group Recovery Costs	4	2	29
Support Costs	326	296	244
Total Costs	3,183	3,091	3,081
Operating Income and Recoveries			
Internal Recoveries	(7)	(7)	(7)
Fees & Charges	(1,545)	(1,591)	(1,545)
Total Operating Income and Recoveries	(1,552)	(1,598)	(1,552)
Net Operating Costs	1,631	1,493	1,529
Net Cost of Service	1,631	1,493	1,529
Capital Costs			
Renewals	82	89	116
Total Capital	82	89	116

	Annual Plan \$ in thousands 2010/2011	Ten Year Annual Plan 2011/2012	Annual Plan 2011/2012
Operational Funding			
Net Cost of Service of General Rate Activities	1,631	1,493	1,529
Less Depreciation of General Rate Activities	(285)	(268)	(268)
Depreciation Funded by General Rates	82	89	116
Operations Funded by General Rates	1,428	1,314	1,377
Capital Funding			
Funding from Depreciation (Rates)	82	89	116
Total Capital	82	89	116

Capital Expenditure

City Focus capital purchases	Renewals	\$3,819
Parking meter acquisition	Renewals	\$31,827
Security CCTV cameras	Renewals	\$80,622
Total		\$115,638

Economic Development

Community outcomes

Community Outcome	How the Council contributes
Safe & Caring	<ul style="list-style-type: none"> By working with Police and assisting with a retail crime prevention strategy for retailers, and developing CBD potential.
Environment	<ul style="list-style-type: none"> By close involvement with the Sustainable Business Network in promoting sustainable business practices.
Health	<ul style="list-style-type: none"> By working closely with the Lakes District Health Board to attract medical staff to our region by supplying marketing collateral and other promotional aids. Assisting to promote sport and recreation to the community. Assisting agencies and council in development of programmes/collateral to encourage healthy activities and community well-being.
Prosperity	<ul style="list-style-type: none"> By working closely with the business community to assist in attracting government funding. By working with local government agencies, employers and community groups to assist migrants with matching employment skill base requests. By assisting with the supply of relevant and accurate information. By developing the Film Volcanic initiative.

Economic & Regulatory Services Group **cont.**

Economic Development **cont.**

Community outcomes **cont.**

Community Outcome	How the Council contributes
Facilities & Services	<ul style="list-style-type: none"> By providing settlement support for new migrants.
Maori Culture	<ul style="list-style-type: none"> By promoting the use of Maori language in our daily activities by actively supporting the 'Kia Ora' campaign. By working closely with Maori on the CBD project. By promotion of cultural values to new migrants via workshops and guides.
Learning	<ul style="list-style-type: none"> By supporting the Employment Skills Project as well as Enterprise Training and Business Mentors programmes.
Happening	<ul style="list-style-type: none"> By taking a lead role with the Shop Rotorua contract and CBD revitalisation. By encouraging migrant community participation.

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Market Rotorua nationally and internationally as a great place to live, work, learn, invest and do business.	Number of website visits per month	Maintain at 20,000	Maintain at 20,000
	% of business and relocation enquiries responded to within 3 working days	> 95%	> 95%
	Number of new Rotorua specific business enquiries; and film and commercial enquiries generated pa	100	100
		30	30
	Amount of government and private sector funding attracted to assist in implementing the economic development strategy	\$50,000	\$50,000
	Number of businesses involved in the Rotorua Employment Skills Programme	250	250
Number of students involved in the YES (Young Enterprise Scheme)	50	50	

Economic & Regulatory Services Group **cont.**

Economic Development **cont.**

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	345	355	254
Direct Costs	564	589	1,665
Financial Costs	127	490	2
Depreciation	17	9	19
Group Recovery Costs	48	55	70
Support Costs	162	148	135
Total Costs	1,263	1,646	2,145
Operating Income and Recoveries			
Fees & Charges	(6)	(6)	(306)
Subsidies & Grants	(265)	(277)	(177)
Targeted Rates (Operating)	(780)	(1,246)	(1,514)
Total Operating Income and Recoveries	(1,051)	(1,529)	(1,997)
Net Operating Costs	212	117	148
Capital Revenue	(11)	(20)	(11)
Total Capital Revenue	(11)	(20)	(11)
Net Cost of Service	201	97	137

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Capital Costs			
Growth	-	-	1,800
Total Capital	-	-	1,800
Operational Funding			
Net Cost of Service of General Rate Activities	201	97	137
Plus Capital Revenue	11	20	11
Less Depreciation of General Rate Activities	(17)	(9)	(19)
Operations Funded by General Rates	195	108	129
Capital Funding			
Loans from/(to) Corporate Fund	-	-	1,800
Total Capital	-	-	1,800
Capital Expenditure			
Grow Rotorua Development Fund	Growth		\$1,800,000
Total			\$1,800,000

Environmental Planning implementation

Community outcomes

Community Outcome	How the Council contributes
Safe & Caring	<ul style="list-style-type: none"> By the assessment of applications against planning framework that recognises the need to provide for safe homes, streets, and safe public spaces.
Environment	<ul style="list-style-type: none"> By the implementation of planning management controls to assist in improving the natural and physical environment, and in achieving environmental respect.
Health	<ul style="list-style-type: none"> By the implementation of an environmental planning framework that recognises of the need to provide for a healthy community, and to reflect this in policy decisions.
Prosperity	<ul style="list-style-type: none"> By the implementation of a planning framework that supports the local economy, recognises and provides for quality development, and celebrates and promotes the district's uniqueness.
Facilities & Services	<ul style="list-style-type: none"> By providing a well planned district with supporting infrastructure, facilities, and services that contribute to residents' and visitors' enjoyment of the district.
Maori Culture	<ul style="list-style-type: none"> By implementation of an environmental planning framework that accounts for Iwi aspirations, recognises the spiritual and cultural connection of Maori, and recognises and provides for this in consent decisions.
Learning	<ul style="list-style-type: none"> By the assessment of applications in a manner that supports increasing knowledge and awareness.
Happening	<ul style="list-style-type: none"> By providing an environmental planning framework that supports the hosting of activities and events, and that assists creativity in the environment.

Economic & Regulatory Services Group **cont.**

Environmental Planning implementation **cont.**

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Timely and consistent processing of resource consent applications.	% of land use consents processed within statutory timeframes.	> 92%	> 98%
	% of subdivision consents processed within statutory timeframes.	> 92%	> 98%
	% of 223/224 applications processed within statutory timeframes.	100%	100%
	% of other applications processed within statutory timeframes.	> 90%	> 90%
Appropriate community input sought for application with wide ranging environmental effects.	Monthly hearings matrix maintained and regular reporting to Planning and Bylaws committee.	100%	100%
High degree of probity in resource consent decision making.	Six monthly report of Hearing Commissioner appointments.	100%	100%
Monitoring of compliance with consent conditions for all consents granted.	Six monthly report to Planning and Bylaws Committee on compliance monitoring.	100%	100%
Prompt responses to complaints about planning and environmental issues.	All complaints responded to within 24 hours of receipt.	100%	100%
Facilitate Tangata Whenua input into decision making processes.	Maintenance of Iwi Consultative Committee Register.	100%	100%

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	780	820	661
Direct Costs	320	324	275
Financial Costs	-	1	-
Depreciation	7	1	3
Group Recovery Costs	630	696	482
Support Costs	470	455	369
Total Costs	2,207	2,297	1,790
Operating Income and Recoveries			
Internal Recoveries	-	(10)	(5)
Fees & Charges	(235)	(350)	(344)
Total Operating Income and Recoveries	(235)	(360)	(349)
Net Operating Costs	1,972	1,937	1,441
Net Cost of Service	1,972	1,937	1,441

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operational Funding			
Net Cost of Service of General Rate Activities	1,972	1,937	1,441
Less Depreciation of General Rate Activities	(7)	(1)	(3)
Operations Funded by General Rates	1,965	1,936	1,438

Capital Expenditure

There is no capital expenditure planned for this activity.

Economic & Regulatory Services Group **cont.**

Environmental Planning policy

Community outcomes

Community Outcome	How the Council contributes
Safe & Caring	<ul style="list-style-type: none"> By providing an environmental planning framework that recognises the need to provide for safe homes, streets, and safe public spaces.
Environment	<ul style="list-style-type: none"> By providing a primary land use planning tool that assists in achieving environmental respect, and providing planning management controls to assist in improving natural and physical environment.
Health	<ul style="list-style-type: none"> By providing an environmental planning framework that recognises the need to provide for a healthy community, and to reflect this in policy decisions.
Prosperity	<ul style="list-style-type: none"> By providing an environmental planning framework that is inclusive for Iwi aspirations, recognises the spiritual and cultural connection of Maori, and recognises and provides for this in policy decisions.
Facilities & Services	<ul style="list-style-type: none"> By providing an environmental planning framework that supports the local economy, recognises and provides for quality development, and celebrates and promotes the district's uniqueness.
Maori Culture	<ul style="list-style-type: none"> By providing a well planned district with supporting infrastructure, facilities, and services that contribute to residents' and visitors' enjoyment of the district.
Learning	<ul style="list-style-type: none"> By providing useful and relevant research about the district that is easily accessed by the community.
Happening	<ul style="list-style-type: none"> By providing an environmental planning framework that supports the hosting of activities and events, and that assists creativity in the environment.

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Operative Rotorua district plan maintained and kept current.	Web based district plan kept current.	100%	100%
Status of district plan reported to Planning and Bylaws Committee.	Update report to Planning and Bylaws committee at each meeting.	100%	100%
Comprehensive review of operative district plan.	Notification of district plan review in 2009.	Submissions process completed December 2010	Environment Court appeals resolved no later than December 2012
Council initiated plan changes undertaken in response to topical issues, and processed to statutory requirements.	Plan changes reported to Planning and Bylaws committee and progressed within statutory time.	100%	100%
Advocating on behalf of the community on regional and national environmental policy matters.	Private plan changes reported to Planning and Bylaws committee and progressed within statutory time.	100%	100%
Monitor the state of the district's environment.	State of the Environment monitoring undertaken yearly.	100%	100%

Economic & Regulatory Services Group **cont.**

Environmental Planning policy **cont.**

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	584	551	739
Direct Costs	708	439	529
Financial Costs	-	1	-
Depreciation	5	-	2
Group Recovery Costs	124	160	70
Support Costs	239	228	244
Total Costs	1,660	1,379	1,584
Operating Income and Recoveries			
Fees & Charges	(11)	(11)	(11)
Total Operating Income and Recoveries	(11)	(11)	(11)
Net Operating Costs	1,649	1,368	1,573
Net Cost of Service	1,649	1,368	1,573

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operational Funding			
Net Cost of Service of General Rate Activities	1,649	1,368	1,573
Less Depreciation of General Rate Activities	(5)	-	(2)
Operations Funded by General Rates	1,644	1,368	1,571

Capital Expenditure

There is no capital expenditure planned for this activity.

Events and Venues

Community outcomes

Community Outcome	How the Council contributes
Health	<ul style="list-style-type: none"> By providing recreational opportunities for the community at sporting events and venues. By contributing to improved health status for residents using sporting venues. By providing effective responses to developing health issues, and developing partnerships to promote healthy living.
Prosperity	<ul style="list-style-type: none"> By high utilisation of the various RDC venues and the attraction of major events to Rotorua which encourages growth and promotes employment opportunities.
Facilities & Services	<ul style="list-style-type: none"> By providing Rotorua with a range of venues of national and international standard. By providing a range of venues for both major events and community use.
Happening	<ul style="list-style-type: none"> By attracting/hosting events including sporting, cultural festivals, arts, leading edge activity events, celebrating and nurturing traditional Maori culture and fostering artistic expression in art, music, dancing, public performance and exhibitions.

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Excellent well maintained and well used venues.	Number of Rotorua residents who use an Events and Venues facility during the year.	80%	80%
	% of users satisfied with the level of service.	80%	85%
	% of repeat bookings from commercial clients within a three year period.	50%	50%

Economic & Regulatory Services Group **cont.**

Events and Venues **cont.**

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Encourage and promote a wide range of events and conferences with high levels of participation that add to the appeal of Rotorua for its citizens and visitors.	% of hirers are from community groups.	40%	40%
	% increase due to growth in relation to participation levels.	3%	3%
	Number of conferences each year.	> 25	> 34
	Number of delegates attending each year.	> 11,000	> 11,000

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	1,481	1,429	1,523
Direct Costs	2,085	2,477	2,449
Financial Costs	474	614	486
Depreciation	1,946	2,014	1,669
Group Recovery Costs	2,188	1,677	2,136
Support Costs	554	521	465
Total Costs	8,728	8,732	8,728
Operating Income and Recoveries			
Internal Recoveries	(2,109)	(1,565)	(2,073)
Fees & Charges	(2,117)	(1,924)	(2,220)
Targeted Rates (Operating)	(1,489)	(1,633)	(1,619)
Other Income	-	-	(30)
Total Operating Income and Recoveries	(5,715)	(5,122)	(5,942)
Net Operating Costs	3,013	3,610	2,786
Capital Revenue	(1,105)	(604)	(1,025)
Total Capital Revenue	(1,105)	(604)	(1,025)
Net Cost of Service	1,908	3,006	1,761

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Capital Costs			
Renewals	420	456	503
Growth	3	-	-
Backlog	9	-	-
Level of Service	1,574	-	-
Total Capital	2,006	456	503

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operational Funding			
Net Cost of Service of General Rate Activities	1,908	3,006	1,761
Plus Capital Revenue	770	220	785
Less Depreciation of General Rate Activities	(1,946)	(2,014)	(1,669)
Depreciation Funded by General Rates	420	456	503
Self Funding/DC Reserve Movements	335	47	240
Operations Funded by General Rates	1,487	1,715	1,620
Capital Funding			
Funding from Depreciation (Rates)	420	456	503
Loans from/(to) Corporate Fund	1,068	-	-
Capital Grants	517	-	-
Total Capital	2,005	456	503

Capital Expenditure

Convention Centre asset replacement – audio visual, curtain, office equipment, furniture, kitchen bar and shelving	Renewals	\$328,412
Energy Events Centre asset replacement – lobby door running gear, floor grilles, security alarm, Sportsdrome sound equipment, floor covering and roof	Renewals	\$141,047
International Stadium asset replacement	Renewals	\$33,524
Total		\$502,983

Economic & Regulatory Services Group **cont.**

Inspection

Community outcomes

Community Outcome	How the Council contributes
Safe & Caring	<ul style="list-style-type: none"> By ensuring safe public places. By minimising risks from nuisances and offensive behaviour.
Environment	<ul style="list-style-type: none"> By protecting and preserving the environment.
Health	<ul style="list-style-type: none"> By protecting and preserving public health. By providing effective responses to developing health issues.

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Environmental Health – Promotion and conservation of public health by inspection and registration of food premises, hairdressers and camping grounds, investigation/resolution of noise and health nuisances/ complaints.	% of health complaints responded to within 1.5 working days.	100%	100%
	% of food premises registered.	100%	100%
	% of noise complaints responded to within 2 hours.	100%	100%
District Licensing Agency – Inspection of licensed premises to ensure compliance with licence conditions and Sale of Liquor Act.	% of licensed premises inspected under Sale of Liquor Act at least once every 12 months.	100%	100%
General – Investigation/resolution of complaints/nuisances.	% of general complaints responded to within 1 working day.	100%	100%
	% of litter complaints responded to within 1 working day.	100%	100%
Geothermal – Investigation/resolution of complaints about geothermal issues and provision of gas level testing service. Ensuring compliance with provisions of Geothermal Safety Bylaw.	% of geothermal gas complaints responded to within 1 working day.	100%	100%
Hazardous Substances – Ensuring compliance with provisions of hazardous substances legislation and regulations in private dwellings and public places.	% of hazardous substance complaints responded to within 1 working day.	100%	100%

Economic & Regulatory Services Group **cont.**

Inspection **cont.**

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	946	970	1,012
Direct Costs	410	439	290
Financial Costs	1	1	1
Depreciation	6	2	5
Group Recovery Costs	364	369	143
Support Costs	710	692	491
Total Costs	2,437	2,473	1,942
Operating Income and Recoveries			
Internal Recoveries	(957)	(955)	(847)
Fees & Charges	(397)	(408)	(403)
Total Operating Income and Recoveries	(1,354)	(1,363)	(1,250)
Net Operating Costs	1,083	1,110	692
Net Cost of Service	1,083	1,110	692
Capital Costs			
Renewals	-	30	-
Total Capital	-	30	-

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operational Funding			
Net Cost of Service of General Rate Activities	1,083	1,110	692
Less Depreciation of General Rate Activities	(6)	(2)	(5)
Depreciation Funded by General Rates	-	30	-
Operations Funded by General Rates	1,077	1,138	687
Capital Funding			
Funding from Depreciation (Rates)	-	30	-
Total Capital	-	30	-

Parking enforcement

Community outcomes

Community Outcome	How the Council contributes
Safe & Caring	<ul style="list-style-type: none"> By enforcing the parking regime and ensuring that vehicles are roadworthy.
Prosperity	<ul style="list-style-type: none"> By encouraging more businesses to invest in the area due to the availability of parking for customers and workers alike.

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Ensure CBD retailing is provided with a regular turnover of parking spaces for potential customers.	% average parking availability (1 in 7 spaces available between 10am and 3pm as measured by periodic survey*).	15%	15%
Ensure parking restrictions are enforced.	Number of days enforcement is undertaken.	5.5 days/week	5.5 days/week

* a number of blocks are surveyed each year in response to feedback from parking enforcement officers or queries from retailers and shoppers

Economic & Regulatory Services Group **cont.**

Parking enforcement **cont.**

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	347	362	348
Direct Costs	417	429	395
Financial Costs	1	1	1
Depreciation	13	12	6
Group Recovery Costs	62	62	143
Support Costs	116	130	140
Total Costs	956	996	1,033
Operating Income and Recoveries			
Fees & Charges	(1,731)	(1,576)	(1,802)
Total Operating Income and Recoveries	(1,731)	(1,576)	(1,802)
Net Operating Costs	(775)	(580)	(769)
Net Cost of Service	(775)	(580)	(769)
Capital Costs			
Renewals	72	-	-
Total Capital	72	-	-

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operational Funding			
Net Cost of Service of General Rate Activities	(775)	(580)	(769)
Plus Capital Revenue	-	-	-
Less Depreciation of General Rate Activities	(13)	(12)	(6)
Depreciation Funded by General Rates	72	-	-
Operations Funded by General Rates	(716)	(592)	(775)
Capital Funding			
Funding from Depreciation (Rates)	72	-	-
Total Capital	72	-	-

Rotorua Museum of Art & History

Community outcomes

Community Outcome	How the Council contributes
Maori Culture	<ul style="list-style-type: none"> By preservation and sustainable development of Maori resources.
Learning	<ul style="list-style-type: none"> By providing learning activities accessible for everyone. By providing quality educational institutions.
Happening	<ul style="list-style-type: none"> By providing great facilities to visit. By fostering artistic expression, art, music, dance, public performances and exhibitions.

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
An outstanding museum experience, open seven days a week and free to local residents of Rotorua.	% of households in Rotorua that visit the museum each year.	55%	60%
	% of local residents very/fairly satisfied with the museum and its services	75% with an increasing trend corresponding with future capital development of the museum	80% with an increasing trend corresponding with future capital development of the museum
Collect, preserve, catalogue and conserve the community's cultural heritage.	Number of collections and items.	7	7

Economic & Regulatory Services Group **cont.**

Rotorua Museum of Art & History **cont.**

Measuring our achievements **cont.**

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Interpret and display the art, culture and stories of Rotorua and Te Arawa via a number of permanent exhibitions.	Number of permanent exhibition galleries.	7	7
Provide a range of educational levels including primary, secondary, tertiary and adult learning.	Number of public programmes (workshops/lectures) per year.	15	20
	Number of students each year participating in the LEOTC programme (curriculum based learning).	12,000	12,000
Provide a range of unique exhibitions from other parts of New Zealand.	Number of touring exhibitions.	10	20
	Number of language based navigational maps so museum visitors can self-guide around the museum.	14	14
	Number of guided tours per day.	7	7

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	1,097	1,117	1,263
Direct Costs	1,043	1,332	1,183
Financial Costs	148	143	185
Depreciation	456	1,157	960
Group Recovery Costs	61	70	61
Support Costs	348	315	301
Total Costs	3,153	4,134	3,953
Operating Income and Recoveries			
Internal Recoveries	-	(3)	-
Fees & Charges	(1,183)	(1,362)	(1,526)
Total Operating Income and Recoveries	(1,183)	(1,365)	(1,526)
Net Operating Costs	1,970	2,769	2,427
Capital Revenue	(3,916)	(256)	(5,285)
Total Capital Revenue	(3,916)	(256)	(5,285)
Net Cost of Service	(1,946)	2,513	(2,858)
Capital Costs			
Renewals	190	142	101
Growth	8	8	8
Backlog	1,600	-	-
Level of Service	8,305	-	1,400
Total Capital	10,103	150	1,509

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operational Funding			
Net Cost of Service of General Rate Activities	(1,946)	2,513	(2,858)
Plus Capital Revenue	3,916	256	5,285
Less Depreciation of General Rate Activities	(456)	(1,157)	(960)
Depreciation Funded by General Rates	190	142	101
Operations Funded by General Rates	1,704	1,754	1,568
Capital Funding			
Funding from Depreciation (Rates)	178	142	101
Loans from/(to) Corporate Fund	3,722	8	363
Capital Grants	6,205	-	1,046
Total Capital	10,105	150	1,510

Capital Expenditure

Collection development	Growth	\$8,487
Rotorua Museum Centennial Development Stage 3	LOS	\$1,400,042
Asset replacements	Renewals	\$101,000
Total		\$1,509,529

Economic & Regulatory Services Group **cont.**

Tourism

Community outcomes

Community Outcome	How the Council contributes
Environment	<ul style="list-style-type: none"> By helping to protect a range of natural resources in the district. By encouraging people to use and enjoy our natural environment.
Prosperity	<ul style="list-style-type: none"> By promoting our district's unique qualities to encourage more people to visit, to stay longer and spend more. By ensuring Rotorua is renowned for tourism; a vibrant tourism sector provides more employment opportunities for locals.
Maori Culture	<ul style="list-style-type: none"> By fostering Maori cultural activities and expression. By encouraging a community that recognises the value of partnerships, including the Treaty of Waitangi.

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Destination Marketing			
Market Rotorua as a preferred destination for leisure, conference/ incentive and events visitors of both international and domestic origin.	Contribute to the number, the length of stay and the average spend of visitors to Rotorua.	1.7 million visitors	1.7 million visitors
		> 2.3 average nights	> 2.3 average nights
		> \$120 spend per person/day	> \$120 spend per person/day
Encourage the Rotorua tourism industry to deliver on the promise of Manaakitanga (provision of exceptional hospitality) to the visitor experience.	Average visitor satisfaction rating of Rotorua experience as measured by the Rotorua Regional Visitor Monitor.	8 out of 10 score achieved	8 out of 10 score achieved
Encourage the uptake of sustainability within the tourism industry.	% of businesses advertising in the Rotorua Visitor Guide that are associated with the Rotorua Sustainable Tourism Charter, Qualmark or Green Globe.	80%	80%
Rotorua Travel Office			
Booking services are provided to visitors to Rotorua to encourage extended length of stay and visitor spend.	Amount of commissions revenue generated by Travel Office.	\$1.5 million	\$1.8 million (Rugby World Cup year)
	% of satisfaction of industry members of the Tourism Advisory Board with the booking services provided by the Travel Office.	Review against benchmark as set in 2008/09	Review against benchmark as set in 2008/09
Provide an accessible, informative and friendly point of contact to visitors to Rotorua.	% of customers satisfied or very satisfied as per annual customer survey.	80%	80%
Provide Conference and Group services.	% of clients satisfied or very satisfied with levels of service.	80%	80%

Economic & Regulatory Services Group **cont.**

Tourism **cont.**

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	1,766	1,784	1,827
Direct Costs	3,602	2,245	3,105
Financial Costs	92	96	91
Depreciation	100	71	95
Group Recovery Costs	36	31	116
Support Costs	556	518	503
Total Costs	6,152	4,745	5,737
Operating Income and Recoveries			
Internal Recoveries	(38)	(38)	(38)
Fees & Charges	(2,048)	(2,264)	(2,173)
Investment Income	(60)	(60)	(60)
Subsidies & Grants	(900)	-	(600)
Targeted Rates (Operating)	(2,404)	(1,997)	(2,225)
Total Operating Income and Recoveries	(5,450)	(4,359)	(5,096)
Net Operating Costs	702	386	641
Net Cost of Service	702	386	641
Capital Costs			
Renewals	-	-	9
Backlog	40	-	40
Total Capital	40	-	49
Operational Funding			
Net Cost of Service of General Rate Activities	702	386	641
Less Depreciation of General Rate Activities	(100)	(71)	(95)
Depreciation Funded by General Rates	-	-	9
Operations Funded by General Rates	602	315	555
Capital Funding			
Funding from Depreciation (Rates)	-	-	9
Loans from/(to) Corporate Fund	40	-	40
Total Capital	40	-	49

Capital Expenditure

Tourism Rotorua Travel and Information building and plant renewal	Renewals	\$9,007
Web Base Traits Software	Backlog	\$40,314
Total		\$49,321

Infrastructure Services Group

Overview of Group

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

- Aquatic facilities
- Infrastructural planning and compliance
- Public gardens and open spaces
- Rotorua airport
- Stormwater and land drainage
- Transport
- Waste management
- Wastewater
- Water supplies

Infrastructure Services Group of activities provides many of the key services traditionally associated with councils, such as water, sewerage, roads, parks and refuse collection. To provide these services council owns and manages many large and complex assets on behalf of the community.

Some of the services provided are recognised as very important to the community and would not be provided to the level expected without council's contribution and involvement.

Large budget variances explained

- Lake Road 4-laning has been set at \$6 million for 2011/12, which is part of the total project cost expected to be \$10.9 million over two years.
- \$211,000 has been removed from the capital expenditure budget for improvements to the Rotorua Hospital entrance.
- Sewerage scheme development continues to occur to protect lake water quality. Works are proposed on the Hamurana/Awahou wastewater scheme, Gisborne Point/Hinehopu wastewater scheme, Rotoma wastewater scheme, and Okere/Otaramarae/Whangamarino wastewater scheme.
- Capital expenditure proposed for the upgrade of the aquatic centre has been deferred for a year. A sum of \$264,000 has been retained to begin the preliminary concept plans, consultation and design work.
- Major capital projects in the public gardens/open spaces area have been deferred. These include lakefront redevelopment (\$8 million), Boord Park development (\$450,000), walkway development and Government Gardens lighting now spread over two years.
- Proposed airport capital expenditure reduced from \$1.9 million proposed in Year 3 of the Ten Year Plan to \$793,000.
- \$4 million of general rate funding has been included in the airport asset account to pay interest.
- A new targeted rate of \$2 million has been included in Stormwater and Land Drainage.

Infrastructure Services Group **cont.**

Projected cost of service for year ended 30 June 2012

Infrastructure Services Group	Annual Plan	Ten Year Plan	Annual Plan
\$ in thousands	2010/11	2011/12	2011/12
OPERATING EXPENDITURE			
Aquatic Facilities	3,189	3,161	3,177
Engineering Support	212	219	216
Infrastructural Planning & Compliance	664	684	554
Public Gardens & Open Spaces	11,294	11,200	11,065
Rotorua Regional Airport	4,423	4,282	5,086
Roading & Transport	15,300	17,409	14,977
Stormwater & Land Drainage	2,969	3,017	4,236
Waste Management	8,178	8,038	7,316
Wastewater Schemes	10,621	11,472	11,059
Water Supplies	7,117	6,750	8,062
HYDRUS	(287)	78	(381)
Total Operating Expenditure	63,680	66,310	65,367
Less Revenue for Operations			
Aquatic Facilities	1,156	1,334	1,157
Engineering Support	212	218	216
Infrastructural Planning & Compliance	664	684	554
Public Gardens & Open Spaces	1,564	1,861	2,477
Rotorua Regional Airport	1,367	4,082	768
Roading & Transport **	12,694	13,009	12,904
Stormwater & Land Drainage	109	138	2,112
Waste Management	6,672	7,045	6,924
Wastewater Schemes	11,144	11,110	10,638
Water Supplies	6,972	7,453	7,297
HYDRUS	-	-	200
Total Operating Revenue *	42,554	46,934	45,246
Net Cost of Service	21,126	19,376	20,121

* Excludes any capital revenue

** In the Annual Plan 2010/11 the Roothing and Transport revenue in the above table included \$6.5 million of capital revenue in error, however this was not included in the calculation of rates required

Total Operating Expenditure funded by:

General Rates	13,571	15,095	14,572
Fees & Charges	9,677	12,671	10,596
Investment Income	884	208	843
Subsidies & Grants	3,818	3,930	3,679
Targeted Rates	28,127	29,737	30,128
Self Funding/Reserve movements	194	(6,589)	(4,822)
Depreciation not funded	7,409	11,257	10,371
Total Operating Expenditure	63,680	66,310	65,367

Infrastructure Services Group **cont.**

Projected cost of service for year ended 30 June 2012 **cont.**

Infrastructure Services Group	Annual Plan 2010/11	Ten Year Plan 2011/12	Annual Plan 2011/12
<i>\$ in thousands</i>			
CAPITAL EXPENDITURE			
Aquatic Facilities	176	627	361
Laboratory	4	15	15
Engineering Services			20
Cemeteries/Crematorium	400	58	4
Public Gardens & General Reserves	925	9,819	1,853
Transport (Subsidised)	12,515	8,093	12,018
Transport (Unsubsidised) & Works Overheads	1,791	2,792	1,993
Land Drainage	1,173	1,049	1,049
Landfill	3,359	7,426	1,193
Waste Management	1,000	-	1,000
Rotorua Regional Airport	5,147	623	793
Eastern Sewerage Scheme	5,569	4,882	3,200
Waste Water Rural	8,063	10,111	8,550
Waste Water Urban	11,593	4,930	5,974
Hamurana Water	34	9	9
Kaharoa Water	-	-	-
Mamaku Water	362	18	70
Reporoa Water	627	-	45
Rotoiti Water	-	7	7
Urban Water	3,901	3,564	2,501
Water Investigations & Overheads	31	32	20
Total Capital Expenditure	56,670	54,055	40,675
Total Capital Expenditure funded by:			
Funding from Depreciation (Rates)	3,794	4,380	4,092
Loans from/(to) Corporate Fund	4,264	12,297	4,833
Capital Grants	13,322	11,437	12,002
Development Contributions	5,287	4,144	5,018
Reserves Net	30,004	21,797	14,730
Asset Sales	-	-	-
Total Capital Expenditure	56,670	54,055	40,675

Infrastructure Services Group **cont.**

Aquatic facilities

Community outcomes

Community Outcome	How the Council contributes
Safe & Caring	<ul style="list-style-type: none"> By providing a safe public space for families and whanau to work, play and talk together By providing opportunities to learn personal and community safety skills
Health	<ul style="list-style-type: none"> By giving everyone the opportunity to participate in sport and physical activity By encouraging the community to live healthy and active lifestyles
Happening	<ul style="list-style-type: none"> By providing a variety of fun and accessible activities and events By providing pools for competitive swimming, underwater hockey and water polo

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
To provide fun, safe and affordable swimming pools for competitive sports, casual recreation and health and fitness training.	% of households used/visiting the Rotorua Aquatic Centre in a year.	68%	68%
	Number of visits and net operating cost of providing the service.	330,000 visits at <\$4.85 per visit	330,000 visits at <\$4.85 per visit
	% of users/visitors who are very/fairly satisfied with the level of service.	90% with an increasing trend corresponding with future capital development of the facilities	90% with an increasing trend corresponding with future capital development of the facilities
	Pools are safe and well supervised and PoolSafe accreditation achieved.	100%	100%
Provide innovative targeted programmes to raise activity levels.	% of children in Rotorua who have completed Unison Lake Safety Programmes by the time they reach high school ending 2016/2017.	30%	40%
	Number of people who are members of the Cardio gym.	350	350
	Number of people participating in recreation programmes.	1,400	1,600
	Number of individuals participating in Learn to Swim School programmes.	40,000	40,000

Infrastructure Services Group **cont.**

Aquatic facilities **cont.**

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	1,364	1,444	1,353
Direct Costs	982	964	962
Financial Costs	110	127	111
Depreciation	338	292	339
Group Recovery Costs	93	54	86
Support Costs	316	301	347
Total Costs	3,203	3,182	3,198
Operating Income and Recoveries			
Internal Recoveries	(14)	(20)	(20)
Fees & Charges	(1,136)	(1,298)	(1,135)
Investment Income	(14)	(29)	(16)
Subsidies & Grants	(6)	(7)	(6)
Total Operating Income and Recoveries	(1,170)	(1,354)	(1,177)
Net Operating Costs	2,033	1,828	2,021
Capital Revenue	(170)	(240)	(48)
Total Capital Revenue	(170)	(240)	(48)
Net Cost of Service	1,863	1,588	1,973
Capital Costs			
Renewals	145	96	96
Growth	9	163	81
Backlog	21	368	184
Total Capital	175	627	361

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operational Funding			
Net Cost of Service of General Rate Activities	1,863	1,588	1,973
Plus Capital Revenue	170	240	48
Less Depreciation of General Rate Activities	(338)	(292)	(339)
Depreciation Funded by General Rates	145	96	96
Operations Funded by General Rates	1,840	1,632	1,778
Capital Funding			
Funding from Depreciation (Rates)	145	96	96
Loans from/(to) Corporate Fund	21	368	184
Development Contributions	9	163	81
Total Capital	175	627	361

Capital Expenditure

Aquatic Centre renewals	Renewals	\$95,607
Aquatic Centre upgrade	Backlog	\$185,658
	Growth	\$79,568
Total		\$360,833

Infrastructural planning and compliance

Community outcomes

Community Outcome	How the Council contributes
Environment	<ul style="list-style-type: none"> ▪ By looking after our air, land and water resources. ▪ By contribution to waste reduction.
Prosperity	<ul style="list-style-type: none"> ▪ By supporting and encouraging development and growth. ▪ By facilitating the provision of good quality, efficient community infrastructure. ▪ By facilitating the efficient and effective use of the road services corridor.
Facilities & Services	<ul style="list-style-type: none"> ▪ By facilitating the transfer of satisfactory, safe, maintained services and roads from developers to Council. ▪ By providing good quality infrastructure for the future.

Infrastructure Services Group **cont.**

Infrastructural planning and compliance **cont.**

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
To provide Integrated Risk Management to the organisation.	Number of activities reviewed in accordance with Integrated Risk Management process.	4 low level reviews	5 high level reviews, 4 low level reviews
Provision of laboratory services and test results in accordance with IAANZ standards.	Maintain IAANZ accreditation.	100%	100%
Manage and control the community's wastewater discharges.	% of premises that have a conditional trade waste consent or stormwater licence inspected each year for compliance.	40%	40%
	All high risk premises monitored for compliance with their trade waste consent or stormwater licence conditions each year.	100%	100%
	% of pollution control complaints responded to within two hours.	90%	95%

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	4,658	4,799	4,794
Direct Costs	1,011	1,064	913
Financial Costs	8	-	6
Depreciation	104	16	69
Group Recovery Costs	1,211	1,383	720
Support Costs	1,779	1,683	1,722
Total Costs	8,771	8,945	8,224
Operating Income and Recoveries			
Internal Recoveries	(8,183)	(7,964)	(7,833)
Fees & Charges	(876)	(902)	(970)
Total Operating Income and Recoveries	(9,059)	(8,866)	(8,803)
Net Operating Costs	(288)	79	(579)
Net Cost of Service	(288)	79	(579)
Capital Costs			
Renewals	4	15	15
Level of Service	-	-	20
Total Capital	4	15	35

Note 1: Figures include Infrastructural Planning & Compliance, Engineering Support and Hydrus

Note 2: The Ten Year Plan figures vary to the 2009-19 Ten Year Plan due to overhead entities now being included on the appropriate lines instead of being netted off

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operational Funding			
Net Cost of Service of General Rate Activities	(288)	79	(579)
Less Depreciation of General Rate Activities	(104)	(16)	(69)
Depreciation Funded by General Rates	4	15	15
Operations Funded by General Rates	(388)	78	(633)
Capital Funding			
Funding from Depreciation (Rates)	4	15	15
Loans from/(to) Corporate Fund	-	-	20
Total Capital	4	15	35

Capital Expenditure

Engineering Services – high speed broadband	LOS	\$20,000
Laboratory – plant renewals	Renewals	\$14,853
Total		\$34,853

Infrastructure Services Group **cont.**

Public gardens and open spaces

Community outcomes

Community Outcome	How the Council contributes
Safe & Caring	<ul style="list-style-type: none"> By ensuring our parks, reserves and open spaces are safe, welcoming areas for the community to gather and interact in. By planning facilities and structures in accordance to Crime Prevention Through Environmental Design (CPTED) principles. By meeting a range of community burial and cremation needs.
Environment	<ul style="list-style-type: none"> Through the principle of Kaitiakitanga (guardianship), managing and protecting our natural resources.
Health	<ul style="list-style-type: none"> By providing areas for people to engage in healthy activities.
Facilities & Services	<ul style="list-style-type: none"> Through the provision of facilities, reserves and services to a high quality that are affordable, well maintained and managed.
Happening	<ul style="list-style-type: none"> By providing the opportunity for a range of active and passive recreational and leisure opportunities and events.

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Open Spaces			
Enhance the aesthetic look of Rotorua in terms of quality plantings, bedding displays, interpretation and design.	% of residents very/fairly satisfied with level of service.	90%	90%
Provide a network of parks, open spaces and wetlands that meet community and environmental needs (environmental sensitivity awareness).	Amount of reserve per 1000 population.	12 ha/1000 people	12 ha/1000 people
Provide a variety of recreation opportunities and facilities in parks.	% of children's play areas within 500m of dwellings in the urban area.	90%	95%
	Kilometres of walkways provided in the district.	45 kilometres	65 kilometres
Provide and maintain sports fields for local, regional, national competitions, and participation.	% of residents very/fairly satisfied with the level of service as measured by community satisfaction survey.	88%	85%
Cemeteries/Crematorium			
Ensure that culturally sensitive, well designed, conveniently located cemeteries and cremation facilities are available in Rotorua district.	Provision of sufficient long term burial plots in Rotorua district main cemetery (shown as the number of years of developed plots).	2-3 years supply	1-2 years supply
	Provision of sufficient daily cremator capacity.	6/day	6/day

Infrastructure Services Group **cont.**

Public gardens and open spaces **cont.**

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	1,655	1,628	1,296
Direct Costs	7,224	7,552	7,103
Financial Costs	988	1,217	976
Depreciation	1,445	1,076	1,407
Group Recovery Costs	1,546	985	1,359
Support Costs	885	850	769
Total Costs	13,743	13,308	12,910
Operating Income and Recoveries			
Internal Recoveries	(2,449)	(2,109)	(1,845)
Fees & Charges	(1,479)	(1,866)	(2,245)
Investment Income	(85)	5	(131)
Other Income	-	-	(100)
Total Operating Income and Recoveries	(4,013)	(3,970)	(4,321)
Net Operating Costs	9,730	9,338	8,589
Capital Revenue	(821)	(913)	(677)
Total Capital Revenue	(821)	(913)	(677)
Net Cost of Service	8,909	8,425	7,912
Capital Costs			
Renewals	733	894	674
Growth	76	229	90
Backlog	32	-	32
Level of Service	485	8,754	1,062
Total Capital	1,326	9,877	1,858
Operational Funding			
Net Cost of Service of General Rate Activities	8,909	8,425	7,912
Plus Capital Revenue	821	913	677
Less Depreciation of General Rate Activities	(1,445)	(1,076)	(1,407)
Depreciation Funded by General Rates	733	894	674
Self Funding/DC Reserve Movements	69	(32)	115
Operations Funded by General Rates	9,087	9,124	7,971
Capital Funding			
Funding from Depreciation (Rates)	733	894	674
Loans from/(to) Corporate Fund	484	8,753	1,062
Development Contributions	66	218	90
Reserves Net	43	12	32
Total Capital	1,326	9,877	1,858

Capital Expenditure

Crematorium air conditioning unit	Renewals	\$4,456
Nursery wind break fence	Renewals	\$36,767
General reserves car park upgrades	LOS	\$50,923
	Renewals	\$12,731
General reserves development	LOS	\$93,359
Entrance signage	LOS	21,218
Southern Government Gardens lighting upgrade	LOS	\$142,200
	Renewals	\$60,943
Various reserve improvements	LOS	\$54,636
Lakefront development	LOS	\$100,000
New reserve development	LOS	\$42,436
Development of boat ramps	Backlog	\$31,724
	Growth	\$47,586
Redwoods projects for Ten Year Plan	LOS	\$200,139
	Renewals	\$59,782
Renewals for parks and Tokorangi Triangle	Renewals	\$500,950
Walkway development	LOS	\$10,000
New toilet construction	LOS	\$80,000
Skate park development	LOS	\$307,979
Total		\$1,857,829.00

Infrastructure Services Group **cont.**

Rotorua airport

Community outcomes

Community Outcome	How the Council contributes
Safe & Caring	<ul style="list-style-type: none"> By providing a safer option for those wanting to travel directly to or from Rotorua rather than having to travel between Rotorua and other cities, particularly Auckland, by road. By ensuring that the infrastructural assets are designed, built and managed in accordance with the appropriate safety standards and legislation.
Prosperity	<ul style="list-style-type: none"> By providing direct air access to and from Rotorua, the council is directly supporting the growth, employment opportunities and economic development of the city, district and wider Bay of Plenty community.
Facilities & Services	<ul style="list-style-type: none"> By contributing to an integrated transport system and a modern, safe airport for the region. The airport asset is subject to an asset management plan to ensure it remains intact and serviceable for future generations.

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
The airport assets will be developed and managed in a safe manner and in compliance with the relevant legislation.	Number of airport closures or flight delays caused by the failure of the airport to meet industry safety and operational standards.	Nil	Nil
The assets will be provided at reasonable cost.	% of programmed construction and maintenance work completed on time and within budget.	100%	100%

Activity Statement

	Annual Plan		Ten Year Annual Plan	
	\$ in thousands	2010/2011	Plan 2011/2012	2011/2012
Operating Expenses				
Staff Costs	-	-	-	-
Direct Costs	82	75	97	
Financial Costs	3,402	3,049	4,222	
Depreciation	804	1,079	713	
Group Recovery Costs	98	41	32	
Support Costs	38	38	21	
Total Costs	4,424	4,282	5,085	
Operating Income and Recoveries				
Fees & Charges	(1,367)	(4,082)	(768)	
Total Operating Income and Recoveries	(1,367)	(4,082)	(4,768)	
Net Operating Costs	3,057	200	4,317	
Capital Revenue	(3,000)	(7,000)	-	
Total Capital Revenue	(3,000)	(7,000)	-	
Net Cost of Service	57	(6,800)	317	
Capital Costs				
Level of Service	5,147	623	793	
Total Capital	5,147	623	793	

	Annual Plan		Ten Year Annual Plan	
	\$ in thousands	2010/2011	Plan 2011/2012	2011/2012
Operational Funding				
Net Cost of Service of General Rate Activities	57	(6,800)	4,317	
Less Depreciation of General Rate Activities	(804)	(1,079)	(713)	
Self Funding/DC Reserve Movements	748	7,879	395	
Operations Funded by General Rates	1	-	4,000	
Capital Funding				
Reserves Net	5,147	623	793	
Total Capital	5,147	623	793	

Capital Expenditure

Property purchases and noise	LOS	\$300,000
Runway and other renewals	LOS	\$93,107
Wetlands mitigation	LOS	\$400,000
Total		\$793,107

Infrastructure Services Group **cont.**

Stormwater and land drainage

Community outcomes

Community Outcome	How the Council contributes
Safe & Caring	<ul style="list-style-type: none"> By protecting people and property from flooding.
Environment	<ul style="list-style-type: none"> By controlling the level of pollutants in stormwater flows and protection of natural stream channel environments. This contributes to improved lake water quality.
Facilities & Services	<ul style="list-style-type: none"> By providing good quality infrastructure that will last for another 50-100 years.

Measuring our achievement

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Provision of a stormwater network to minimise the impact of flooding.	Number of dwellings per year affected by flood waters.	< 3*	< 3*
	% of blockages responded to within 24 hours.	> 95%	> 95%
	% satisfaction of people protected by urban land drainage schemes as measured by annual community satisfaction survey.	> 80%	> 80%
Provision of a stormwater network to minimise the impact on the environment.	Number of breaches of consent conditions notified by Regional Council.	0	0

* Records show that in most years no dwellings are affected by flooding but in a significant rainfall event some dwellings would be expected to be affected by flood waters. The performance target shown is therefore an average per year over the 10 year period.

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Direct Costs	875	736	932
Financial Costs	325	560	484
Depreciation	1,132	1,131	2,200
Group Recovery Costs	526	482	530
Support Costs	111	108	90
Total Costs	2,969	3,017	4,236
Operating Income and Recoveries			
Fees & Charges	(107)	(110)	(111)
Investment Income	(1)	(27)	(1)
Targeted Rates (Operating)	-	-	(2,000)
Total Operating Income and Recoveries	(108)	(137)	(2,112)
Net Operating Costs	2,861	2,880	2,124
Capital Revenue	(180)	(186)	(54)
Total Capital Revenue	(180)	(186)	(54)
Net Cost of Service	2,681	2,694	2,070
Capital Costs			
Renewals	515	530	530
Growth	101	104	104
Backlog	403	415	415
Level of Service	155	-	-
Total Capital	1,174	1,049	1,049

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operational Funding			
Net Cost of Service of General Rate Activities	2,681	2,694	2,070
Plus Capital Revenue	180	186	54
Less Depreciation of General Rate Activities	(1,132)	(1,131)	(2,200)
Depreciation Funded by General Rates	515	530	530
Operations Funded by General Rates	2,244	2,279	454
Capital Funding			
Funding from Depreciation (Rates)	515	530	530
Loans from/(to) Corporate Fund	658	519	415
Development Contributions	-	-	104
Total Capital	1,173	1,049	1,049

Capital Expenditure

Stormwater upgrades – Lake Road	Backlog	\$415,024
	Growth	\$103,756
Stormwater renewals – Lake Road	Renewals	\$530,450
Total		\$1,049,230

Infrastructure Services Group **cont.**

Transport

Community outcomes

Community Outcome	How the Council contributes
Safe & Caring	<ul style="list-style-type: none"> By increased public awareness leading to reduced road injuries, deaths and crashes. By improved safety in public places and when travelling, from provision of a safe transport system.
Environment	<ul style="list-style-type: none"> By providing roading and transport services in a sustainable manner that mitigates the impact on our air and water resources.
Health	<ul style="list-style-type: none"> By improving health through the encouragement and awareness of more active travel choices and more opportunities to walk and cycle.
Prosperity	<ul style="list-style-type: none"> By encouraging growth and more investment in our district through the provision of an efficient and affordable transport system.
Facilities & Services	<ul style="list-style-type: none"> By making it easier to get from place to place and to walk and cycle in the city. By provision of good, safe, maintained services and roads.

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Improve the safety of the roading network.	RDC at or below peer* group for crashes per 100 million vehicle km travelled.	Continued decline over 10 year period (compared against peer group statistics annually*)	Continued decline over 10 year period (compared against peer group statistics annually*)
Provision of an efficient transport system that enables generally free movement from place to place.	Public bus services run on time	95% of bus services are on time (Measured by BOPRC)	95% of bus services are on time (Measured by BOPRC)
Maintain parking availability in CBD.	% average parking availability (1 in 7 spaces available between 10am and 3pm as measured by survey**).	15%	15%
Maintain road condition ratings at a level near to national average (local road only).	Cumulative road condition indices to be a minimum of -1.5% below national average.	- 1.5% minimum	- 1.5% minimum
Educational and sustainability programmes are supported.	At least 6 programmes are delivered per year.	100%	100%

* peer group is similarly sized councils in New Zealand e.g. New Plymouth, Hastings.

** a number of blocks are surveyed each year in response to feedback from parking enforcement officers or queries from retailers and shoppers.

Infrastructure Services Group **cont.**

Transport **cont.**

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	203	207	164
Direct Costs	6,758	6,933	6,767
Financial Costs	2,285	2,635	2,223
Depreciation	4,983	6,528	4,827
Group Recovery Costs	780	820	643
Support Costs	291	286	352
Total Costs	15,300	17,409	14,976
Operating Income and Recoveries			
Fees & Charges	(188)	(199)	(233)
Investment Income	(38)	-	(47)
Subsidies & Grants	(3,554)	(3,658)	(3,673)
Targeted Rates (Operating)	(8,914)	(9,152)	(8,951)
Total Operating Income and Recoveries	(12,694)	(13,009)	(12,904)
Net Operating Costs	2,606	4,400	2,072
Capital Revenue	(7,359)	(5,215)	(6,731)
Total Capital Revenue	(7,359)	(5,215)	(6,731)
Net Cost of Service	(4,753)	(815)	(4,659)
Capital Costs			
Renewals	4,236	5,002	4,954
Growth	7,930	3,209	6,762
Level of Service	2,140	2,675	2,295
Total Capital	14,306	10,886	14,011
Operational Funding			
Net Cost of Service of General Rate Activities	(4,753)	(815)	(4,659)
Plus Capital Revenue	7,359	5,215	6,731
Less Depreciation of General Rate Activities	(4,983)	(6,528)	(4,827)
Depreciation Funded by General Rates	4,668	5,817	4,987
Add back half share roading depreciation	(2,292)	(3,003)	(2,220)
Operations Funded by General Rates	(1)	686	12

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Capital Funding			
Funding from Depreciation (Rates)	2,376	2,814	2,767
Loans from/(to) Corporate Fund	2,091	2,647	2,089
Capital Grants	6,506	3,943	6,127
Development Contributions	3,333	1,481	3,027
Total Capital	14,306	10,885	14,010

Capital Expenditure

Transport – Subsidised		
Cycleway construction	Growth	\$158,820
Drainage renewals	Renewals	\$39,176
Major drainage control	LOS	\$37,058
Minor safety projects	LOS	\$677,632
Passenger transport infrastructure	Growth	\$160,408
Victoria St/Lake Rd project investigation/planning	Growth	\$6,000,000
Preventative maintenance	LOS	\$28,588
Road reseals	Renewals	\$2,793,114
Pavement rehabilitation	Renewals	\$1,621,023
Structural replacement	Renewals	\$127,056
Traffic services renewals	Renewals	\$174,702
Passenger transport centre	Growth	\$200,000
Transport – Unsubsidised		
Development assistance	Growth	\$47,646
	Renewals	\$5,294
Footpath renewals	Renewals	\$139,762
Kerb and channel renewals	Renewals	\$53,999
Land acquisition	Growth	\$52,940
Maori roadlines and unformed roads	Growth	\$141,720
Unsubsidised minor safety	LOS	\$33,882
Rural seal extensions	LOS	\$1,067,270
Rural street improvements	LOS	\$216,578
Urban street improvements	LOS	\$233,760
Total		\$14,010,428

Waste management

Community outcomes

Community Outcome	How the Council contributes
Safe & Caring	<ul style="list-style-type: none"> By providing safe collection and disposal of refuse.
Environment	<ul style="list-style-type: none"> By encouraging waste reduction and minimisation. By looking after our air, land and water resource.

Infrastructure Services Group **cont.**

Waste management **cont.**

Community outcomes **cont.**

Community Outcome	How the Council contributes
Facilities & Services	<ul style="list-style-type: none"> By providing good quality infrastructure for the future.
Learning	<ul style="list-style-type: none"> By providing waste minimisation education.

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Provide recycling facilities within 13km to 95% of population.	Increase in recovery of recyclable materials of at least 5% pa.*	3,860 tonnes	4,050 tonnes
Provide for recovery of green waste and concrete.	Number of tonnes per annum of green waste and concrete recovered.	16,000 tonnes/pa \pm 10%	16,000 tonnes/pa \pm 10%
Provision of weekly refuse collection to communities where majority request service.	Refuse collection is completed as scheduled.	Completion by 4pm daily	Completion by 4pm daily
Provision of landfill/hazardous waste disposal facilities.	% reduction in total landfilled volume.	62,500 tonnes \pm 10%	62,500 tonnes \pm 10%
Minimise impact on environment.	Number of breaches of consent conditions notified by Regional Council.	No breaches	No breaches

* Performance targets show a 5% year on year increase from the base figure of 3,500 tonnes in 2008/09

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	35	34	38
Direct Costs	6,808	7,460	7,005
Financial Costs	329	141	466
Depreciation	1,319	620	629
Group Recovery Costs	2,110	513	435
Support Costs	176	170	194
Total Costs	10,777	8,938	8,767
Operating Income and Recoveries			
Internal Recoveries	(2,600)	(900)	(1,450)
Fees & Charges	(4,355)	(3,938)	(4,882)
Investment Income	(18)	(24)	-
Subsidies & Grants	(258)	(265)	-
Targeted Rates (Operating)	(2,042)	(2,818)	(2,042)
Total Operating Income and Recoveries	(9,273)	(7,945)	(8,374)
Net Operating Costs	1,504	993	393
Net Cost of Service	1,504	993	393
Capital Costs			
Renewals	258	-	150
Growth	2,550	7,426	1,043
Level of Service	1,551	-	1,000
Total Capital	4,359	7,426	2,193

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operational Funding			
Net Cost of Service of General Rate Activities	1,504	993	393
Less Depreciation of General Rate Activities	(1,319)	(620)	(629)
Self Funding/DC Reserve Movements	598	923	1,261
Operations Funded by General Rates	783	1,296	1,025
Capital Funding			
Loans from/(to) Corporate Fund	1,000	-	1,000
Reserves Net	3,359	7,426	1,193
Total Capital	4,359	7,426	2,193

Capital Expenditure

Landfill cell development	Renewals	\$150,298
Recycling set up	LOS	\$999,977
Waste 2 Gold	Growth	\$1,042,653
Total		\$2,192,928

Infrastructure Services Group **cont.**

Wastewater

Community outcomes

Community Outcome	How the Council contributes
Environment	<ul style="list-style-type: none"> By protecting the environment and lake water quality through wastewater treatment.
Health	<ul style="list-style-type: none"> By providing a sanitary wastewater collection and treatment service.
Facilities & Services	<ul style="list-style-type: none"> By providing good, quality infrastructure for the future.

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Implementation and management of schemes to minimise the impact on the environment.	% compliance with air, land and water discharge requirements.	100%	100%
	Completion of new sewerage schemes.*	Okareka Okere/Otaramarae/Whangamarino	Hinehopu/Gisborne Point
Provision of an efficient collection and disposal service.	Number of overflows to waterways.	< 2	< 2
	Total number of overflows caused by network faults (per 100km of mains).	< 14	< 14
	% of customers satisfied with wastewater services as measured by annual community satisfaction survey.	99%	99%

* Subject to Resource Consent and other planning constraints

Infrastructure Services Group **cont.**

Wastewater **cont.**

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	703	790	801
Direct Costs	4,740	3,968	4,978
Financial Costs	436	1,288	496
Depreciation	3,877	5,024	3,720
Group Recovery Costs	1,333	972	1,337
Support Costs	419	402	488
Total Costs	11,508	12,444	11,820
Operating Income and Recoveries			
Internal Recoveries	(888)	(971)	(761)
Fees & Charges	(42)	(21)	(21)
Investment Income	(726)	(94)	(461)
Targeted Rates (Operating)	(10,330)	(10,563)	(10,156)
Total Operating Income and Recoveries	(11,986)	(11,649)	(11,399)
Net Operating Costs	(478)	795	421
Capital Revenue	(7,595)	(10,504)	(7,190)
Targeted Rates (Capital)	(952)	(4,195)	(1,346)
Total Capital Revenue	(8,547)	(14,699)	(8,536)
Net Cost of Service	(9,025)	(13,904)	(8,115)
Capital Costs			
Renewals	6,556	2,445	2,875
Growth	15,084	17,472	12,762
Backlog	3,585	-	2,087
Total Capital	25,226	19,917	17,724
Operational Funding			
Net Cost of Service of General Rate Activities	(9,025)	(13,904)	(8,115)
Less Depreciation of General Rate Activities	(3,877)	(5,024)	(3,720)
Self Funding/DC Reserve Movements	12,901	18,929	11,836
Operations Funded by General Rates	(1)	1	1
Capital Funding			
Capital Grants	6,816	7,494	5,875
Development Contributions	1,141	1,404	1,193
Reserves Net	17,269	11,019	10,656
Asset Sales	-	-	-
Total Capital	25,226	19,917	17,724

Capital Expenditure

Land treatment renewal	Renewals	\$122,000
Sewer network improvements/ upgrades	Growth	\$2,040,600
	Renewals	\$644,400
Urban network renewals	Renewals	\$1,000,000
Pump station improvements	Backlog	\$50,001
Sewage pump station renewals	Renewals	\$649,000
WWTP process improvements	Backlog	\$20,640
	Growth	\$1,011,360
Treatment plant renewals	Renewals	\$436,000
Hamurana / Awahou wastewater scheme	Backlog	\$3,835,000
	Growth	\$2,665,000
Gisborne Point / Hinehopu wastewater scheme	Backlog	\$760,000
	Growth	\$190,000
Rotoma wastewater scheme	Growth	\$950,000
Tarawera wastewater scheme	Growth	\$150,000
Okere / Otaramarae / Whangamarino wastewater scheme	Backlog	\$2,016,000
	Growth	\$1,184,000
Total		\$17,724,001

Infrastructure Services Group **cont.**

Water supplies

Community outcomes

Community Outcome	How the Council contributes
Safe & Caring	<ul style="list-style-type: none"> By maintaining sufficient water for fire fighting purposes.
Environment	<ul style="list-style-type: none"> By using water efficiently and encouraging others to do so too.
Health	<ul style="list-style-type: none"> By providing safe drinking water to the community.
Prosperity	<ul style="list-style-type: none"> By providing opportunities for businesses to develop and grow through meeting commercial water needs.
Facilities & Services	<ul style="list-style-type: none"> By providing good quality infrastructure for the future.

Measuring our achievements

Level of Service	Performance measures	2010/11 targets	2011/12 targets
Provision of safe drinking water.	% compliance with the DWSNZ monitoring requirements.	100%	100%
	Ministry of Health public health gradings are maintained at appropriate minimum levels for all supplies.	Cc	Cc
Water supply is adequate for fire fighting purposes within urban fire districts.	% of fire hydrants comply with NZ Fire Service Code of Practice within urban fire districts.	95%	95%
Reliable and effective water network and treatment facilities.	% of connections meet minimum flow and pressure at point of supply during normal operation.	95%	95%
	% of urban customers satisfied with water services as measured by annual community satisfaction survey.	93%	93%
	Number of water restrictions imposed on consumers due to inability to meet full demand.	None	None

Infrastructure Services Group **cont.**

Water supplies **cont.**

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Direct Costs	3,272	3,183	3,336
Financial Costs	427	463	359
Depreciation	1,936	2,045	2,778
Group Recovery Costs	3,019	1,989	3,053
Support Costs	205	207	254
Total Costs	8,859	7,887	9,780
Operating Income and Recoveries			
Internal Recoveries	(1,742)	(1,136)	(1,719)
Fees & Charges	(128)	(255)	(130)
Investment Income	(2)	(40)	(188)
Targeted Rates (Operating)	(6,842)	(7,203)	(6,979)
Total Operating Income and Recoveries	(8,714)	(8,634)	(9,016)
Net Operating Costs	145	(747)	764
Capital Revenue	(508)	(1,378)	(286)
Total Capital Revenue	(508)	(1,378)	(286)
Net Cost of Service	(363)	(2,125)	478
Capital Costs			
Renewals	2,135	1,451	1,578
Growth	1,106	877	523
Backlog	1,681	1,298	551
Total Capital	4,955	3,626	2,652
Operational Funding			
Net Cost of Service of General Rate Activities	(363)	(2,125)	478
Less Depreciation of General Rate Activities	(1,936)	(2,045)	(2,778)
Depreciation Funded by General Rates	21	21	10
Self Funding/DC Reserve Movements	2,282	4,150	2,257
Operations Funded by General Rates	4	1	(33)
Capital Funding			
Funding from Depreciation (Rates)	21	21	10
Loans from/(to) Corporate Fund	10	11	63
Development Contributions	738	877	523
Reserves Net	4,187	2,718	2,056
Total Capital	4,956	3,626	2,652

Capital Expenditure

Water investigations and overheads – plant improvements	Backlog	\$10,300
Water investigations and overheads – replacement of monitoring equipment	Renewals	\$10,000
Urban water – plant improvements	Backlog	\$79,800
	Growth	\$315,000
	Renewals	\$25,200
Urban water – meter renewals	Renewals	\$30,001
Urban water – network improvements	Backlog	\$408,150
	Growth	\$207,926
	Renewals	\$154,019
Urban water – network renewals	Renewals	\$795,000
Urban water – plant renewals	Renewals	\$485,972
Mamaku water – network improvements	LOS	\$52,940
Mamaku water – plant renewals	Renewals	\$17,229
Rotoiti water – plant renewals	Renewals	\$7,115
Reporoa water – plant renewals	Renewals	\$44,800
Hamurana water – plant renewals	Renewals	\$8,912
Total		\$2,652,364

Castlecorp

Overview of Castlecorp

Castlecorp's purpose is to provide infrastructural services for the residents of Rotorua district, representing council as a service provider. Council delivers these services in accordance with legislative requirements and community expectations.

Castlecorp is a business unit of council that earns its income from services provided to other council departments. These services include:

- Refuse collection
- Litter clearance
- Footpath and verge maintenance
- Stormwater system maintenance
- Water supply reticulation maintenance
- Water supply pump stations and reservoir operation and maintenance
- Water supply leak detection, meter reading, and water sampling
- Wastewater reticulation maintenance including forest irrigation
- Cemetery maintenance and operation, and management of crematorium
- Sports field and reserve maintenance
- Public garden and horticultural maintenance
- Purchasing and maintenance of small plant and fleet vehicles

Castlecorp's aim is to improve the quality of life for residents and visitors through provision of quality services and the maintenance of essential infrastructure, through sound business practices based on continuous improvements.

Castlecorp not only maintains essential networks of underground services and parks, but also helps maintain the overall well being of the Rotorua community by participating in a wide range of community activities, and developing close working relationships with external community organisations. Customer-based strategies and a strong commitment to sustainable operations reflect the values of continuous improvement and value for customers.

Large budget variances explained

- \$63,000 biodiesel consortium project added. Council, in conjunction with the Sustainable Charter, has sourced biodiesel for its members. This project develops a site for the distribution of the fuel to members, including the RDC fleet.

Castlecorp cont.

Projected cost of service for year ended 30 June 2012

Castlecorp	Annual Plan	Ten Year Plan	Annual Plan
	2010/11	2011/12	2011/12
	<i>\$ in thousands</i>		
OPERATING EXPENDITURE			
Castlecorp	191	157	256
Total Operating Expenditure	191	157	256
Less Revenue for Operations			
Castlecorp	188	157	302
Total Operating Revenue *	188	157	302
Net Cost of Service	3	-	(46)

* Excludes any capital revenue

Total Operating Expenditure funded by:

General Rates	303	(267)	240
Fees & Charges	188	157	302
Investment Income	-	-	-
Subsidies & Grants	-	-	-
Targeted Rates	-	-	-
Self Funding/Reserve movements	-	-	-
Depreciation not funded	(300)	267	(286)
Total Operating Expenditure	191	157	256

CAPITAL EXPENDITURE

Castlecorp	15	11	11
Fleet	935	933	1,078
Total Capital Expenditure	950	944	1,089

Total Capital Expenditure funded by:

Funding from Depreciation (Rates)	1,184	1,177	1,228
Loans from/(to) Corporate Fund	-	-	64
Capital Grants	-	-	-
Development Contributions	-	-	-
Reserves Net	-	-	-
Asset Sales	(234)	(233)	(203)
Total Capital Expenditure	950	944	1,089

Castlecorp cont.

Activity Statement

<i>\$ in thousands</i>	Annual Plan 2010/2011	Ten Year Plan 2011/2012	Annual Plan 2011/2012
Operating Expenses			
Staff Costs	6,392	6,614	6,882
Direct Costs	5,556	5,691	5,879
Financial Costs	57	68	67
Depreciation	884	1,443	739
Group Recovery Costs	3,211	3,252	3,240
Support Costs	944	902	872
Total Costs	17,044	17,970	17,679
Operating Income and Recoveries			
Internal Recoveries	(16,853)	(17,814)	(17,423)
Fees & Charges	(188)	(157)	(302)
Total Operating Income and Recoveries	(17,041)	(17,971)	(17,725)
Net Operating Costs	3	(1)	(46)
Net Cost of Service	3	(1)	(46)
Capital Costs			
Renewals	1,184	1,177	1,025
Level of Service	(234)	(233)	64
Total Capital	950	944	1,089
Operational Funding			
Net Cost of Service of General Rate Activities	3	(1)	(46)
Less Depreciation of General Rate Activities	(884)	(1,443)	(739)
Depreciation Funded by General Rates	1,184	1,177	1,025
Operations Funded by General Rates	303	(267)	240
Capital Funding			
Funding from Depreciation (Rates)	1,184	1,177	1,228
Loans from/(to) Corporate Fund	-	-	64
Asset Sales	(234)	(233)	(203)
Total Capital	950	944	1,089

Capital Expenditure

Castlecorp		
Works furniture and fittings/office equipment	Renewals	\$10,609
Fleet		
Biodiesel consortium project	LOS	\$63,654
Vehicle purchases	Renewals	\$1,217,001
Vehicle sales	Renewals	(203,000)
Total		\$1,088,264

Forecast Financial Statements



Purpose of financial statements

Prospective Statement of Comprehensive Income

This statement discloses the net surplus or deficit and their components, arising from activities or events during the year that are significant for assessing past and future financial performance.

Prospective Statement of Changes in Equity

This financial statement presents a measure of comprehensive income. Equity is measured as the difference between the total value of assets and total liabilities. Accumulated Equity represents the community's investment in publicly owned assets resulting from past surpluses.

Prospective Statement of Financial Position

Information about 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. The information is also useful in assessing how successful the council is likely to be in raising further finance.

Prospective Statement of Cash flows

This statement reflects council's prospective 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
- Reinvest to maintain or expand operating capacity.

Statement of Accounting Policies

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

- a) the measurement system underlying preparation of 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 such items; and
- c) any changes in the measurement system, assumptions or particular accounting policies.

Prospective statement of comprehensive income

<i>\$ in thousands</i>	Annual Plan 2010/11	Ten Year Plan 2011/12	Annual Plan 2011/12	Variance
General Rates	34,629	37,836	33,616	(4,220)
Less Rates Paid by Council	(1,575)	(820)	(1,587)	(767)
Total Rates	33,054	37,016	32,029	(4,987)
Castlecorp Business Unit	188	157	302	145
Corporate and Customer Services Group	2,285	2,231	2,378	147
Corporate Wide	1,852	1,898	1,852	(46)
Economic and Regulatory Services Group	22,712	18,154	25,397	7,244
Infrastructure Services Group	63,092	76,178	61,576	(14,602)
Less Water by Meter used internally	(254)	(183)	(266)	(83)
Total Other Income	89,874	98,435	91,239	(7,196)
Total Income	122,928	135,451	123,268	(12,184)
Operating Expenditure				
Castlecorp Business Unit	191	157	256	(99)
Corporate and Customer Services Group	13,081	12,244	13,229	(985)
Corporate Wide	874	900	874	26
Economic and Regulatory Services Group	29,751	30,138	30,170	(32)
Infrastructure Services Group	63,680	66,311	65,367	944
Less Internal Charges Included in Operating Expenses	(1,828)	(1,003)	(1,854)	851
Total Operating Expenditure	105,749	108,747	108,042	705
Operating Surplus	17,179	26,705	15,226	(11,479)
Income Taxation	-	-	-	-
NET SURPLUS AFTER TAXATION	17,179	26,705	15,226	(11,479)
Other Comprehensive Income				
Revaluations of Property, Plant and Equipment	24,125	23,195	25,350	2,155
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	41,304	49,900	40,576	(9,324)

Footnote1:- Included in above Operating Expenditure

Finance Costs	8,754	10,973	9,499	1,474
Depreciation/Amortisation	24,288	25,743	24,419	1,324

Footnote2:- Included in above Revenue

Remission Costs (netted off total rates)	460	480	480	0
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Note: Due to regrouping Corporate & Customer Services, Economic & Regulatory Services, and Infrastructure Services, figures may differ to the 2009-19 Ten Year Plan

Prospective statement of changes in equity

<i>\$ in thousands</i>	Annual Plan 2010/11	Ten Year Plan 2011/12	Annual Plan 2011/12	Variance
Opening Balance	821,743	889,216	871,823	17,393
Total comprehensive income	41,304	49,900	40,576	9,324
Closing Balance	863,047	939,116	912,399	26,717

Prospective statement of financial position

<i>\$ in thousands</i>	Annual Plan 2010/11	Ten Year Plan 2011/12	Annual Plan 2011/12	Variance
Current Assets				
Cash and Cash Equivalents	2,837	2,950	2,652	298
Trade and Receivables	20,308	20,616	18,218	2,398
Inventories	1,388	1,456	1,454	2
Total Current Assets	24,533	25,022	22,324	2,698
Non-Current Assets				
Trade and Other Receivables	14	25	29	(4)
Other Financial Assets	2,860	3,378	2,063	1,315
Fixed Assets	1,022,087	1,110,464	1,069,592	40,872
Intangible Assets	9,245	1,983	4,029	(2,046)
Biological Assets (Forestry)	468	409	316	93
Total Non-Current Assets	1,034,674	1,116,259	1,076,029	40,230
Total Assets	1,059,207	1,141,281	1,098,353	42,928
Liabilities				
Current Liabilities				
Trade and Other Payables	31,533	27,414	27,757	(343)
Provisions	413	481	555	(74)
Employee Benefit Liabilities	6,085	4,669	4,972	(303)
Borrowings	18,600	43,593	28,300	15,293
Total Current Liabilities	56,631	76,157	61,585	14,572
Non-Current Liabilities				
Provisions	1,515	1,486	1,979	(493)
Employee Benefit Liabilities	800	760	691	69
Borrowings	137,214	123,761	121,700	2,061
Total Non-Current Liabilities	139,529	126,007	124,369	1,638
Total Liabilities	196,160	202,164	185,954	(11,875)
Equity				
Retained Earnings	833,918	848,799	874,534	(25,735)
Self Funding Reserves	(69,441)	(64,456)	(69,158)	4,702
Council Created Reserves	(11,677)	(9,818)	(17,347)	7,529
Restricted Reserves	955	1,207	1,488	(281)
Fair Value through Equity	(120)	230	230	-
Asset Revaluation Reserve	109,412	163,154	122,652	40,502
TOTAL RATEPAYERS EQUITY	863,047	939,116	912,399	26,717

Prospective statement of cash flows

<i>\$ in thousands</i>	Annual Plan 2010/11	Ten Year Plan 2011/12	Annual Plan 2011/12	Variance
Cash Flows from Operating Activities:				
Receipts from Rates Revenue	66,621	74,973	68,653	(6,320)
Interest Received	60	147	60	(87)
Receipts from Other Revenue	54,414	56,799	52,567	(4,232)
Payments to Suppliers and Employees	(68,061)	(69,953)	(79,478)	(9,525)
Interest Paid	(8,754)	(10,973)	(9,499)	1,474
Net Cash from Operating Activities	44,280	50,993	32,304	(18,689)
Cash Flow from Investing Activities:				
Proceeds from Sale of Property, Plant and Equipment	234	212	203	(9)
Purchase of Property Plant and Equipment	(74,699)	(59,083)	(48,780)	10,303
Net Cash from Investing Activities	(74,465)	(58,871)	(48,577)	10,294
Cash Flow from financing Activities:				
Proceeds from Borrowings	35,518	21,823	30,424	8,601
Repayment of Borrowings	(5,000)	(13,500)	(13,500)	-
Net Cash from Financing Activities	30,518	8,323	16,924	8,601
Net Increase (Decrease) in Cash and Cash equivalents	333	445	650	205
Opening Cash at the beginning of the year	2,504	2,504	2,002	(502)
Closing Cash at the end of the year	2,837	2,949	2,652	(297)

Statement of accounting policies

General Information

The prospective financial statements are for Rotorua District Council, the parent only. The council publishes group accounts for the annual report. For the purpose of the council's annual plan, it is only the parent accounts that are relevant for public consultation.

This prospective financial information has been prepared to meet the requirements of the Local Government Act 2002. This information may not be suitable for use in any other context.

Since these prospective financial statements are for the period 1 July 2011 to 30 June 2012, actual results are not reflected. The actual results achieved for the period covered by this plan are likely to vary from the information presented in this document, and these variations may be material.

The reforecast statement of financial position as at 30 June 2010 has been used to give an opening position for the prospective statement of financial position.

The elected council is responsible for the prospective financial information presented in this document, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures. The council approved these underlying assumptions on 16 February 2011.

The prospective financial statements comply with Financial Reporting Standard 42 Prospective Financial Statements. The council does not intend to update the prospective financial statement subsequent to presentation.

Statement of Accounting Policies

Reporting Entity

Rotorua District Council is a local authority in New Zealand.

The council is a public benefit entity as defined under New Zealand International Financial Reporting Standards (NZ IFRS). The council's primary objective is to provide services and facilities for the community as a social benefit rather than to make a financial return.

Basis of preparation

Statement of Compliance

The financial statements have been prepared in accordance with the requirements of the Local Government Act 2002. This includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP) and in accordance with Financial Reporting Standard 42 Prospective Financial Statements (FRS 42).

Measurement Base

The financial statements are prepared on an historical cost basis modified by the revaluation of the following;

- land and buildings
- certain infrastructural assets
- collections
- biological assets
- and certain financial instruments.

The methods used to measure fair value are discussed in the specific accounting policies.

Currency

The financial statements are presented in New Zealand dollars (\$), the council's functional currency, rounded to the nearest thousand dollars (\$000) unless otherwise stated.

Presentation

Please note that some of the tables and financial statements may not add up due to rounding of numbers. Rounding may also show different values of an item in different tables.

In some cases, the depreciation and consequential operating costs arising from a capital project will appear under a different activity from the capital expenditure. This occurs when the capital project is carried out to achieve a specific strategic objective, and the resulting asset resides in a different strategy.

Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant assumptions are listed in the Ten Year Plan 2009-19.

Cost allocation

Cost of service for each significant activity is determined as follows. Specifically attributable costs are charged directly. Indirect costs are apportioned using appropriate cost drivers such as actual usage, staff numbers and floor area.

Specific accounting policies

Investments

Subsidiaries

Subsidiaries are those entities in which the council has control. The financial statements show investment in subsidiaries at cost.

Statement of accounting policies **cont.**

Associates and joint ventures

Associates are entities in which the council has significant influence, but not control, over operating and financial policies. A joint venture is a contractual arrangement where two or more parties undertake and activity that is subject to joint control. The financial statements show investment in associates and joint ventures at cost.

Acquisitions

The equity method of accounting is used to account for all acquisitions (including business combinations).

The investment in the associate is initially recognised at cost and the carrying amount in the financial statements is increased or decreased to recognise the share of the surplus or deficit of the associate after the date of acquisition. Distributions received from an associate reduce the carrying amount of the investment.

Dilutions gains or losses arising from investments in associates are recognised in the statement of comprehensive income.

Goods and services tax (GST)

Items in the financial statements are exclusive of GST, with the exception of receivables and payables. The net amount of GST receivable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the statement of financial position. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense. The council has assumed an unchanged rate of GST at 15.0 per cent.

Property, plant and equipment

Operational assets – These include land, buildings, landfill post closure, library books, plant and equipment and motor vehicles.

Restricted Assets – Restricted assets are parks and reserves owned by the council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

Infrastructure assets – Infrastructure assets are the fixed utility systems owned by council. Each class includes all items that are required for the network to function, for example, sewer reticulation includes reticulation piping and sewer pump stations.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

Valuation of assets

Council accounts for revaluations of property, plant and equipment on a class of asset basis.

Values calculated at depreciated replacement cost are not market related. This applies to certain specialist

assets, such as infrastructure assets and specialised buildings, which do not trade readily in the market.

Land and buildings (operational and restricted), library books, and infrastructural assets (except land under roads) are revalued on a rolling basis over a three-year cycle, with a portion of the portfolio valued at 01 July each year. Each year the council considers the adequacy of the valuation of its assets to ensure their carrying value reflects fair value. All other assets are carried at depreciated historical cost.

Increases in asset carrying amounts due to revaluation, increase revaluation reserves in equity. Decreases in asset carrying amounts decrease revaluation reserves in equity only to the extent that the class of assets has sufficient revaluation reserves to absorb the reduction. All other decreases are charged to the statement of comprehensive income.

If a revaluation increase reverses a decrease previously recognised in the statement of comprehensive income, the increase is recognised first in the statement of comprehensive income to reverse previous decreases. Any remaining increase is applied to revaluation reserves in equity.

Subsequent Costs

Subsequent costs are included in the asset's carrying amount, or recognised as a separate asset, when it is likely that future economic benefits associated with the item will flow to the council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income for the financial period they relate to.

Additions

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value at the date acquisition.

Sale or Disposal of assets

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the statement of comprehensive income. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

Depreciation

Depreciation writes off the cost of the assets to residual value over their useful life.

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

- Land is not depreciated.

Statement of accounting policies **cont.**

- Roothing, wastewater reticulation, stormwater systems and water reticulation assets are depreciated as noted below. A number of the components of the rooding 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 useful life (years) of major classes of assets are:

	Expected useful life (years)
Roads	1–100
Stormwater	70 – 100
Water	
Wastewater Reticulation	15-100
Parks	6-100
Buildings	40-50
Library books	2-5
Plant	10-15
Computer equipment	3-5
Office Equipment	5
Furniture and Fittings	10-20
Parking	10-50
Landfill Improvements	3-100
Airport	10-15

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

Investment property

Investment property is held for long-term rental yields and is not occupied by the council. Properties leased to third parties under operating leases are generally not classified as investment property because:

- The occupants provide services that are integral to the operation of the councils business or these services could not be provided efficiently and effectively by the lessee in another location.
- The council is a public benefit entity and the property is held to meet service objectives, rather than to earn rental or for capital appreciation.
- The property is being held for future delivery of services.
- The lessee uses the council services and those services are integral to the reasons for their occupancy of the property.

Investment property is initially recorded at cost, including transaction costs. After initial recognition, all investment property is measured at fair value, representing open-market value determined annually by independent external valuers. Changes in fair values are recorded in the statement of comprehensive income.

Intangible assets

Intangible assets are initially recorded at cost. Where acquired in a business combination, the cost is their fair value at the date of acquisition. The cost of an internally generated intangible asset represents expenditure incurred in the development phase only.

Subsequent to initial recognition, intangible assets with finite useful lives are recorded at cost, less any amortisation and impairment losses. Assets with indefinite lives are not amortised, but are tested annually for impairment, and are carried at cost less impairment losses.

Realised gains and losses arising from disposal of intangible assets are recognised in the statement of comprehensive income in the period in which the disposal occurs.

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 statement of comprehensive income.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Computer software	3-5 years	20-33%
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Computer software

Computer software licenses are capitalised on the basis of the costs incurred to acquire and install the specific software. These costs are amortised using the straight-line method over their estimated useful lives.

Costs associated with maintaining computer software programmes are recognised as an expense.

Costs directly associated with the development of identifiable and unique software products controlled by the council, that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets.

Computer software development costs recognised as assets are amortised using the straight-line method over their estimated useful lives. Staff training costs are recognised as an expense when incurred.

Statement of accounting policies **cont.**

Easements

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.

No impairment losses have been recognised for easements, as the carrying amount of the assets has been assessed as less than their replacement costs.

Impairment of property, plant and equipment and intangible assets

Assets that have an indefinite useful life, or not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indicator of impairment, the asset's recoverable amount is estimated. 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 assets 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 and cash-generating units 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 debit balance is recognised in the statement of comprehensive income. For assets not carried at a revalued amount, the total impairment loss is recognised in the statement of comprehensive income.

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 statement of comprehensive income, a reversal of the impairment loss is also recognised in the statement of comprehensive income. For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised in the statement of comprehensive income.

Forestry assets

Standing forestry assets are independently revalued annually at fair value less estimated point of sale costs for one growth cycle. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate.

This calculation is based on existing sustainable felling plans and assessments regarding growth, timber prices, felling costs and silviculture costs and takes into consideration environmental, operational, and market restrictions.

Gains or losses arising on initial recognition of biological assets at fair value less estimated point of sale costs and from a change in fair value less estimated point of sale costs are recognised in the statement of comprehensive income.

Forestry maintenance costs are recognised in the statement of comprehensive income when incurred.

Financial Assets

The council classifies its financial assets in the following categories:

- Financial assets at fair value
 - Through profit and loss
 - Through equity
- Loans and receivables
- Held to maturity investments

The classification depends on the reason behind acquiring the investment. The council decides how to classify its investments when they are acquired.

Purchases and sales of investments are recorded on the value date. Financial assets are no longer recognised when the right to receive cash flows from the financial assets has expired or been transferred.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the council establishes fair value through valuation techniques.

The council assesses at each year-end whether there is evidence that a financial asset or group of financial assets is impaired. Any impairment loss is recognised in the statement of comprehensive income.

Financial assets at fair value through profit and loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit and loss. A financial asset falls in this category if acquired principally to sell in the short-term or is designated this way by council. After initial recognition, they are measured at fair value. These financial assets are classified as current assets if they are held for trading or expected to be realised within 12 months of the year-end date.

Financial assets at fair value through equity

Financial assets at fair value through equity are non-derivative assets designated in this category or not classified in the other categories. After initial recognition, they are measured at fair value. They are included in non-current assets, unless the council intends to dispose of the asset within 12 months of year-end.

Statement of accounting policies **cont.**

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments not quoted in an active market. They arise when the council provides money, goods and services directly to a debtor, with an intention of selling the receivable asset. After initial recognition, they are measured at amortised cost using the effective interest method. Gains and losses are recognised in the statement of comprehensive income. These balances are included in current assets, except for those with maturities greater than 12 months after the year-end date, which are classified as non-current assets.

Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the council's management has the intention and ability to hold to maturity. After initial recognition, they are measured at amortised cost using the effective interest method.

Derivatives

Derivatives, such as interest swaps, are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured using the effective interest method.

When a derivative is entered into hedging activity, the council documents a hedge relationship either as a cash flow hedge (hedge of a forecast transaction) or a fair value hedge (hedge of the fair value of a recognised asset or liability). Also documented are the nature of the risk being hedged, its risk management objective, strategy for hedge transactions, identification of the hedging instrument and hedged item, and how the hedging instrument's effectiveness is to be assessed.

The fair value of financial instruments traded in active markets is based on quoted market prices at the year-end date. The quoted market price used for financial assets held by the council is the current bid price. The quoted market price for financial liabilities is the current ask price.

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity in the hedging reserve. The gain or loss relating to the ineffective portion is recorded in the statement of comprehensive income.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets accounting criteria, any cumulative gain or loss in equity at that time remains in equity and is recognised when the forecast transaction is recorded in the statement of comprehensive income.

The council only applies fair value hedge accounting for hedging fixed interest risk on borrowings. The gain or loss relating to the effective portion of the interest rate swaps that hedge fixed rate borrowings is recognised in the statement of comprehensive income within "finance

costs". The gain or loss relating to the ineffective portion is recognised in the statement of other comprehensive income within "other gains/(losses)". Changes in the fair value of the hedged fixed rate borrowings attributable to interest rate risk are recognised in the statement of comprehensive income within "finance costs".

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is recorded in the statement of comprehensive income.

Derivatives that do not qualify for hedge accounting

Certain derivatives do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the statement of comprehensive income within "other gains/(losses)".

Trade and other receivables

Trade and other receivables are recognised initially at fair value, and subsequently measured at amortised cost less any provision for impairment. They are due for settlement no more than 30 days from the date of recognition.

The council reviews the collection of trade receivables on an ongoing basis and writes off bad debts known to be uncollectible. A provision is made for doubtful receivables when there is evidence that the council will not be able to collect all amounts due according to the original terms of the receivables. The amount provided is the difference between the receivables carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. This amount provided is recorded in the statement of comprehensive income.

Inventories

Inventories 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, adjusted when applicable, for any loss of service potential. Where inventories are acquired at no cost or for nominal consideration, the cost is the current replacement cost at the date of acquisition.

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 average cost method.

The amount of any write-down for the loss of service potential from cost to net realisable value is recognised in the statement of comprehensive income in the period of the write down.

Statement of accounting policies **cont.**

Cash and cash equivalents

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.

Non-current assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use.

They are measured at the lower of their carrying amount and fair value less costs to sell.

Any reduction in assets value is recognised as an impairment loss.

A gain is recognised for any subsequent increases in fair value, less costs of sale, but not in excess of any cumulative impairment loss previously recognised.

A gain or loss not previously recognised by the date of the non-current asset is recognised at the date of sale.

Non-current assets held for sale are not depreciated or amortised. Interest and other expenses continue to be recognised if they relate to the liabilities of a disposal group classified as held for sale.

Non-current assets held for sale and assets of a disposal group classified as held for sale are disclosed separately from other assets in the statement of financial position. Also, the liabilities of a disposal group classified as held for sale are disclosed separately from other liabilities in the statement of financial position.

Equity

Equity is the ratepayers' interest in the council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Retained earnings
- Self-funding reserves
- Council created reserves
- Restricted reserves
- Fair value through equity reserves
- Asset revaluation reserves

Restricted reserves

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by council.

Restricted reserves are those subject to specific conditions accepted as binding by council and which may not be revised by council without reference to the

Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by council decision. The council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the council.

Property revaluation reserves

This reserve relates to the revaluation of property, plant and equipment to fair value.

Fair value through other comprehensive income reserves

This reserve comprises the cumulative net change in the fair value of fair value through other comprehensive income instruments.

Cash flow hedge reserves

This reserve comprises the effective portion of the cumulative net change in the fair value of derivatives designated as cash flow hedges.

Borrowings

Borrowings are initially recognised at their fair value (net of transaction costs), and subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and amortised cost is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless council or the group has an unconditional right to defer settlement of the liability for at least 12 months after the year end date.

Provisions

Provisions are recognised when:

- The council has a present legal or constructive obligation due to past events.
- It is more likely than not that an outflow of resources will be required to settle the obligation.
- The amount has been reliably estimated.

Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditure to be required to settle the obligation, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Environmental

The council has a responsibility to provide ongoing maintenance and monitoring of the Rotorua Landfill. A provision has been estimated taking into account existing technology and using a discount rate of 7%.

Statement of accounting policies **cont.**

Contractual

A contractual provision is recognised when legal claims have been issued against the council for past transactions and it is probable that the council will be liable for these claims. The amounts recorded in the financial statements are the estimated cost of these claims.

Financial guarantee contracts

A financial guarantee contract is a contract that requires 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, even if a payment under the guarantee is not considered probable. 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 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 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.

Income Tax

The income tax expense is the tax payable on the current period's taxable income based on the New Zealand tax rate, and adjusted for changes in deferred tax assets and liabilities, and adjustments to income tax payable in respect of prior years. Rotorua District Council has minimal sources of income that are assessable for income tax.

Trade and other payables

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

Employee benefit liabilities

Short-term employee entitlements

These include wages and salaries, annual leave and sick leave. These liabilities are expected to be settled within 12 months of the reporting date. They include employees' services up to year end date and are measured at the amounts the council expects to pay when the liabilities are settled. A liability is recognised for bonuses where they are contractually obliged or where there is a past practice that has created a constructive obligation.

Long-term employee entitlements

Entitlements that are payable beyond 12 months such as long-service leave have been actuarially measured as the present value of expected future payments for services provided by employees up to the year-end date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Retirement benefit

A number of current and former employees of the council are entitled to benefits, on retirement, disability or death, from the council's multi-employer benefit scheme. The council has insufficient information and cannot follow defined benefit accounting, so the scheme is accounted for as a defined contribution plan. Contributions are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset, if a cash refund or a reduction in the future payments is available.

Revenue

The council measures revenue at the fair value of the amounts received or receivable, net of discounts, duties and taxes paid. It accounts for revenue for the major activities as follows:

- Rates – when levied. Penalties and discounts relating to rates are included where applicable.
- Traffic and Parking infringements – when payment of the ticket is received.
- Licences and permits revenue – on application.
- Rental revenue – for the period it relates to.
- Sale of goods – when the risks and rewards of the ownership of the goods passes to the purchaser.
- Interest income – on a time-proportion basis using the effective interest method.
- Dividend income – when the right to received payment is established.
- Royalty income – on an accruals basis in accordance with the royalty agreements.
- Development and financial contributions – are recognised when the council provides or is able to provide the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time the council provides, or is able to provide the service.
- Grants and subsidies – received in relation to the provision of services are recognised on a percentage of completion basis. Other grants and subsidies are recognised when receivable.
- Contra transactions - are measured at the fair value of the assets received or the fair value of goods given up.

Construction contracts

Contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract at balance date. The stage of completion is measured by reference to the contract costs incurred up to the balance date as a percentage of total estimated costs for each contract.

Statement of accounting policies **cont.**

Contract costs include all costs directly related to specific contracts, costs that are specifically chargeable to the customer under the terms of the contract and an allocation of overhead expenses incurred in connection with the group's construction activities in general.

An expected loss on construction contracts is recognised immediately as an expense in the surplus or deficit.

Where the outcome of a contract cannot be reliably estimated, contract costs are recognised as an expense as incurred, and where it is probable that the costs will be recovered, revenue is recognised to the extent of costs incurred.

Construction work in progress is stated at the aggregate of contract costs incurred to date plus recognised profits less recognised losses and progress billings. If there are contracts where progress billings exceed the aggregate costs incurred plus profit less losses, the net amounts are presented under other liabilities.

Leases

Finance leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, the council recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Currently council holds no finance leases.

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Borrowing costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where the council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the council's decision.

Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the statement of comprehensive income.

Critical Accounting Estimates and Assumptions

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.

Cautionary Note

The information in the prospective financial statements is uncertain and the preparation requires the exercise of judgement. Actual financial results achieved for the period covered are likely to vary from the information presented, and the variations may be material. Events and circumstances may not occur as expected or may not have been predicted or the Council may subsequently take actions that differ from the proposed courses of action on which the prospective financial statements are based.

The information contained within these prospective financial statements may not be suitable for use in another capacity.

Assumptions underlying Prospective Financial Information

The financial information contained within these policies and documents is prospective financial information in terms of FRS42: Prospective Financial Information. The purpose for which it has been prepared is to enable the public to participate in the decision making processes as to the services to be provided by the Rotorua District Council for the financial year 2011/2012, and to provide a broad accountability mechanism of the Council to the Community.

Changes in accounting policies

The accounting policies have been applied consistently to all periods presented.

Funding



Funding impact statement

Revenue and Financing Mechanisms

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

Description	Annual Plan 2010/11	Ten Year Plan 2011/12	Annual Plan 2011/12	Variance
<i>\$ in thousands</i>				
Rating Mechanisms				
Rates	20,485	23,330	19,009	(4,321)
Uniform Annual General Charge	14,144	14,506	14,607	101
Less RDC Rates	(1,575)	(820)	(1,587)	(767)
Water Rates	3,321	3,522	3,387	(135)
Sewerage Rates	9,957	10,563	10,156	(407)
Sewerage Capital Rates	849	3,684	861	(2,823)
Refuse Rates	2,042	2,818	2,042	(776)
Water by Meter	3,521	3,627	3,592	(35)
Water by Meter Penalty	8	9	8	(1)
Lakes Enhancement Rate	419	432	427	(5)
Urban Sewerage Development Rate	57	124	58	(66)
Lakes Community Board Rate	50	53	50	(3)
Business and Economic Development Rate	4,673	4,876	5,358	482
Roading Targeted Rate	8,914	9,152	8,951	(201)
Stormwater and Land Drainage Targeted Rate	-	-	2,000	2,000
Less Water By Meter	(254)	(183)	(266)	(83)
Total from Rating Mechanisms	66,612	75,693	68,653	(7,040)
Development Contributions	2,866	4,140	800	(3,340)
Resource Management Contributions	618	637	618	(19)
Subsidies and Grants	26,298	25,890	24,423	(1,467)
Investment Revenue	947	315	904	589
Fees and Charges	5,687	5,770	5,781	11
Trading revenue	18,052	21,100	19,965	(1,135)
Profit on Disposal	6	6	136	130
Other Revenue Sources	54,474	57,858	52,627	(5,231)
Total Revenue Funding Mechanisms	121,086	133,551	121,281	(12,270)
Finance Mechanisms				
Debt (Net Funding)	11,956	13,451	8,168	5,283
Sale of Assets	234	212	203	9
Net Council and Created Reserves	17,019	395	8,385	(7,990)
Working Capital Funding	1,341	(7,155)	-	(7,155)
Total Funding from Financing Mechanisms	30,550	6,903	16,756	(9,853)
Total Revenue and Financing Mechanisms	151,636	140,454	138,037	2,417

Note: Large variances are explained at the beginning of each group section on pages 19, 29, 47 and 64

Funding impact statement **cont.**

Highlighted changes for 2011/12

Sewerage scheme capital costs

- Lake Okareka/ Blue Lake – targeted rates reduced due to completion costs lower than expected
- New scheme targeted rates to be implemented this year for
 - Hamurana/ Awahou
 - Okere Falls, Otaramarae and Whangamarino
 - Paradise Valley

Stormwater and Land Drainage

A new undifferentiated targeted rate based on capital value. The amount to be collected under this rate was previously collected under the general rate.

Rates for 2011/12

Council proposes to set the following rates, pursuant to the Local Government (Rating) Act 2002, for the 2011/12 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 (including scheme connection costs);
- g) Targeted rate for urban sewerage development;
- h) Targeted rates for refuse collection;
- i) Targeted uniform fixed rate for part of the roading costs;
- j) Targeted rate, undifferentiated rate in the dollar on capital value for part of the roading costs;
- k) Targeted differentiated fixed rate for part of the business and economic development costs;
- l) Targeted differentiated rate in the dollar on capital value for part of the business and economic development costs.
- m) Targeted rate for stormwater and land drainage.
- n) Targeted rate for Lakes Community Board costs.

Proportion of total rates paid by each sector

	Land Value 2008 Valuations	Capital Value 2008 Valuations	Rates Take 2009/10	Rates Take 2010/11	Rates Take 2011/12
Farming	39.6%	26.9%	13.1%	13.6%	13.4%
Business	11.4%	18.2%	25.0%	22.5%	22.6%
Residential	49.0%	54.9%	61.9%	63.9%	63.9%

Uniform Annual General Charge

Council sets a uniform annual general charge for each rating unit (plus GST at the prevailing rate).

The amount to be collected is \$14,606,550.

The uniform annual general charge has been set at a fixed amount per rating unit.

2011/2012	\$525.00
2010/2011	\$511.11

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, excluding those within the Environment Waikato region (plus GST at the prevailing rate).

The amount to be collected is \$427,364.

The lakes enhancement rate is set at:

2011/2012	\$16.00
2010/2011	\$16.00

General Rates

Council sets a general rate on land value on a differential basis (plus GST at the prevailing rate).

The amount to be collected is \$19,009,471.

The general rate will be collected from nine differential rating categories (three differential rating groups).

	Relative differentials %	Rate per \$ of land value 2010/11	2011/12
Residential rating group			
1 Residential – General – Urban	100	0.002370	0.002210
2 Residential – General – Rural	76	0.001800	0.001680
3 Residential – Two Unit – Urban	110	0.002600	0.002430
4 Residential – Three Unit – Urban	230	0.005430	0.005060
5 Residential – Four Unit – Urban	300	0.007090	0.006610
6 Residential – Multi Unit	360	0.008500	0.007930
Farming rating group			
7 Farming – General	76	0.001800	0.001680
Business rating group			
8 Business – Urban	360	0.008500	0.007930
9 Business – Rural	228	0.005390	0.005030

Targeted Rates for Roothing

(plus GST at the prevailing rate)

Council sets a fixed uniform targeted rate for each rating unit

In addition, Council sets an undifferentiated rate in the dollar on the capital value on every rating unit.

The total amount to be collected is \$8,951,458.

Funding impact statement **cont.**

Targeted Rates for Business and Economic Development

(plus GST at the prevailing rate)	(per rating unit)	
	2010/11	2011/12
Business Urban and Rural	\$177.78	\$177.78
Industrial	\$177.78	\$177.78
Farming	\$44.44	\$44.44

In addition, council sets a targeted differentiated rate in the dollar on capital value for the following categories of properties:

(plus GST at the prevailing rate)	(rate in \$ on CV)	
	2010/11	2011/12
Business Urban and Rural	0.002190	0.002600
Industrial	0.000560	0.000580
Farming	0.000060	0.000040

The total amount to be collected is \$5,357,793.

Targeted Rate for Stormwater and Land Drainage

(plus GST at the prevailing rate)	(per rating unit)	
	2010/11	2011/12
Council sets an undifferentiated rate in the dollar on the capital value on every rating unit	-	0.000148

The amount to be collected is \$2,000,000

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 100 meters of a council water supply area.

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. Subject to any rating unit used primarily as a residence of one household being deemed to have a single part.

The Targeted Rates for water supply are as follows (plus GST at the prevailing rate):

Urban (Plan number 11015 Sheet 1)	Charging unit	2010/2011	2011/2012
The amount to be collected is \$6,978,602 (plus GST at prevailing rate) (Metered water \$2,632,418; General water rate \$3,374,704)			
A differential targeted rate of:			
<ul style="list-style-type: none"> A fixed amount on each separately used or inhabited part of a rating unit connected (and not metered) 	Annual for rating units connected	\$168.89	\$172.00
<ul style="list-style-type: none"> A fixed amount on each serviceable rating unit capable of connection. 	Annual for rating units capable of connection	\$84.44	\$86.00
<ul style="list-style-type: none"> A fixed amount on each separately used or inhabited part of a rating unit connected (and metered) 	Annual for rating units connected and metered	\$168.89	\$172.00
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	\$0.76	\$0.78
Mamaku (Plan number 11015 Sheet 4)			
The amount to be collected is \$82,764 (plus GST at the prevailing rate)			
A targeted rate of a fixed amount per connection on each rating unit connected.	Annual for rating units connected	\$184.89	\$188.59
A targeted rate on each metered rating unit of a fixed charge per cubic metre supplied to the rating unit.	Per cubic metre	\$0.52	\$0.53

Funding impact statement **cont.**

Rotoiti (Plan number 11015 Sheet 5)	Charging unit	2010/2011	2011/2012
The amount to be collected is \$79,308 (plus GST at the prevailing rate)			
A differential targeted rate:			
<ul style="list-style-type: none"> A fixed amount per connection on each rating unit connected. 	Annual for rating units connected	\$129.78	\$132.38
<ul style="list-style-type: none"> A fixed amount on each serviceable rating unit capable of connection. 	Annual for rating units capable of connection	\$64.89	\$66.19
A targeted rate on each metered rating unit of a fixed amount per cubic meter supplied to the rating unit.	Per cubic metre	\$0.44	\$0.45
Rotoma (Plan number 11015 Sheet 6)			
The amount to be collected is \$53,139 (plus GST at the prevailing rate)			
A differential targeted rate:			
<ul style="list-style-type: none"> A fixed amount per connection on each rating unit connected. 	Annual for rating units connected	\$270.22	\$275.62
<ul style="list-style-type: none"> A fixed amount on each serviceable rating unit capable of connection 	Annual for rating units capable of connection	\$135.11	\$137.81
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	\$0.93
Kaharoa (Plan number 11015 Sheet 7)			
The amount to be collected is \$193,472 (plus GST at the prevailing rate)			
A targeted rate of a fixed amount per connection on each rating unit connected.	Annual for rating units connected	\$277.33	\$282.88
A targeted rate on each metered rating unit of a fixed amount per cubic metre supplied to the rating unit.	Per cubic metre	\$0.28	\$0.29
Reporoa (Plan number 11015 Sheet 8)			
The amount to be collected is \$455,950 (plus GST at the prevailing rate)			
A differential targeted rate:			
<ul style="list-style-type: none"> A fixed amount per connection on each Domestic/Non-Farming rating unit connected 	Annual for rating units connected	\$122.67	\$125.12
<ul style="list-style-type: none"> A fixed amount per connection on each Farming/Dairy-Factory rating unit connected. 	Annual for rating units connected	\$192.00	\$195.84
A differential targeted rate:			
<ul style="list-style-type: none"> A fixed amount on each metered Domestic/Non-Farming rating unit per cubic metre supplied in excess of the 82 cubic metres per quarter. 	Per cubic metre	\$0.37	\$0.38
<ul style="list-style-type: none"> A fixed amount on each metered Farming/Dairy-Factory rating unit per cubic metre supplied in excess of 208 cubic metres per quarter. 	Per cubic metre	\$0.23	\$0.24

Funding impact statement **cont.**

Hamurana (Plan number 11015 Sheet 9)	Charging unit	2010/2011	2011/2012
The amount to be collected is \$67,752 (plus GST at the prevailing rate)			
A differential targeted rate:			
<ul style="list-style-type: none"> A fixed amount per connection on each rating unit connected 	Annual for rating units connected	\$108.44	\$110.61
<ul style="list-style-type: none"> A fixed amount on each serviceable rating unit capable of connection 	Annual for rating units capable of connection	\$54.22	\$55.30
A targeted rate on each metered rating unit of a fixed amount per cubic metre supplied.	Per cubic metre	\$0.31	\$0.32

Okareka (Plan number 11015 Sheet 10)	Charging unit	2010/2011	2011/2012
The amount to be collected is \$39,095 (plus GST at the prevailing rate)			
A differential targeted rate:			
<ul style="list-style-type: none"> A fixed amount per connection on each rating unit connected 	Annual for rating units connected	\$80.00	\$81.60
<ul style="list-style-type: none"> A fixed amount (being 50% of the above amount) on each serviceable rating unit. 	Annual for rating units capable of connection	\$40.00	\$40.80
A targeted rate on each metered rating unit of a fixed amount per cubic metre supplied.	Per cubic metre	\$0.26	\$0.27

Targeted Rates for Sewage Disposal

Council sets the following targeted rate on a differential basis for 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 (plus GST at the prevailing rate):

Urban (Plan number 11163 Sheet 2) and Eastern and Rural (Plan number 11163 Sheets 4, 5 and 14)	Charging Unit	2010/2011	2011/12
The amount to be collected is \$10,156,027 (plus GST at the prevailing rate)			
1. Rating unit connected:			
Category 1 - means the rating units with 1 to 4 toilets (water closets or urinals)	Uniform charge for each toilet	\$321.33	\$328.00
Category 2 - means the rating units with 5 to 10 toilets (water closets or urinals)	Uniform charge for each toilet	\$273.14	\$278.80
Category 3 - means the rating units with 11 or more toilets (water closets or urinals)	Uniform charge for each toilet	\$257.07	\$262.40
2. Availability			
- means the rating units which are serviceable rating units.	Annual for rating units capable of connection	\$160.67	\$164.00

Funding impact statement **cont.**

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 (plus GST at the prevailing rate).

The amount to be collected is \$58,127.

The urban sewerage development rate is set at:	2011/2012	\$2.70
	2010/2011	\$2.67

Targeted Rates for Connection to Sewerage Schemes

Council sets targeted rates on a differential basis for connecting properties to the following sewerage schemes (plus GST at the prevailing rate):

	Charging Unit	2010/2011	2011/2012
Mourea (Plan number 11163, Sheet 4)			
The amount to be collected is \$7,306 (plus GST at the prevailing rate)			
A fixed amount on each household unit equivalent (HUE)	Per HUE Annually	\$228.31	\$228.31
Hinemoa Point (Plan number 11608, Sheet 8)			
The amount to be collected is \$4,206 (plus GST at the prevailing rate)			
A fixed amount on each household unit equivalent (HUE)	Per HUE Annually	\$137.49	\$137.49

Targeted Rates for Capital Cost of Sewerage Schemes

Council sets targeted rates on a differential basis for the following sewerage schemes (plus GST at the prevailing rate).

	Charging Unit	2010/2011	2011/2012
Brunswick Stages 4 and 6 (Plan Number 11608, Sheet 11)			
The amount to be collected is \$12,488 (plus GST at the prevailing rate)			
A fixed amount on each household unit equivalent (HUE)	Per HUE Annually	\$313.24	\$313.24
Brunswick (Plan Number 11608, Sheet 10)			
The amount to be collected is \$66,780 (plus GST at the prevailing rate)			
A fixed amount on each household unit equivalent (HUE)	Per HUE Annually	\$652.18	\$652.18
Duxton (Plan number 11163, Sheet 5)			
The amount to be collected is \$12,535 (plus GST at the prevailing rate)			
A fixed amount	Annually	\$12,535.24	\$12,535.24
Hamurana/Awahou (Plan Number 13222, Sheet 6)			
The amount to be collected is \$546,149 (plus GST at the prevailing rate)			
A fixed amount on each household unit equivalent (HUE)	Per HUE Annually	-	\$805.53
Hinemoa Point (Plan Number 11608, Sheet 8)			
The amount to be collected is \$35,032 (plus GST at the prevailing rate)			
A fixed amount on each household unit equivalent (HUE)	Per HUE Annually	\$529.96	\$529.96
Lake Okareka/Blue Lake (Plan Number 11608, Sheet 3)			
The amount to be collected is \$266,205 (plus GST at the prevailing rate)			
A fixed amount on each household unit equivalent (HUE)	Per HUE Annually	\$1,011.23	\$870.83
Marama Point (Plan Number 11163, Sheet 14)			
The amount to be collected is \$9,545 (plus GST at the prevailing rate)			
A fixed amount on each household unit equivalent (HUE)	Per HUE Annually	\$238.61	\$238.61

Funding impact statement **cont.**

	Charging Unit	2010/2011	2011/2012
Mourea (Plan number 11163, Sheet 4)			
The amount to be collected is \$28,004 (plus GST at the prevailing rate)			
A fixed amount on each household unit equivalent (HUE)	Per HUE Annually	\$298.48	\$298.48
Okawa Bay (Plan number 11163, Sheet 5)			
The amount to be collected is \$11,570 (plus GST at the prevailing rate)			
A fixed amount on each household unit equivalent (HUE)	Per HUE Annually	\$462.06	\$462.06
Okere Falls / Otaramarae / Whangamarino (Plan Number 13222, Sheet 1)			
The amount to be collected is \$254,920 (plus GST at the prevailing rate)			
A fixed amount on each household unit equivalent (HUE)	Per HUE Annually	-	\$623.28
Paradise Valley			
The amount to be collected is \$13,114 (plus GST at the prevailing rate)			
A fixed amount on each household unit equivalent (HUE)	Per HUE Annually	-	\$624.52
Rotokawa (Plan Number 11608, Sheet 2)			
The amount to be collected is \$22,679 (plus GST at the prevailing rate)			
A fixed amount on each household unit equivalent (HUE)	Per HUE Annually	\$201.11	\$201.11

Voluntary Lump Sum Capital Contributions

Council sets the following amounts (plus GST at the prevailing rate) for ratepayers who elect to pay a one-off voluntary lump sum capital contribution for the capital cost of these sewerage schemes:

Hamurana/Awahou	Per HUE	\$10,154.10
Okere Falls, Otaramarae, and Whangamarino	Per HUE	\$7,856.77
Paradise Valley	Per HUE	\$7,872.37
Okere Falls camping group		\$70,710.93
Whangamarino school		\$86,424.47
Taheke and Otaramarae marae		\$62,854.16
Otaramarae public toilets		\$15,713.64

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 \$50,004 (plus GST at the prevailing rate).

The lakes community board rate is set at:

2011/2012	\$19.00
2010/2011	\$18.67

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. Subject to any rating unit used primarily as a residence of one household being deemed to have a single part.

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 (plus GST at the prevailing rate):

Refuse Collection (Plan numbers 10196-002 [urban] and 10196-001 [rural])	Charging Unit	2010/2011	2011/2012
The total amount to be collected is \$2,042,004 (plus GST at the prevailing rate)			
Urban (weekly collection)	Annual	\$71.10	\$73.00
Urban (CBD twice-weekly collection)	Annual	\$142.20	\$146.00
Rural (weekly collection)	Annual	\$73.35	\$75.50

Funding impact statement **cont.**

Rates Postponement

To cover costs, the following fees and charges are set for the 2010/2011 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 (plus GST at the prevailing rate)	Charging Unit	2010/2011	2011/2012
Application Fee	One-Off	\$88.89	\$88.89
Contribution to Counselling	One-Off	\$266.67	\$266.67
Half Year Interest Charges			
Interest calculated on councils marginal borrowing rate 6 monthly on all amounts outstanding			
Annual Charges (plus GST at the prevailing rate)			
Annual Account Fee	Annual	\$44.44	\$44.44
Administration Fee	Annual	1.00%	1.00%
Reserve Fund Fee	Annual	0.25%	0.25%
Property Insurance *	Annual	TBA	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 excluding targeted rates for metered water supply (charged quarterly) will be payable in four instalments by the due dates, as follows:

Instalment	Due Date
Instalment Number 1	25 August 2011
Instalment Number 2	25 November 2011
Instalment Number 3	25 February 2012
Instalment Number 4	25 May 2012

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 2011/2012 is 2.00%.

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 2011.
 - 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 2012.
- **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 six months after the above further penalty was added. The penalty will be 10% of the unpaid amount.

Treasury policy

Introduction

Council's Treasury Policy establishes borrowing limits that are realistic in the current and anticipated future financial climate. The policy also ensures inter-generational equity and enables prudent financial management for ratepayers of the district.

Philosophy

Council has treasury risks arising from raising loans, investments and associated interest rate management activity.

Council carries out its borrowing and investments (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 and Ten Year Planning processes. Projected debt levels are ascertained from cashflow forecasts prepared during the Long Term 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 inter-generational 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 15% of total annual revenue.
- Net cash flows from operating activities are to exceed gross annual interest expense by a multiple of at least 2.
- Maximum debt not to exceed 20% of total assets.

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 \$60 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 overleaf 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.

Treasury policy **cont.**

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 Ten Year Plan 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
Year One	50%	100%
Year Two	30%	90%
Years Three and Four	20%	70%
Year Five to Year Ten	0%	50%
Over Ten Years	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.

Treasury policy cont.

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.

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 cash flows. These cash flows determine council's borrowing requirements and surpluses for investment. Cash investments are generally covered by Section 3 of this policy.

Performance Measurement

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

Delegated Authorities and Key Internal Controls

Delegated Authorities

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

Key Internal Controls

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

Development Contributions Policy



Development contributions policy

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Development contributions policy **cont.**

1. Background

1.1 Introduction

This Development Contribution policy establishes a consistent and equitable basis for requiring those undertaking development within the Rotorua District to pay a fair share of the community's capital expenditure for the provision of community and network infrastructure.

Under this policy, a Development Contribution is in the form of a money payment from developers to fund the additional demand for community facilities created as a result of growth. Although the policy could, by law be extended to include a contribution from developers of land, this policy does not do so. Rather, any investing of land in Council will be pursuant to its financial contributions policy as contained in the District Plan or proposed District Plan.

Community infrastructure includes public amenities such as; libraries, museums, event venues, sports grounds, aquatic centres, boat ramps, and playgrounds.

Network infrastructure includes water, wastewater, land drainage and transportation.

Definitions of those terms, and others included in this policy, are set out in Appendix J.

Under this policy most of the new infrastructure required for growth will be funded by a fee (Development Contribution) rather than as part of the general rates.

1.2 Supporting Legislation and Policies

Under the LGA 2002, Council must adopt funding and financial policies in order to provide predictability and certainty about the sources and levels of its funding. The policies may be adopted by way of the LTCCP. Council is obliged to adopt a policy on Development Contributions, though may adopt both. Council has elected to have both a policy on Development Contributions and financial contributions. The Development Contributions policy is adopted pursuant to the LGA 2002, and the financial contributions policy is adopted pursuant to the RMA1991. Within this LTCCP (also called the Ten Year Plan) community outcomes are identified which are unique to Rotorua. These outcomes need to be supported by levels of service to be achieved in community infrastructure and network infrastructure to service the present and future community.

Council's existing Development Contribution policy, originally adopted on the 26th June 2006, contributes to these community outcomes by ensuring the provision of appropriate infrastructure in order to meet the needs of growth. The existing policy may only be amended by way of a LTCCP. This LTCCP, once adopted by Council, will include its new Development Contributions policy.

2. What is a Development Contribution?

2.1 In terms of the policy, this is a contribution towards the cost of providing the increase in capacity of the network infrastructure and the community infrastructure, which is external to the boundaries of the development site required to service the increase in demand generated by growth.

2.2 A Development Contribution is to fund an increase in the overall demand for services across the district or a catchment area rather than to fund a specific development.

2.3 Council Use of Development Contributions

Council will use Development Contributions only on the activity, as opposed to any specific project, for which they are collected. Council may require a Development Contribution from any development for the following:

- Capital expenditure incurred as a result of growth and/or capital expenditure already incurred in anticipation of development.

Development Contributions will be collected to support the following activities:

Network Infrastructure

- Transportation (road, bus, pedestrian, cycle etc.)
- Water Supply
- Wastewater
- Land Drainage and stormwater

Community infrastructure

- Public Amenities

2.4 Limitations to the Application of Development Contributions

Council will not require a Development Contribution in the following cases:

- Where it has, under Section 108(2)(a) of the RMA 1991, imposed a condition on a resource consent in relation to the same development for the same purpose; or
- Where the Council has received or will receive 100% funding from a third party for those works.

¹ This Development Contributions policy has been prepared in accordance with Sections 102(4)(d) and 106 and Subpart 5 of Part 8 of the Local Government Act 2002.

Development contributions policy cont.

2.5 Capital Expenditure Council Incurs as a Result of Growth

The estimated capital expenditure Council has identified, as a result of growth, to meet increased demand for transportation, water, wastewater, land drainage and public amenities, over the next 10 years, is summarised in Appendix D, Table 2.

The growth component, excluding funding from other sources, of the capital expenditure budgets will be funded by Development Contributions. The backlog and renewal portions of capital expenditure will be funded from sources other than Development Contributions.

Previously Council has incurred significant expenditure in anticipation of development. Council will recover the growth component of these projects implemented to support the future community (post 1 July 2006). A schedule of these "Past Projects with Residual Capacity" is included in Appendix D, Table 1.

2.6 Timing, Implementation and Application

Development Contributions will be assessed on the date when:

- a resource consent (subdivision or land use) is granted,
 - a building consent is granted,
 - a service connection is approved,
- whichever is the earliest.

See Appendix H for timing, collection, payment and enforcement details. Development Contribution charges will be based on the Development Contributions schedule of fees (Appendix B, Table 1) in force at the date the payment is made.

A developer may elect to pay Development Contributions once an assessment has been made. If a developer elects to defer payment, any increases in the charges payable under Appendix B will be payable by the developer.

This Policy is to be reviewed every three years with the LTCCP and the schedule of costs is reviewed every year in the annual plan.

2.7 Policy Transitional Arrangements

The LGA 2002 states that Development Contributions can be required for any resource consent, building consent or authorisation for a service connection granted on or after 1 July 2003 and lodged after 18 December 2001.

The policy was initially implemented by Council on 1 July 2006. Any subdivision and land use consent applications lodged before 14 March 2006 or consented before 30 June 2006 will not be subject to a development contribution charge.

2.8 Assessment and payment of Development Contributions

Table 1: Schedule of events that will give rise to a requirement for a Development Contribution

Action	Timing of Development Contributions Milestones - Residential and Non-Residential Applications
Assessment of the Development Contribution	On granting: <ol style="list-style-type: none"> 1. Subdivision Consent 2. Land Use Consent 3. Building Consent 4. Authority to make service connection
Payment of the Development Contribution	<ol style="list-style-type: none"> 1. Before issue of s224(c) Certificate, (RMA 1991); or 2. Within 180 days of issuance of Building Consent; or prior to issuance of code of compliance certificate (whichever is the earlier). 3. On granting of a land use consent (other than subdivision or building consent); 4. Before issue of authority to make service connection.

Development contributions policy **cont.**

Method of calculation and growth projections

3. Method of Calculation and Growth Projections

3.1 Household Unit equivalents (HUEs)

Council is required, by the LGA 2002, to consider Development Contributions in terms of units of demand. The unit of demand in this policy will be a Household Unit Equivalent (HUE).

For each network infrastructural activity (transportation, water supply, wastewater and land drainage) or community infrastructure (public amenity) where Development Contributions are required, the amount payable will be calculated by multiplying the Development Contributions per HUE by the number of HUEs. Developers will, however, receive a historic credit (see Section 4) for any entitlement existing prior to the proposed development, reflecting existing demand on services.

3.2 Growth Projections

The District's growth projections have been developed in order to predict growth throughout the District in 'Household Unit Equivalents'. A HUE is defined as being equivalent to one 'average' household unit which means a self-contained home or residence which includes kitchen facilities and a bathroom.

High growth areas have been identified as the City, Eastern Suburbs, Northern and Rotokawa planning units, while the Rural, Established Lakeside, Eastern Lakes and Hamurana planning units will experience moderate growth, and the Ngongotaha unit will experience stable growth. It is recognised that Rotorua is experiencing growth. Rotorua District Council will continually monitor growth and improve the growth forecasting techniques.

It is recognised that household units vary in size and occupancy rates throughout the District and that the demands they generate also cover a broad range. However, given the relatively large size of the development contribution catchments and the implied averaging, the approach is considered appropriate as well as being consistent with the level of detail recognised by the growth projections.

3.3 Financial Contributions and the RMA

A financial contribution is a contribution from developers of money or land or a combination of money and land. Financial contributions are provided for under the RMA 1991, and are used to offset or mitigate any adverse impacts on the natural and physical environment including utility services of a new development where the infrastructure works have not been identified in a Development Contribution policy.

Council already has a number of Financial Contribution provisions in place. Council will continue to impose as a condition of resource consent, financial contributions in accordance with the District Plan for works and services to supply the immediate proposed development that are not covered by the Development Contributions policy.

In accordance with the LGA 2002, Council cannot require a Development Contribution for an activity if a Financial Contribution has already been imposed as a condition of a resource consent in relation to the same development for the same purpose.

The capital expenditure in Appendix D, Table 2 does not include any components of past projects funded by Financial Contributions.

3.3.1 On site works

The developer shall provide the following, within the boundaries of the development site, as a consent requirement under the District Plan as a result of an RMA 1991 process:

- Road, transportation and car parking infrastructure and landscaping requirements
- Water supply network
- Wastewater network
- Land drainage collection and disposal infrastructure
- Other services as required in the District Plan
- All other utility services (not managed by Council)

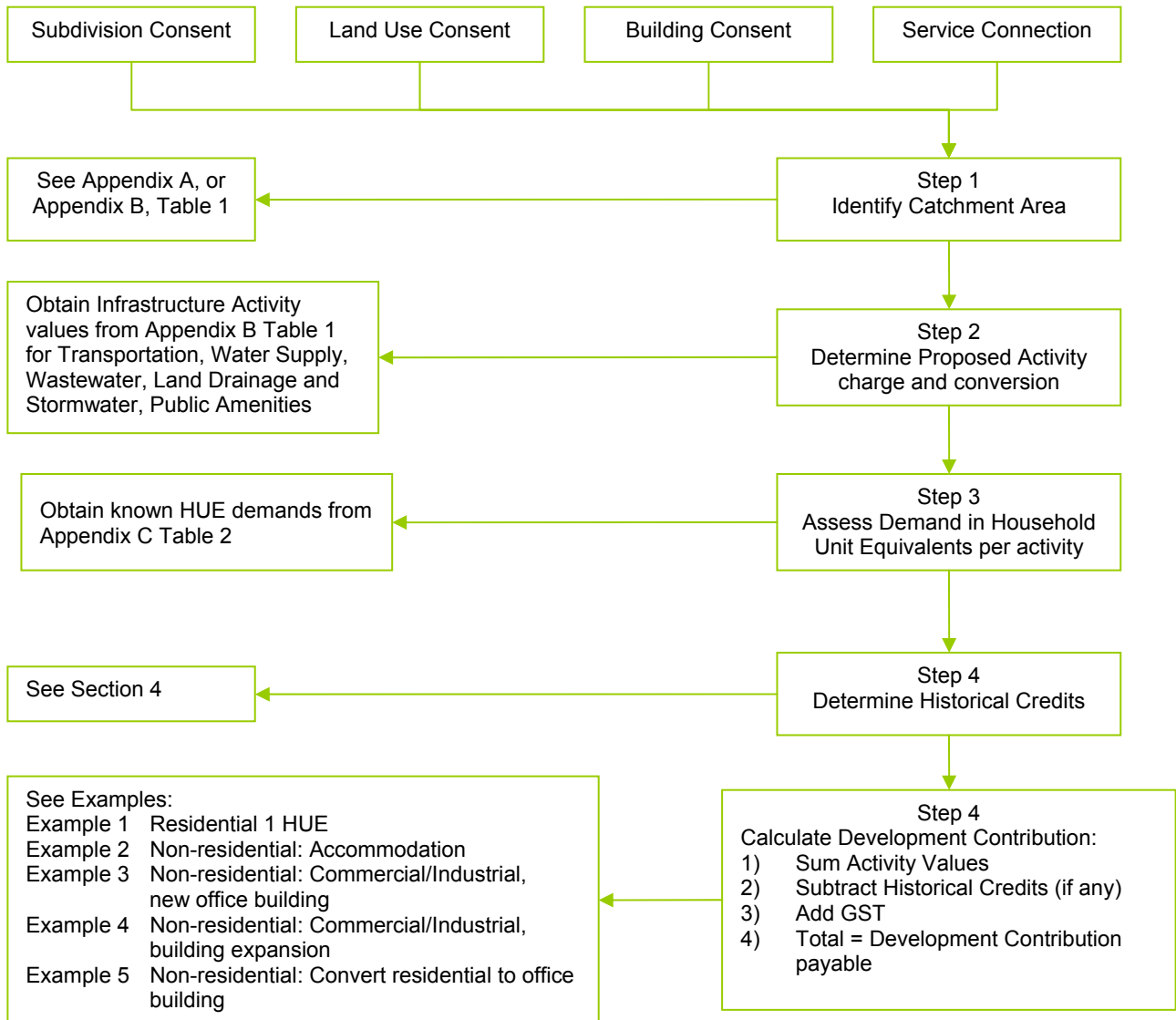
The developer funding for reserve land purchase is carried out utilising the Financial Contribution provisions of the RMA 1991 through Council's District Plan or proposed District Plan, and not as part of this policy. The Community Infrastructure charge in the Development Contribution assessment relates to the provision of infrastructure and public amenities.

Under conditions of a resource consent issued under the RMA 1991, Council may still require a developer to mitigate specific adverse environmental effects relating to a development.

Development contributions policy **cont.**

Method of calculation and growth projections **cont.**

Diagram 1: Development Contribution Process



Development contributions policy cont.

Method of calculation and growth projections cont.

3.4 Additional Household Units

In general, Development Contributions will be assessed at subdivision consent stage. However additional demand is created by additional household or HUE equivalent units on land already subdivided. In such cases, Council will assess and seek the appropriate development contribution at the building consent stage. If additional units of demand are created in the absence of subdivision or outside of the building consent stage, Council will require a development contribution at service connection stage.

3.5 Changes in Activity or Land Use

If a subsequent land use changes the nature of activities previously envisaged, the development contribution will be reassessed at the first opportunity; i.e. land use consent, at the building consent stage, or at the service connection stage.

3.6 Development Contribution Calculation

The Development Contribution process is summarised in Diagram 1 and Table 2.

Residential

There will be a Development Contribution on any additional lots or titles created by subdivision or any additional dwelling(s) created in the absence of subdivision.

Non-residential

There will be a development contribution on any additional lots or titles created by subdivision or additional building gross floor area (GFA) created in the absence of subdivision or if there is a change in land use or activity: refer to section 3.5 above.

For Rural developments see Appendix E, section 4.4.

For Apartments, Household Units and Residential Villages refer to Appendix E, section 4.1.

Table 2: Process for Determining Development Contribution Charge for both Residential and Non-Residential Development

Steps	Residential or Non Residential
Step 1 – Identify Catchment	Go to Appendix A (or Appendix B, Table 1) to determine which catchment the development lies within.
Step 2 – Determine Proposed Activity	Go to the Development Contributions schedule (Appendix B, Table 1) and identify the charges payable per HUE and applicable conversion factor for the catchment for each activity.
Step 3 – Assess Demand in HUEs per Activity	<p>Residential In residential development there is 1 HUE per additional lot or additional dwelling created, per activity. Determine the number of HUEs.</p> <p>Non-residential Determine the number of HUE equivalents per activity using the appropriate method defined in Appendix E, and also referring to Appendix B and C.</p>
Step 4 – Determine Historical Credits	For each activity determine any credits applicable to the residual title. (See Section 4 Credits)
Step 5 – Calculate Development Contribution	For each activity: a) multiply the number of HUEs (Step 3) by the charges payable (Step 2) and b) subtract for each activity any applicable historic credits. Any residual activity credits can be transferred across to other activities for the development. Sum the results for each activity, to achieve the total charge and add GST.

Development contributions policy **cont.**

Credits

4. Credits

4.1 Historic Credits

Credit will be given for the pre-existing status of properties (prior to 1 July 2006) even if no previous financial or Development Contributions were paid. Credits will be associated with the existing title and calculated and assigned on a per activity basis. Cross crediting between activities will be allowed. Note, however, if the property is not in an area of service it is not deemed to have any historic credit for that service.

4.2 General Principles

- Where Development Contributions or financial contributions for a particular property have previously been assessed and paid, credit (HUE) shall be given for the particular activity.
- Credit HUEs for all activities must be allocated to the same allotment or allotments and cannot be transferred or reimbursed.
- Credits relate only to lawfully established and permitted buildings and activities.
- Any excess historical credits as a result of amalgamation of titles will lapse if not utilised within a period of three years of the date of amalgamation. For allotments to be separated from amalgamated titles (s226 RMA 1991) see Appendix E section 4.7.
- For non-residential activities there will be a historic credit time limit where the activity has lapsed, or the buildings have been demolished, for more than three years preceding the re-development.
- Non-residential credits will relate to the existing lawfully established use of the property and buildings as at 1 July 2006 when the Development Contribution policy came into effect, unless the lapsed use is permitted under the current adopted District Plan.
- Any residual credit for an activity can be transferred to other activities for the development.
- If a building relating to an existing use is demolished after 1 July 2006 and not replaced, a Development Contribution credit assessment will be carried out at the time of the demolition building consent and a historic Development Contribution credit will be recorded on the Council file for the use of the property in the future.

4.2.1 Residential

- All existing vacant residential Lots have a credit of 1 HUE.
- Residential credits shall be granted on the basis of 1 HUE per relevant activity (eg transportation, water supply, wastewater, stormwater and land drainage) per existing allotment (or 1 HUE per activity per existing dwelling) before 1 July 2006.
- Where an additional dwelling has been erected on an existing title before 1 July 2006, one HUE credit will apply for the additional dwelling.
- Where an additional dwelling assessed at less than 1 HUE has been erected on the same site after 30 June 2006, the credit will be in accordance with the Development Contribution assessed and paid.
- For the calculation of residential credits there is no historical time limit and all previous credits shall be taken into account.

4.2.2 Non Residential

- Non-residential credits shall be granted on the basis of the number of HUE calculated at the time of application and according to the actual existing development, if any.
- Where additional floor area is created on an existing title the existing floor area (if any) will have historic credits based on the planned use at the time of application of the original building consent. These credits are likely to be different for each activity.
- Historic credits shall be assigned upon subdivision to the new allotments on a pro rata GFA basis, except for credits for existing buildings which will stay with the new lot that the building occupies.
- No credit HUE equivalents will be allocated to undeveloped non-residential allotments except for credits from resource consents issued after 30 June 2006.
- Any previous consent which has been granted but not uplifted (e.g. s224 RMA 1991) and the development or financial contributions not paid, does not represent a historical credit.

Development contributions policy cont.

Examples: development contribution calculations

5. Examples

A Development Contribution amount is always assessed on the information supplied by the applicant at the time. Should this information change between the assessment and invoicing, the Development Contribution amount may be recalculated.

The Development Contribution calculation is dependent on the locality and the catchment of the activities, and the land use specified in the consent. Therefore the following examples are indicative only.

Examples follow Steps 1-5 as referred to in Diagram 1 and Table 2

Example 1: Residential 1 HUE central urban

Type of Development:

Subdividing 1 existing Lot into 2;
Adding an additional house;
Connecting to Council services

Consent Application:

Subdividing 1 existing Lot into 2;
Adding an additional house;
Connecting to Council services

Existing Lot:

The Development Contribution Charge only applies to the new lot, new home or service connection.

What is the floor area of the proposed new dwelling?

Refer to graduated scale of charges for Household Unit floor areas as outlined in Appendix E, Section 4.

If floor area of HUE is less than 40m² then no Development Contribution is payable, as it is considered as a Granny Flat.

If the existing lot is vacant, a credit of 1 HUE will apply.

From Table 1, Appendix B, select appropriate Catchment (see catchment Maps, Appendix A) and associated schedule of charges

Catchment	Transportation	Water	Wastewater	Land Drainage and Stormwater	Public Amenities
Central Urban & Basin	\$2,834.89	\$3,112.99	\$3,928.42	\$630.81	\$3,047.59

Development Contribution for 1 HUE (excl GST) = \$13,554.70

GST = \$1,694.34

Development Contribution for 1 HUE (incl GST) = \$15,249.04

Development contributions policy cont.

Examples: development contribution calculations cont.

Example 2:

Non-residential

Accommodation, central urban area

Type of Development:

Expansion of an existing Motel of 21 beds and 1 residential unit
New development will have 46 beds and 1 residential unit

Consent Application:

Land use Consent
Building Consent

Development Details

Development Summary	New Model	Historic Credits
Beds	46	21*
Residential Unit	1	1

* Note that the accommodation beds is based on the documented existing lawfully established bed numbers based on the previous existing Land use or Building consent.

Step 1

From Table 1, Appendix B, select appropriate Catchment (see catchment Maps, Appendix A) and associated schedule of charges

Catchment	Transportation	Water	Wastewater	Land Drainage and Stormwater	Public Amenities
Central Urban & Basin	\$2,834.89	\$3,112.99	\$3,928.42	\$630.81	\$3,047.59

Step 2

From Tables 1 and 2, Appendix C, select appropriate non-residential HUE conversion factors

Catchment	Transportation	Water	Wastewater	Land Drainage and Stormwater	Public Amenities
	Bed nights	Bed nights	Bed nights	Bed nights	Bed nights
Central Urban & Basin	0.001	0.001	0.001	0.001	0.001

Development contributions policy cont.

Examples: development contribution calculations cont.

Step 3 New Development

Establish for each activity the appropriate HUE conversion and determine the charge for the number of HUEs.

No. of beds	46	from Development Details table above
Bed nights	365	Bed nights/year
Occupancy rate for Motel	50%	from Appendix E, Section 4.2.1
HUE/bed night/activity	0.001	from step 2 above
Activity Charge/1 HUE	\$	from step 1 above

Non-residential HUE conversion factors	Transportation	Water	Wastewater	Land Drainage and Stormwater	Public Amenities
Beds	46	46	46	46	46
Bed nights	365	365	365	365	365
Motel occupancy rate	0.5	0.5	0.5	0.5	0.5
HUE/bed night/activity	0.001	0.001	0.001	0.001	0.001
Activity Charge/1 HUE	\$2,834.89	\$3,112.99	\$3,928.42	\$630.81	\$3,047.59
Development Contribution charge/Activity – new beds	\$23,798.90	\$26,133.55	\$32,979.09	\$5,295.65	\$25,584.52
Development Contribution charge/Activity – 1 HUE	\$2,834.89	\$3,112.99	\$3,928.42	\$630.81	\$3,047.59
Development Contribution (new beds + 1 HUE)	\$26,633.79	\$29,246.54	\$36,907.51	\$5,926.46	\$28,632.11

Step 4 Existing Development (Credits)

Establish for each activity the appropriate HUE conversion and determine the charge for the number of HUEs.

No. of beds	21	from Development Details table above
1 Residential Unit	1	from Development Details table above
Bed nights	365	Bed nights/year
Occupancy rate for Motel	50%	from Appendix E, Section 4.2.1
HUE/bed night/activity	0.001	from step 2 above
Activity Charge/1 HUE	\$	from step 1 above

Non-residential HUE conversion factors	Transportation	Water	Wastewater	Land Drainage and Stormwater	Public Amenities
Beds	21	21	21	21	21
Bed nights	365	365	365	365	365
Motel occupancy rate	0.5	0.5	0.5	0.5	0.5
HUE/bed night/activity	0.001	0.001	0.001	0.001	0.001
Activity Charge/1 HUE	\$2,834.89	\$3,112.99	\$3,928.42	\$630.81	\$3,047.59
Development Contribution charge/Activity – existing beds	\$10,864.72	\$11,930.53	\$15,055.67	\$2,417.58	\$11,679.89
Development Contribution charge/Activity – Historic credits*	\$13,699.61	\$15,043.52	\$18,984.09	\$3,048.39	\$14,727.48

* (existing beds + 1 residential unit)

Development contributions policy cont.

Examples: development contribution calculations cont.

Step 5

Development Contribution payable (for each activity: subtract credits from the new beds total)

Non-residential HUE conversion factors	Transportation	Water	Wastewater	Land Drainage and Stormwater	Public Amenities
New Development Contribution – Step 3	\$26,633.79	\$29,246.54	\$36,907.51	\$5,926.46	\$28,632.11
Existing Historic Credits – Step 4	\$13,699.61	\$15,043.52	\$18,984.09	\$3,048.39	\$14,727.48
Development Contribution (Step 3–Step 4) (excl GST)	\$12,934.19	\$14,203.02	\$17,923.42	\$2,878.07	\$13,904.63
GST	\$1,616.77	\$1,775.38	\$2,240.43	\$359.76	\$1,738.08
Development Contribution payable (incl GST)*	\$14,550.96	\$15,978.39	\$20,163.84	\$3,237.83	\$15,642.71

Development Contribution (excl GST) = \$61,843.32

GST = \$7,730.41

Development Contribution (incl GST) = \$69,573.73

Development contributions policy cont.

Examples: development contribution calculations cont.

Example 3:
Non-residential
Commercial/Industrial new office building, central urban

Type of Development:

New building

Consent Application:

Subdivision Consent

Land use Consent

Building Consent

Lot:

Existing use

Vacant

Planned use

Commercial Office building

Number of floor levels

One

Development Details

Development Summary	m2
Existing Gross Floor Area (GFA)	0
Existing Impervious Surface Area (ISA)	0
New Gross Floor Area (GFA)	570
New Impervious Surface Area (ISA)	650

Step 1 and 2

Activity Charges/HUE

Activity from Appendix C, Tables 1 & 2	Charge	HUE/100m ²
Transport (GFA) – Commercial and Industrial	\$2,834.89	0.43
Water (GFA)	\$3,112.99	0.162
Wastewater (GFA)	\$3,928.42	0.108
Land Drainage (ISA)	\$630.81	0.198
Public Amenities (not applicable to commercial)	0	0

Development contributions policy cont.

Examples: development contribution calculations cont.

Step 3

New Development

Establish for each activity the appropriate HUE conversion and determine the charge for the number of HUEs.

Determine GFA or ISA for appropriate activities
Activity Charge/1 HUE

from Development Details table above
from Step 1 above

Non-residential HUE conversion factors	Transportation	Water	Wastewater	Land Drainage and Stormwater	Public Amenities
GFA or ISA (m ²)	570	570	570	570	0
GFA or ISA (100m ²)	5.7	5.7	5.7	6.5	0
HUE conversion/activity	0.43	0.162	0.108	0.198	0
Activity Charge/1 HUE	\$2,834.89	\$3,112.99	\$3,928.42	\$630.81	0
Development Contribution charge/Activity (excl GST)	\$6,948.32	\$2,874.53	\$2,418.34	\$811.85	\$0.00

Step 4

Historic Credits: No credits available as this site is vacant

Step 5

Development Contribution payable

Non-residential HUE conversion factors	Transportation	Water	Wastewater	Land Drainage and Stormwater	Public Amenities
Development Contribution charge/Activity (excl GST)	\$6,948.32	\$2,874.53	\$2,418.34	\$811.85	\$0.00
GST	\$868.54	\$359.32	\$302.29	\$101.48	\$0.00
Development Contribution charge/Activity (incl GST)*	\$7,816.86	\$3,233.85	\$2,720.63	\$913.33	\$0.00

Development Contribution (excl GST) = \$13,053.04

GST = \$1,631.63

Development Contribution (incl GST) = \$14,684.67

Development contributions policy cont.

Examples: development contribution calculations cont.

Example 4:

Non-residential

Commercial/Industrial Significant Commercial Building Expansion

Type of Development:

Expansion

Consent Application:

Land use Consent

Building Consent

Lot:

Existing use

Small commercial building

Planned use

Commercial/Industrial

Development Details

Development Summary	m2
Existing Gross Floor Area (GFA)	690
Existing Impervious Surface Area (ISA)	770
New Gross Floor Area (GFA)	8500
New Impervious Surface Area (ISA)	10200

Step 1 and 2

Activity Charges/HUE

Activity from Appendix C, Tables 1 & 2	Charge	HUE/100m ²
Transport (GFA) – Commercial and Industrial	\$2,834.89	0.43
Water (GFA)	\$3,112.99	0.162
Wastewater (GFA)	\$3,928.42	0.108
Land Drainage (ISA)	\$630.81	0.198
Public Amenities (not applicable to commercial)	0	0

Development contributions policy cont.

Examples: development contribution calculations cont.

Step 3

New Development

Establish for each activity the appropriate HUE conversion and determine the charge for the number of HUEs.

Determine GFA or ISA for appropriate activities from Development Details table above
 HUE/activity from Step 2 above
 Activity Charge/1 HUE from Step 1 above

Non-residential HUE conversion factors	Transportation	Water	Wastewater	Land Drainage and Stormwater	Public Amenities
GFA or ISA (m ²)	8500	8500	8500	10200	0
GFA or ISA (100m ²)	85	85	85	102	0
HUE conversion/activity	0.43	0.162	0.108	0.198	0
Activity Charge/1 HUE	\$2,834.89	\$3,112.99	\$3,928.42	\$630.81	0
Development Contribution charge/Activity (excl GST)	\$103,615.23	\$42,865.87	\$36,062.90	\$12,739.84	\$0.00

Step 4

Historic Credits

Establish for each activity the appropriate HUE conversion and determine the charge for the number of HUEs.

Determine GFA or ISA for appropriate activities from Development Details table above
 HUE/activity from Step 2 above
 Activity Charge/1 HUE from Step 1 above

Non-residential HUE conversion factors	Transportation	Water	Wastewater	Land Drainage and Stormwater	Public Amenities
GFA or ISA (m ²)	690	690	690	770	0
GFA or ISA (100m ²)	6.9	6.9	6.9	7.7	0
HUE conversion/activity	0.43	0.162	0.108	0.198	0
Activity Charge/1 HUE	\$2,834.89	\$3,112.99	\$3,928.42	\$630.81	0
Development Contribution charge/Activity (excl GST)	\$8,411.12	\$3,479.70	\$2,927.46	\$961.73	\$0.00

Development contributions policy cont.

Examples: development contribution calculations cont.

Step 5

Development Contribution payable

Non-residential HUE conversion factors	Transportation	Water	Wastewater	Land Drainage and Stormwater	Public Amenities
Development Contribution charge/Activity – new development	\$103,615.23	\$42,865.87	\$36,062.90	\$12,739.84	\$0.00
Development Contribution charge/Activity – historic credits	\$8,411.12	\$3,479.70	\$2,927.46	\$961.73	\$0.00
Development Contribution charge/Activity (excl GST) (new – existing)	\$95,204.11	\$39,386.17	\$33,135.44	\$11,778.11	\$0.00
GST	\$11,900.51	\$4,923.27	\$4,141.93	\$1,472.26	\$0.00
Development Contribution charge/Activity (incl GST)*	\$107,104.62	\$44,309.44	\$37,277.37	\$13,250.37	\$0.00

Development Contribution (excl GST) = \$179,503.83

GST = \$22,437.98

Development Contribution (incl GST) = \$201,941.81

Note: Application to Industrial Subdivision

The Development Contribution calculation is based on the full occupancy of the non-residential site. However under Appendix H Section 2, the amount payable can be reduced on the assumption that the normal industrial site coverage in Rotorua is 50% GFA. This applies to the Transport, Land Drainage and Stormwater, Water and Wastewater activities. Furthermore at time of issuance of the Subdivision or Land use consent, 25% of the estimated development contribution will be payable. Development Contribution charges will be further assessed on all future developments on the site and this initial 25% Development Contribution will be treated as a credit. For this example the initial amount payable would be \$42,917.93 excluding GST or \$48,282.67 including GST.

Development contributions policy cont.

Examples: development contribution calculations cont.

Example 5:

Non-residential

Convert a residential unit to an office building, central urban

Type of Development:

Office Conversion

Consent Application:

Land use Consent

Building Consent

Lot:

Existing use

Residential

Planned use

Commercial Office Building

Number of Storeys

One

Development Details

Development Summary	m2
Existing Gross Floor Area (GFA)	250
Existing Impervious Surface Area (ISA)	310
New Gross Floor Area (GFA)	250
New Impervious Surface Area (ISA)	310

Step 1 and 2

Activity Charges/HUE

Activity from Appendix C, Tables 1 & 2	Charge	HUE/100m ²
Transport (GFA) – Commercial and Industrial	\$2,834.89	0.43
Water (GFA)	\$3,112.99	0.162
Wastewater (GFA)	\$3,928.42	0.108
Land Drainage (ISA)	\$630.81	0.198
Public Amenities (not applicable to commercial)	0	0

Development contributions policy cont.

Examples: development contribution calculations cont.

Step 3

New Development

Establish for each activity the appropriate HUE conversion and determine the charge for the number of HUEs.

Determine GFA or ISA for appropriate activities from Development Details table above
 HUE/activity from Step 2 above
 Activity Charge/1 HUE from Step 1 above

Non-residential HUE conversion factors	Transportation	Water	Wastewater	Land Drainage and Stormwater	Public Amenities
GFA or ISA (m ²)	250	250	250	310	0
GFA or ISA (100m ²)	2.5	2.5	2.5	3.1	0
HUE conversion/activity	0.43	0.162	0.108	0.198	0
Activity Charge/1 HUE	\$2,834.89	\$3,112.99	\$3,928.42	\$630.81	0
Development Contribution charge/Activity (excl GST)	\$3,047.51	\$1,260.76	\$1,060.67	\$387.19	\$0.00

Step 4

Historic Credits

Establish for each activity the appropriate HUE conversion and determine the charge for the number of HUEs.

Determine GFA or ISA for appropriate activities from Development Details table above
 HUE/activity from Step 2 above
 Activity Charge/1 HUE from Step 1 above

Non-residential HUE conversion factors	Transportation	Water	Wastewater	Land Drainage and Stormwater	Public Amenities
Activity Charge/1 HUE	\$2,834.89	\$3,112.99	\$3,928.42	\$630.81	\$3,047.59
Development Contribution – Historic Credit (excl GST)	\$2,834.89	\$3,112.99	\$3,928.42	\$630.81	\$3,047.59

Development contributions policy cont.

Examples: development contribution calculations cont.

Step 5

Development Contribution payable

Non-residential HUE conversion factors	Transportation	Water	Wastewater	Land Drainage and Stormwater	Public Amenities
Development Contribution charge/Activity – new development	\$3,047.51	\$1,260.76	\$1,060.67	\$387.19	\$0.00
Development Contribution charge/Activity – historic credit	\$2,834.89	\$3,112.99	\$3,928.42	\$630.81	\$3,047.59
Development Contribution charge/Activity (excl GST) (new – historic)	\$212.62	\$0.00	\$0.00	\$0.00	\$0.00
GST	\$26.58	\$0.00	\$0.00	\$0.00	\$0.00
Development Contribution charge/Activity (incl GST)^{1*}	\$239.19	\$0.00	\$0.00	\$0.00	\$0.00

Development Contribution (excl GST) = \$212.62

GST = \$0.00

Development Contribution (incl GST) = \$0.00

The transfer of credits from other activities offsets the amount payable.

¹ For this example only the transport Development Contribution is payable. However, as the transfer of credits between activities is permitted, the transportation portion is offset by credits from other activities and a “nil” development contribution is payable. The remaining residual historic credits for any of the activities will remain with the property and be available for charge/credit against any future development.

Development contributions policy **cont.**

Appendices

Appendices

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Development contributions policy **cont.**

Appendix A: Infrastructural service catchments

Appendix A: Infrastructural Service Catchments

Catchments

Catchments have been determined for both wastewater and water services and the maps are defined in below.

Developments lying within a catchment will be charged a development contribution for that area. If for any reason a development falls outside the catchment, and is still served by the infrastructure associated with one of the activities, then the schedule of contributions for the serving catchment shall apply.

Map 1 Infrastructural Service Catchments: Water Supply

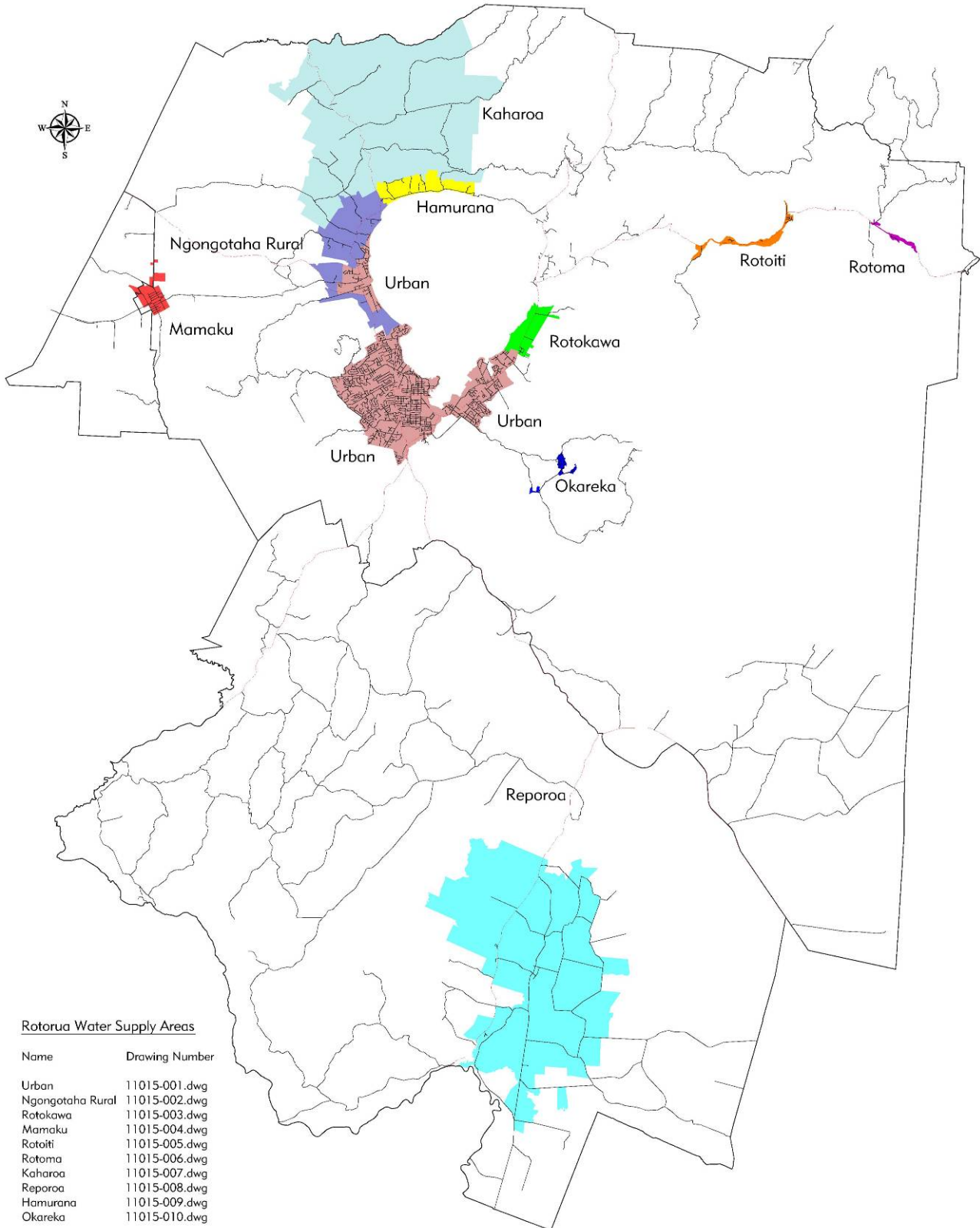
Map 2 Infrastructural Service Catchments: Wastewater

Map 2.1	Hamurana, Lake Rotorua
Map 2.2	Lake Tarawera
Map 2.3	Lake Rotoiti
Map 2.4	Lake Rotoma
Map 2.5	Hinemoa Point, Lake Rotorua
Map 2.6 a,b,c	Rotokawa/Brunswick Park, Lake Rotorua
Map 2.7	Lake Okareka/Blue Lake
Map 2.8	Mourea
Map 2.9	Duxton/Okawa Bay, Mourea.
Map 2.10	Okere Falls
Map 2.11	Otaramarae
Map 2.12	Whangamarino

Development contributions policy **cont.**

Appendix A: Infrastructural service catchments **cont.**

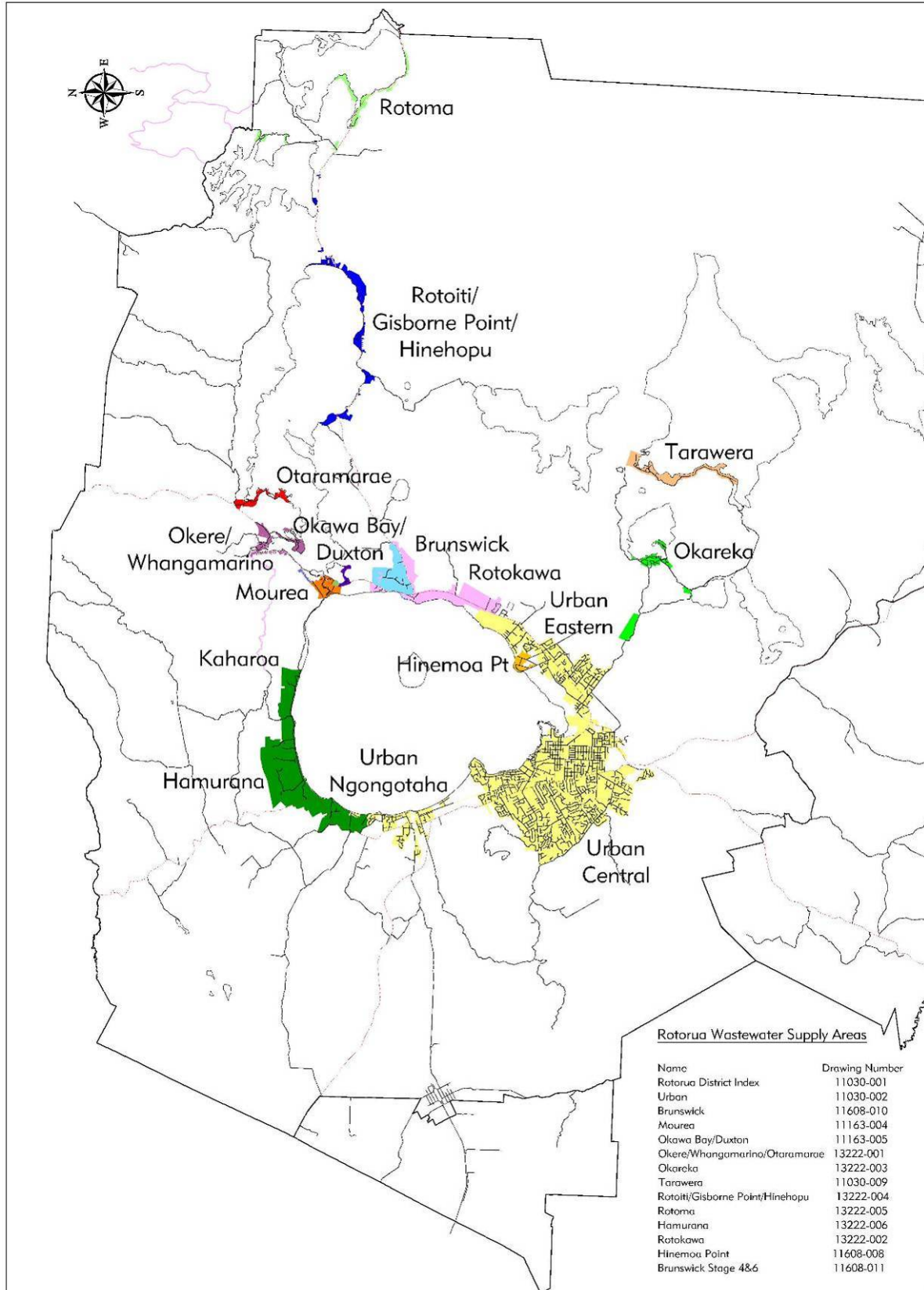
Map 1 Infrastructural Service Catchments: Water Supply



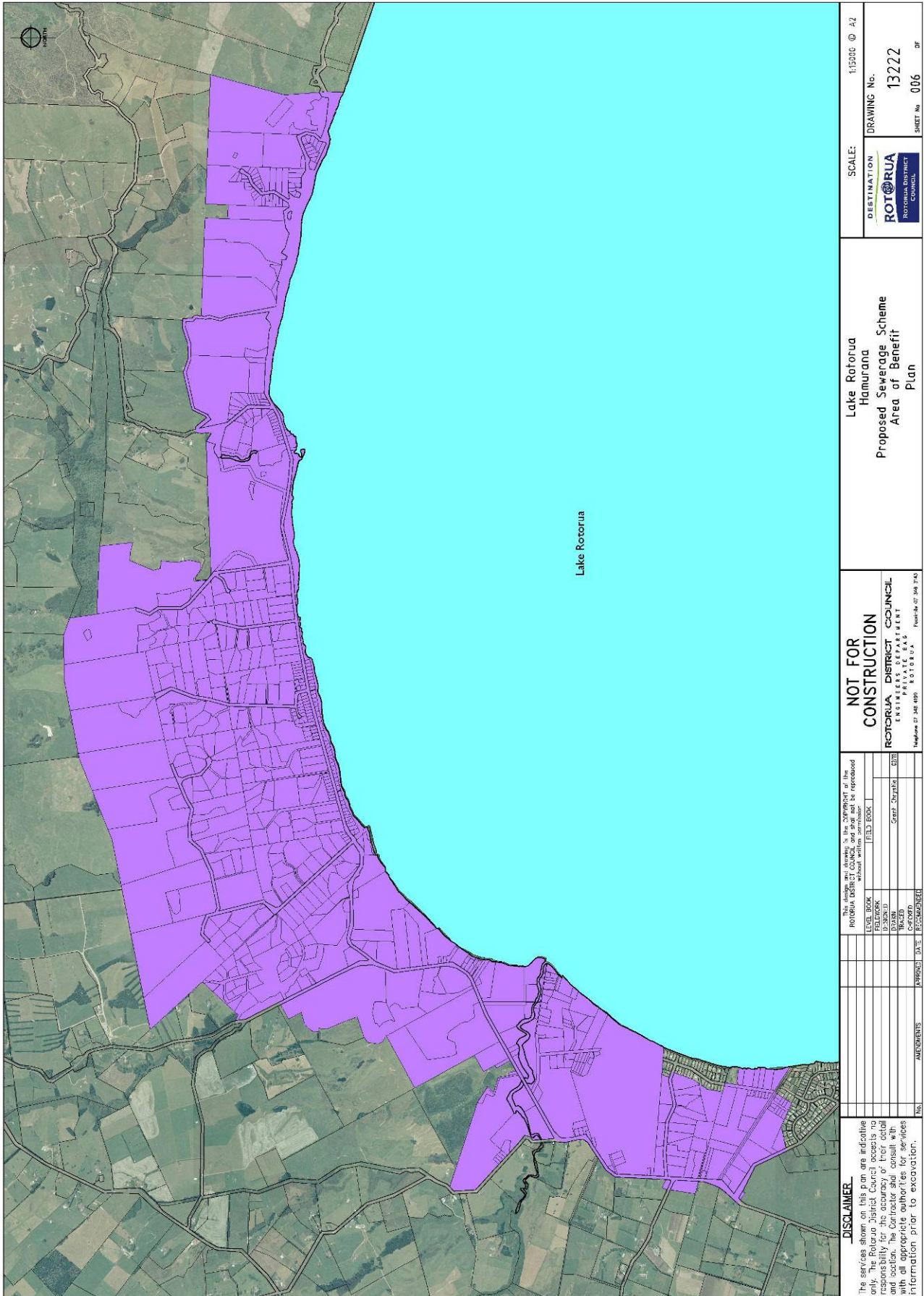
Development contributions policy cont.

Appendix A: Infrastructural service catchments cont.

Map 2 Infrastructural Service Catchments: Wastewater



Development contributions policy **cont.**



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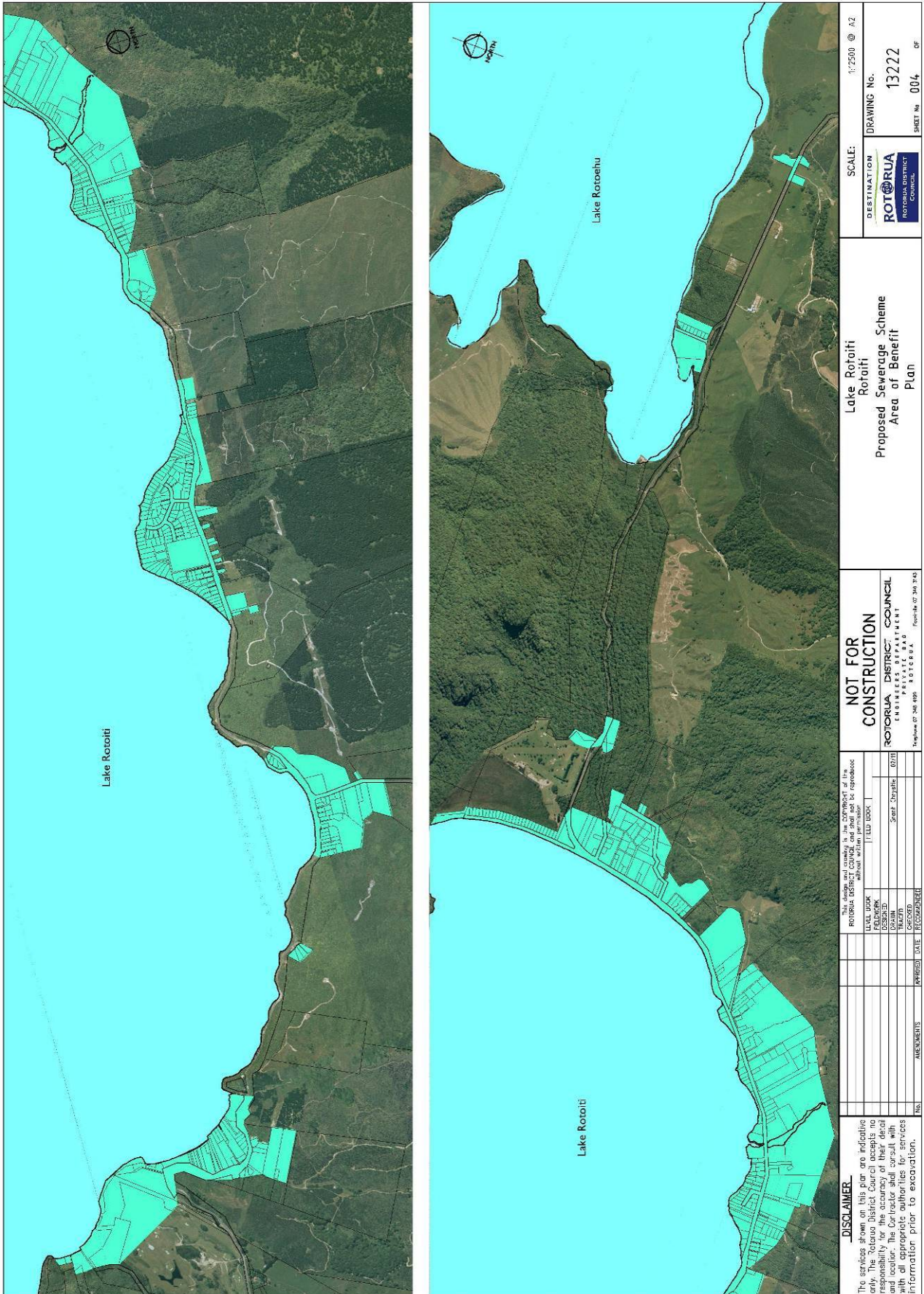
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Development contributions policy cont.



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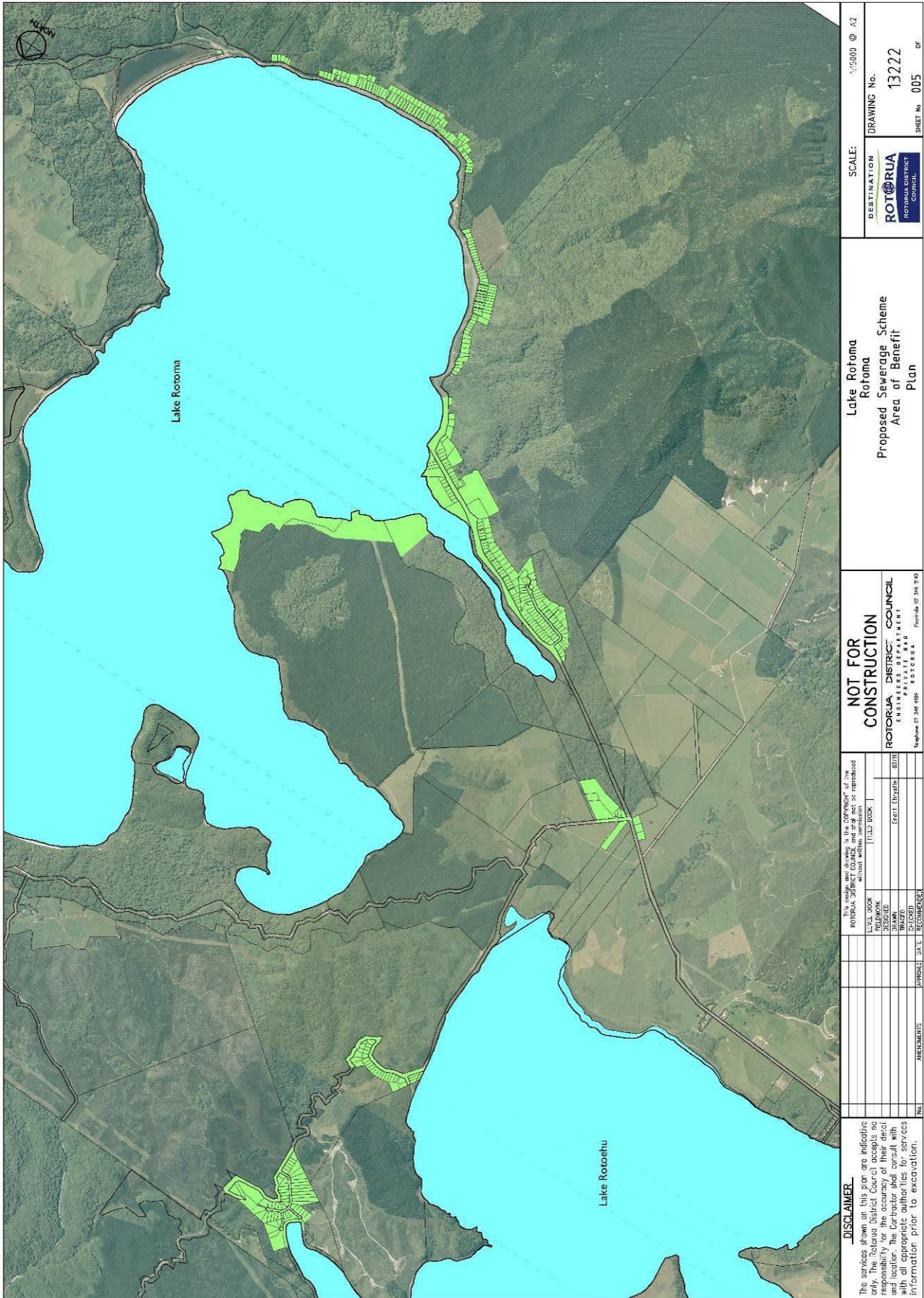
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 Lake Rototehu

Lake Rototiti Rototiti Proposed Sewerage Scheme Area of Benefit Plan

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Development contributions policy cont.



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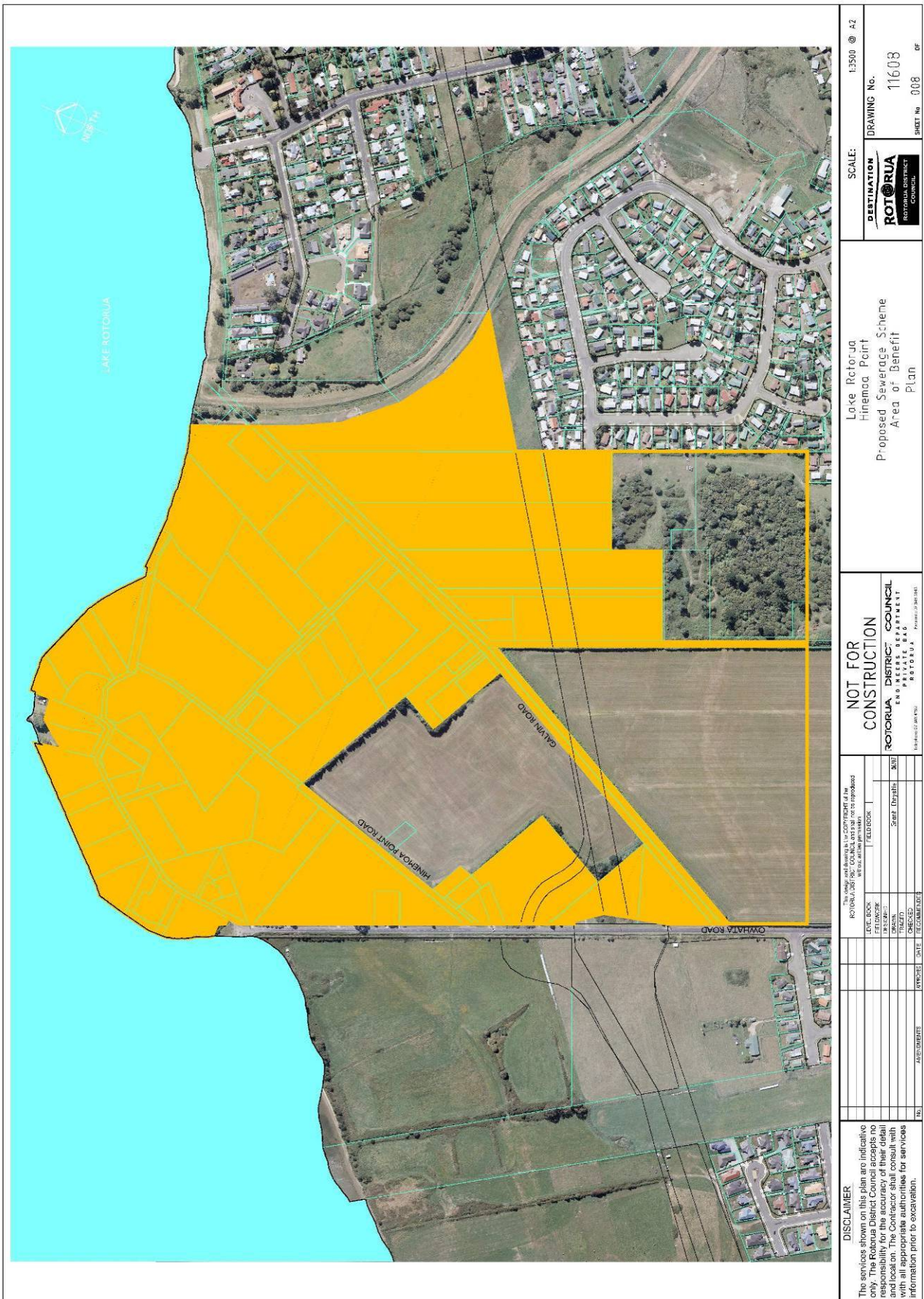
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Development contributions policy cont.



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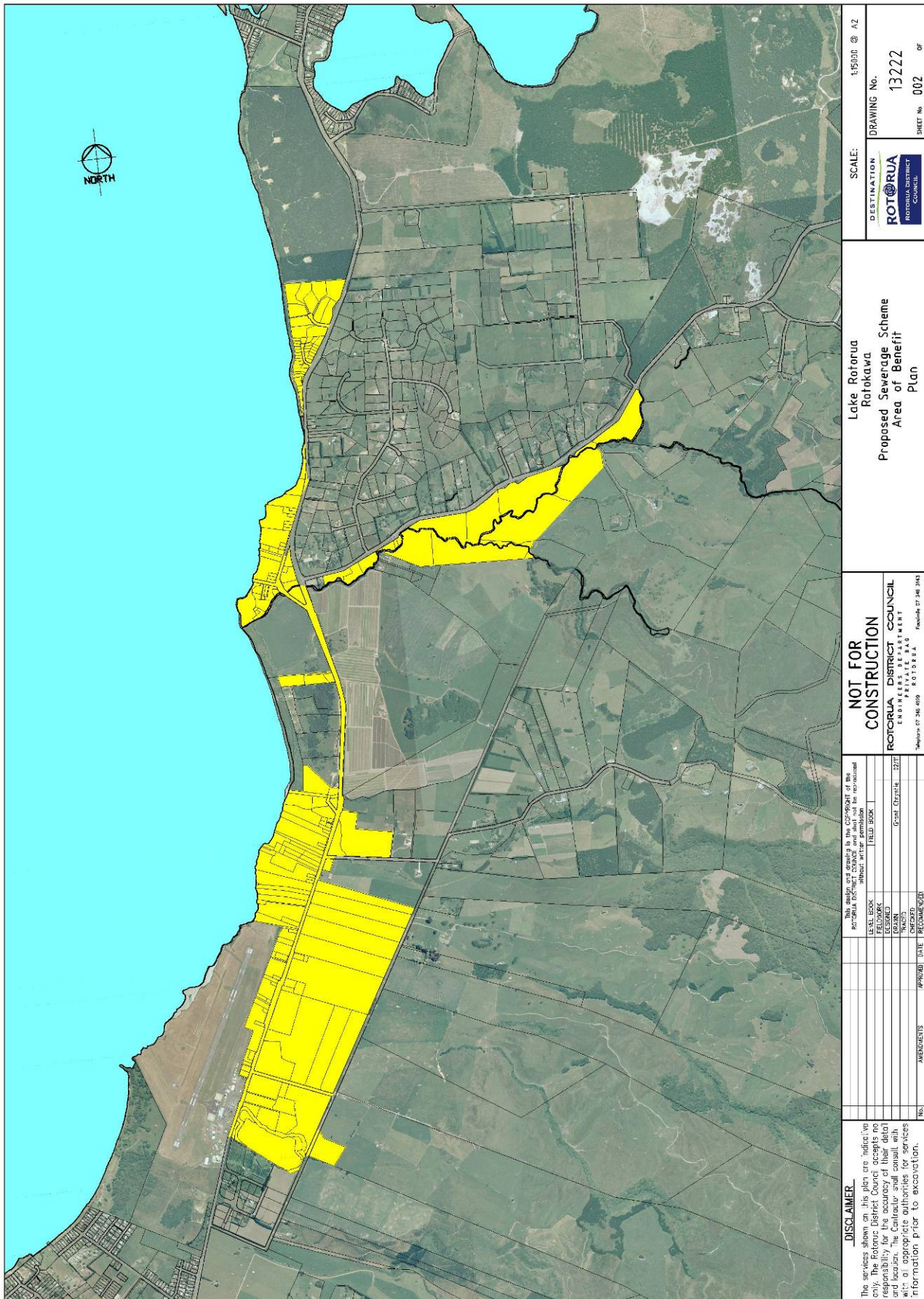
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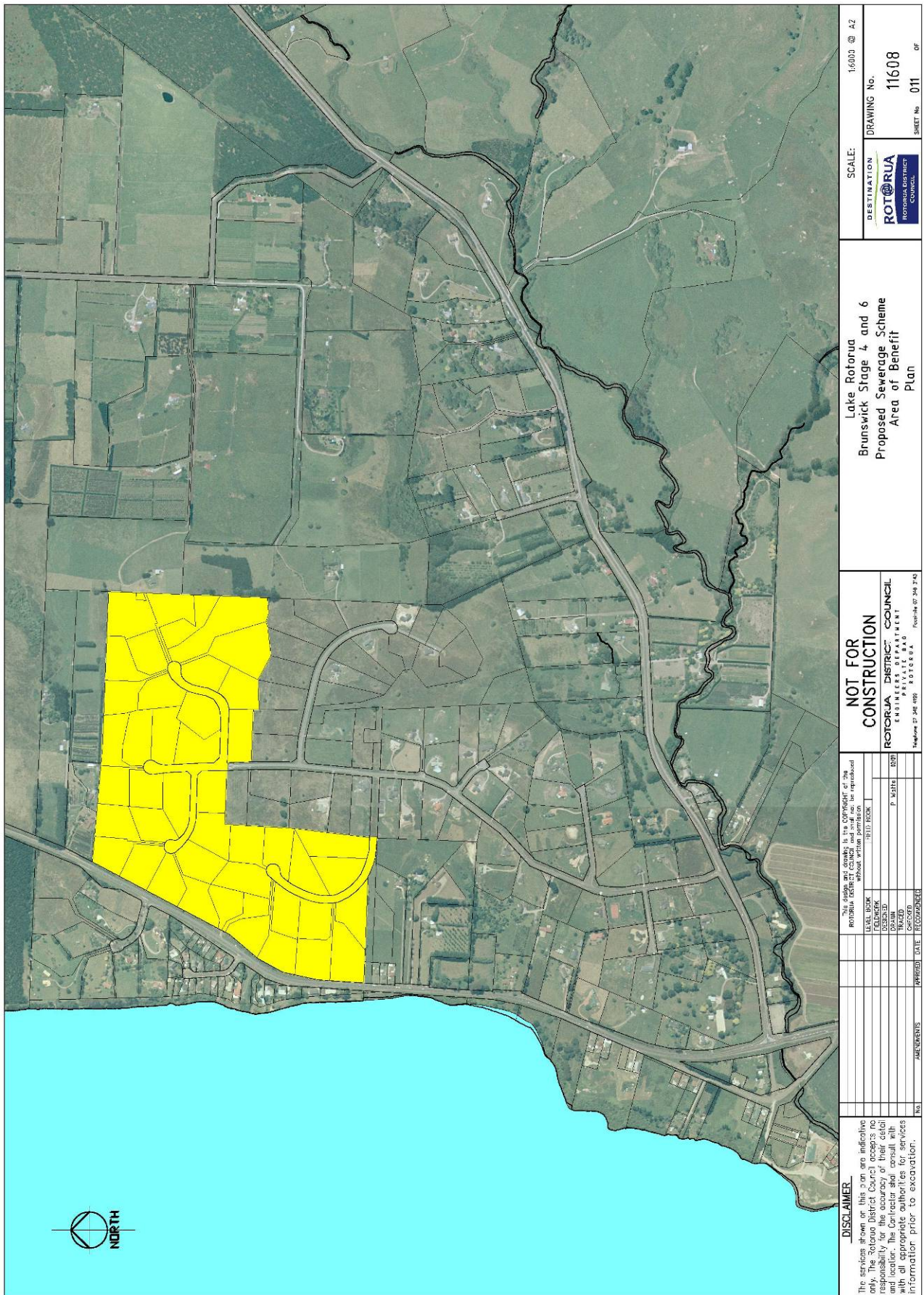
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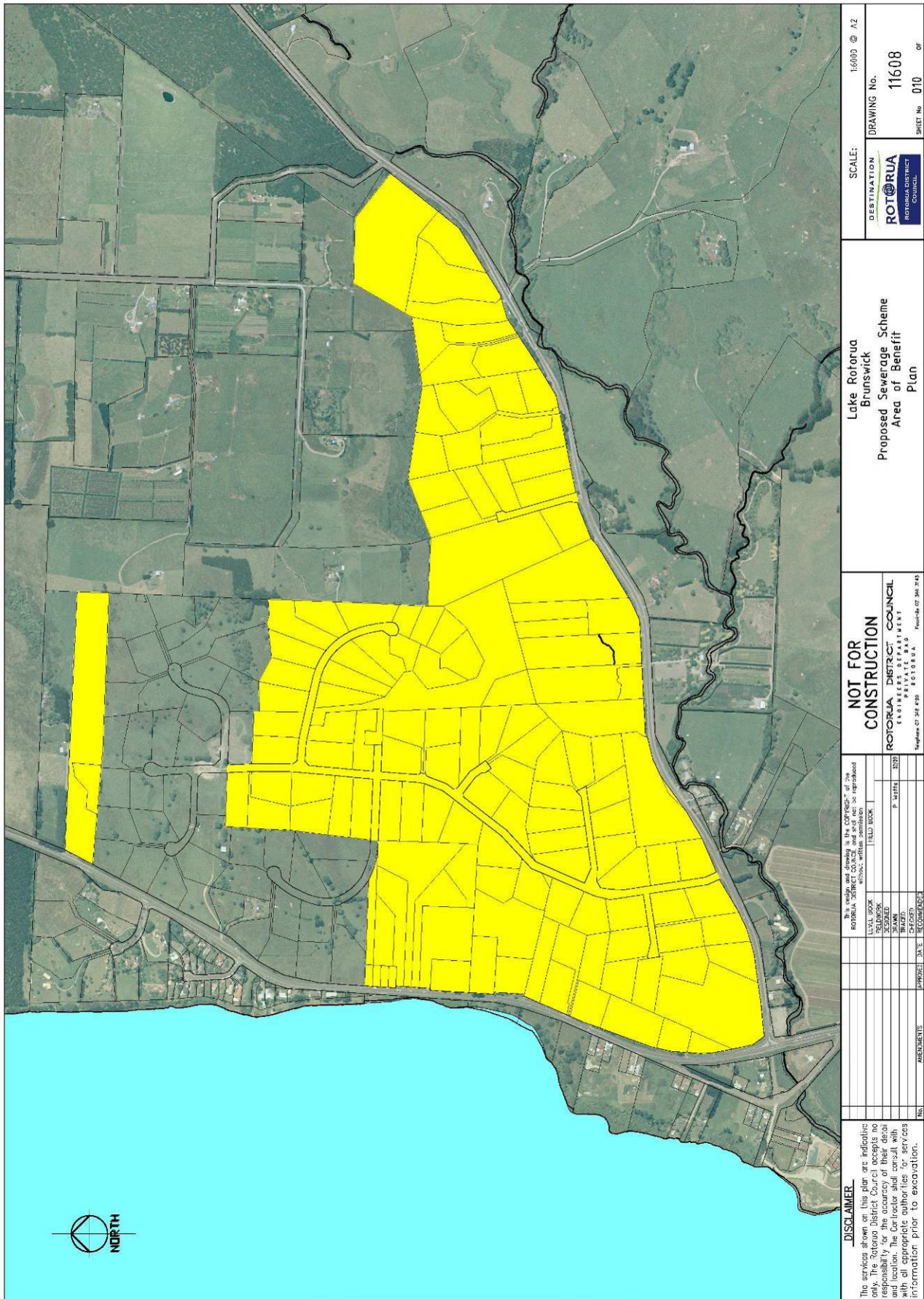
Development contributions policy **cont.**



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Development contributions policy cont.



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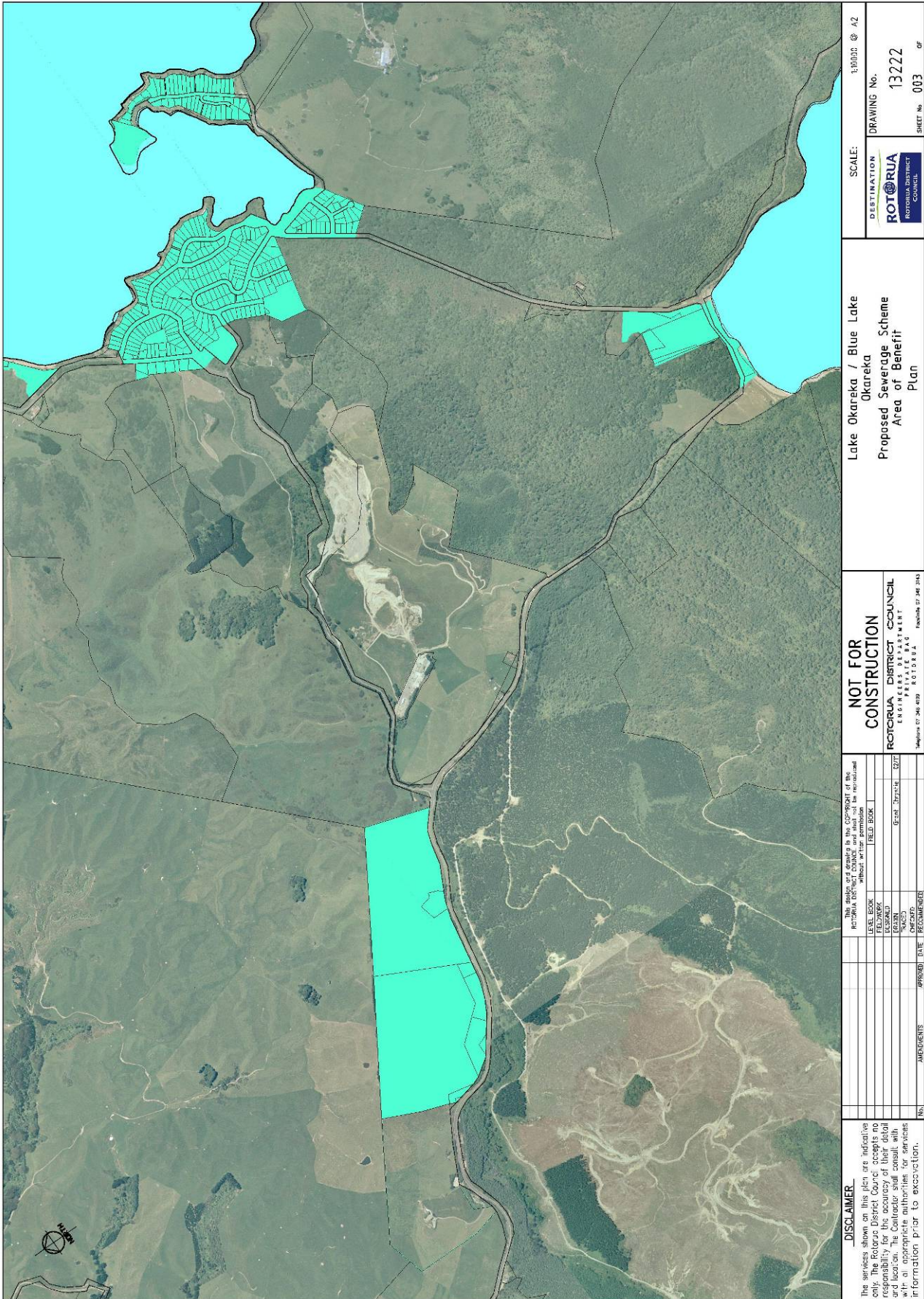
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Development contributions policy **cont.**



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Lake Okareka / Blue Lake
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 Area of Benefit
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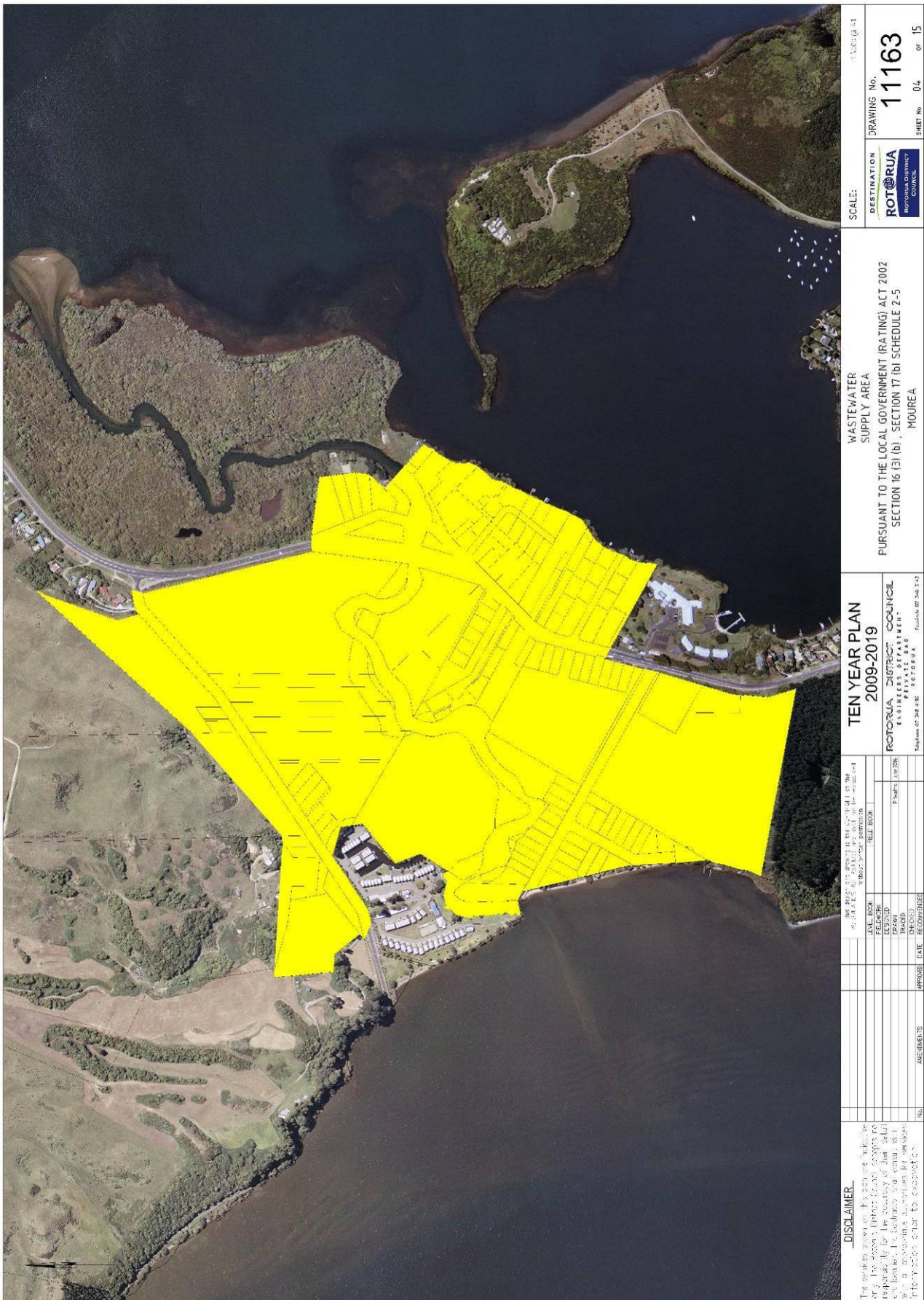
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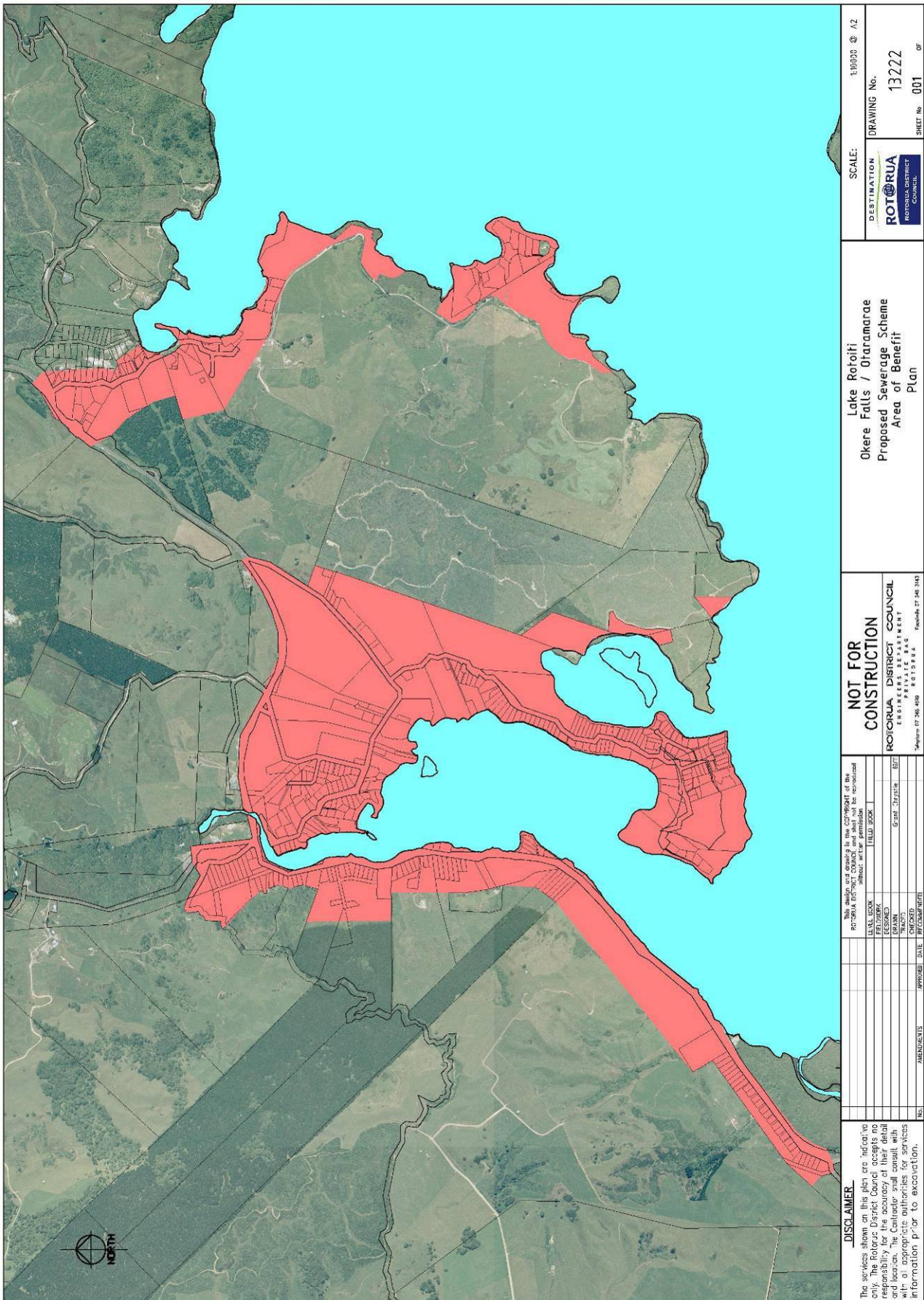
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Development contributions policy cont.



Development contributions policy cont.



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DESTINATION

 Rotorua District Council

Lake Rototiti
 Okere Falls / Oraramarae
 Proposed Sewerage Scheme
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Development contributions policy **cont.**

Appendix B: Infrastructural activity charges

Development Contribution Schedule of Charges

Activity	Catchment	2009 D C per HUE (excl GST)
Water Supply	Urban Area	\$3,112.99
	Hamurana	N/A
	Rotoma	N/A
	Reporoa	N/A
	Mamaku	N/A
	Gisborne Point/Hinehopu (Rotoiti)	N/A
	Kaharoa	N/A
Land Drainage & Stormwater	Urban Area	\$630.81
Transport	District Wide	\$2,834.89
Waste Water	Urban Area	\$3,928.42
	Duxton	\$7,016.59
	Mourea	\$14,984.03
	Okawa Bay	\$13,397.32
	Hinemoa Point	\$12,985.62
	Brunswick	\$18,050.80
	Rotokawa	\$14,407.46
	Okareka	N/A
	Tarawera	N/A
	Hamurana	N/A
	Rotoma	N/A
	Mamaku	N/A
	Gisborne Point/Hinehopu	N/A
Okere Falls/Otaramarae/Whangamarino	N/A	
Public Amenities	District Wide	\$3,047.59

N/A – not applicable as charges yet to be finalised

1. For rural wastewater schemes the property owner will pay rates and scheme capital contributions. This applies for properties up until the scheme completion.
2. For additional lots or dwellings created after the completion of the scheme, Development Contributions will be payable instead of the scheme capital contributions.

Development contributions policy **cont.**

Appendix C: Base units & HUE conversion factors

Residential

Table 1: Base Unit demands on an average household unit (HUE) for each activity

Table 1: Demands of HUE			
Activity	Base Unit	Demand per HUE	Comments
Transport	Vehicle trips per day	10	Assume all light vehicles
Water Supply	m ³ per day	0.9 m ³	District Engineering Standards
Wastewater	m ³ per day	0.66 m ³	District Engineering Standards
Land Drainage	m ² of Impervious surface area	350 m ²	Assessed average impervious area per household unit
Community Infrastructure	HUE		
Accommodation	Bed Nights	1/(2.67 x 365)	Occupancy

Table 2.1: Wastewater Non-Residential HUE Conversions

Engineering Design Standards: HUE = 0.66m³/household/day (Refer also NZS 4404)

Land use description	Units	HUES/100m ²
Residential	0.66m ³ /day	1
Other Employment Categories	Ha	0.108
Accommodation	Bed nights	0.001

Note: Wet Industry to be defined and treated as a 'special' case.

Table 2.2: Water Non-Residential HUE Conversions

Engineering Design Standards: HUE = 0.9m³/household/day (Refer also NZS 4404)

Land use description	Units	HUES/100m ²
Residential	0.9m ³ /day	1
Other Employment Categories	Ha	0.162
Accommodation	Bed nights	0.001

Note: Wet Industry to be defined and treated as a 'special' case.

Table 2.3: Land Drainage Non-Residential HUE Conversions

District Plan Maximum Site Coverage Requirement (Impervious Surfaces) 350m²

Land use description	Units	HUES/100m ²
Residential	350m ²	1
Other Employment Categories	Ha	0.198
Accommodation	Bed nights	0.001

Table 2.4: Community Infrastructure HUE Conversions

Land use description	Units	HUES/100m ²
Residential	Dwellings	1
Other Employment Categories	Ha	0
Accommodation	Bed nights	0.001

Development contributions policy **cont.**

Appendix C: Base units & HUE conversion factors **cont.**

Table 2.5: Transport non-residential HUE conversions (includes split trips. Backdated to 1st July 2009).

Land Use ¹ Description	Category	VPD Per 100m ² GFA	% in Journey Type			VPD Equivalent	HUES per 100m ²
			50% ²	20% ³	5% ⁴		
Residential Base Equivalents	Dwelling					10.00	1.00
Commercial premises, offices and industrial	Commercial	20	50%	30%	20%	6.40	0.43
Retail shops and Shopping centres	Retail	100	30%	50%	20%	26.00	1.74
Supermarkets	Retail	130	20%	50%	30%	27.95	1.87
Service stations with retail facilities	Retail	600	5%	20%	75%	61.50	4.12
Markets	Retail	5	40%	50%	10%	1.53	0.10
Bulk goods/home improvement stores	Retail	40	60%	30%	10%	14.60	0.98
Drive in fast food restaurants	Retail	320	10%	20%	70%	40.00	2.68
Restaurants	Retail	66	60%	20%	20%	23.10	1.55
Hospitals	Health	10	60%	30%	10%	3.65	0.24
Medical services and health care centres	Health	58	50%	30%	20%	18.56	1.24
Gymnasiums	Recreation	35	70%	20%	10%	13.83	0.93

Notes:

1. Land Use applications not listed above e.g. new Dairy sheds, Marae expansion and Day Care facilities may default to the Commercial category.
2. Primary: That portion where the sole purpose of the trip is to visit that single business.
3. Secondary: That portion where the purpose of the trip is to visit a number of businesses.
4. Incidental: That portion where the visit to the business is incidental to other purposes.

Table 3: Summary of HUE Assessments

Category	Subdivision	Development
Residential	Per additional title: 1 HUE per activity	Per additional title or household unit including unit title type developments: 1 HUE per activity
Non-residential	Standard table of HUEs per activity in units of 100m ² GFA.	
Mixed Uses	To be assessed as above for the particular land use applied for.	
Special	On demand by Council. Applicant to provide detailed assessments of their development's transport, water supply or wastewater demands in 'base units' – using the standard base unit / HUE conversions these estimates may then be converted into HUEs and charged accordingly.	

Development contributions policy cont.

Appendix D: Net growth of projects

1. Schedule of Past Projects with Residual Capacity

Table 1 is a summary of the total cost and 'Net Growth' component of selected past projects with residual growth capacity that have been included in the calculation of the Development Contribution.

Activity	Project	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
		\$000				
Wastewater	Okawa Bay – Total Cost				443	273
	- Growth Component				8	5
Wastewater	Mourea – Total Cost			435	2,445	1,505
	- Growth Component			45	251	154
Wastewater	Duxton – Total Cost				195	293
	- Growth Component				24	36

2. Capital Expenditure Related to Growth

Table 2 is a summary of the 'Net Growth' component of projects included in the LTCCP and planned for implementation in the funding period 2009/10 to 2018/19 that have been included in the calculation of the Development Contribution.

Activity	Project	Total Cost \$ 000	External Funding \$ 000	Backlog \$ 000	Renewal \$ 000	Unallocated \$ 000	Growth \$ 000
Public Amenities	Energy Events Centre	\$30,573	\$23,761	\$2,325			\$4,487
Public Amenities	Library Expansion	\$1,998		\$562	\$33		\$1,403
Public Amenities	Centennial Development Expansion – Rotorua Museum	\$17,194	\$16,389				\$805
Public Amenities	Aquatic Centre – Expansion	\$3,000		\$1,006			\$1,994
Public Amenities	Boatramp and Jetty Upgrades	\$891		\$356			\$535
Public Amenities	Parklands Development – Kuirau Park	\$1,469		\$210	\$47		\$1,212
Public Amenities	Ngongotaha Reserves Development	\$963		\$385	\$9		\$568
Public Amenities	New Playgrounds	\$240		\$137			\$103
Public Amenities	Sportsfield Development – Westbrook	\$891			\$25		\$866
Public Amenities	Neighbourhood Reserve Development	\$240					\$240
Public Amenities	East Regional Sports Park	\$2,675		\$369	\$586		\$1,720
Land Drainage and Stormwater	Urban Stormwater Upgrading	\$8,317		\$3,840	\$2,557		\$1,920
Transportation	Development Assistance	\$1,150					\$1,150
Transportation	Victoria Street Arterial	\$40,213	\$22,519	\$3,243	\$148	\$4,575	\$9,728
Transportation	Lake Road 4-laning	\$7,342	\$4,112	\$280	\$744	\$859	\$1,347
Transportation	Malfroy/Ranolf Roundabout	\$1,366	\$765	\$283	\$20		\$298
Transportation	New Passenger Transport Terminal	\$3,443	\$1,928				\$1,515

Development contributions policy cont.

Appendix D: Net growth of projects cont.

Schedule of Planned Projects with Capacity to Support Growth							
Activity	Project	Total Cost \$ 000	External Funding \$ 000	Backlog \$ 000	Renewal \$ 000	Unallocated \$ 000	Growth \$ 000
Wastewater	City Treatment Plant Process and Capacity Upgrades	\$5,607		\$117			\$5,490
Wastewater	Land Treatment Capacity Upgrade	\$2,352			\$492		\$1,860
Wastewater	Pump Stations and Rising Mains Central Urban Area	\$705					\$705
Wastewater	Fenton Park Gravity Mains Upgrade	\$3,347				\$971	\$2,376
Wastewater	Grit Removal System Upgrade	\$340		\$7			\$333
Wastewater	Brunswick Sewerage Scheme	\$7,166	\$3,583	\$1,343			\$2,240
Wastewater	Duxton Sewerage Scheme	\$562	\$254	\$239			\$69
Wastewater	Mourea Sewerage Scheme	\$4,234	\$2,655	\$1,145			\$434
Wastewater	Mamaku Sewerage Scheme	\$6,000	\$3,000	\$2,700			\$300
Wastewater	Okawa Bay Sewerage Scheme	\$767	\$365	\$388			\$14
Wastewater	Hinemoa Point Sewerage Scheme	\$1,433	\$717	\$340			\$376
Wastewater	Okere Falls/Otaramarae/Whangamarino Sewerage Scheme	\$14,849	\$7,424	\$4,698			\$2,727
Wastewater	Rotokawa Sewerage Scheme	\$6,355	\$3,177	\$1,500			\$1,678
Wastewater	Gisborne Point/Hinehopu	\$11,929	\$5,964	\$4,801			\$1,164
Wastewater	Hamurana Sewerage Scheme	\$15,002	\$7,501	\$4,427			\$3,074
Wastewater	Okareka Sewerage Scheme	\$10,400	\$5,200	\$3,456			\$1,744
Wastewater	Rotoma Sewerage Scheme	\$12,400	\$6,200	\$5,258			\$942
Wastewater	Tarawera Sewerage Scheme	\$13,800	\$6,900	\$6,461			\$439
Water Supply	Eastern Reservoir 3	\$1,928		\$277			\$1,651
Water Supply	Ngongotaha Rising/Delivery Main Upgrade	\$2,083					\$2,083
Water Supply	Eastern Mains Upgrade Coulter Rd to Airport	\$961		\$288			\$673
Water Supply	Eastern Trunk Upgrade from Reservoir 1 to Reservoir 3	\$3,006					\$3,006
Water Supply	Eastern Duplicate Rising Main Stage 2	\$400				\$144	\$256
Water Supply	Reporoa Mains Upsizing	\$500		\$107		\$322	\$71
Water Supply	Ngongotaha Source Investigation	\$300			\$138		\$162
Water Supply	Hamurana Treatment Upgrade	\$137		\$104			\$33
Water Supply	Kaharoa Treatment Upgrade	\$450		\$390			\$60
Water Supply	Mamaku Treatment Upgrade	\$325		\$165			\$160
Water Supply	Reporoa Treatment Upgrade	\$785		\$470			\$315
Water Supply	Rotoiti Treatment Upgrade	\$129		\$96			\$33
Water Supply	Rotoma Treatment Upgrade	\$96		\$43			\$53
Water Supply	Urban Treatment Upgrade	\$2,085		\$1,514			\$571
Water Supply	Central Additional Storage	\$2,970					\$2,970

Development contributions policy **cont.**

Appendix E: Procedural items

Appendix E: Procedural Items Relating to Policy

1. Determination of Development Contribution Charges

1.1 Level of Service

Council activity plans for each activity, linked to the LTCCP, define the relevant level of service (LoS) for that activity.

From these LoS statements a capital project list to meet projected growth has been identified and costed, based on sustaining these LoS.

In general the Development Contributions will be calculated based on the existing LoS across the District.

Any requirement to increase the LoS for existing users will not be funded by Development Contributions.

2. Cost Allocation Methodology

The Cost Allocation Methodology used in this policy is referred to as "Modified Shared Drivers". This methodology is applied to the 10 years of capital works expenditure in the LTCCP.

The Modified Shared Drivers approach takes the planned costs of a proposed project and assigns them to various drivers, which are:

- Renewal
- Backlog
- Growth
- Unallocated

A summary of the Cost Allocation Methodology is as follows:

- The scope and gross cost of the project are reviewed. Any non-capital (operations and maintenance costs, feasibility costs) are deducted.
- Third party funding is identified and deducted.
- Catchment is established.
- A share for renewal is deducted taking into account the scope of assets being renewed and their remaining life at the time of renewal.
- Capacity and demand information based on current levels of service is used to allocate shares to backlog and growth.
- Any remaining share is defined as Unallocated.
- Capacity and useful life information is gathered to help determine the period over which contributions should be collected.

3. Funding Model

The purpose of the funding model is to ensure an equitable assessment of the funding requirements to support the Development Contributions regime. The primary output of the funding model is an assessment of the required Development Contributions charges. These charges are listed in Appendix B, Table 1.

The model takes account of:

- The funding requirements to support the cost of growth infrastructure.
- Equitable application of those funding requirements to the incoming growth community.
- Recognition that the backlog components of the growth infrastructure are funded by the existing community. The rating charges applied to the existing community will also be applied to the incoming community as there is no differential rating process to exclude the incoming community from those rates charges. Future rating revenue from the increasing community has been estimated and incorporated into the calculation of the contributions in the funding model.
- Interest on funds raised to implement growth infrastructure.
- Interest on contributions received in advance of provision of growth infrastructure.

Development contributions policy cont.

Appendix E: Procedural items cont.

4. Assessment of Development Contributions

4.1 Residential and Lifestyle Block Applications

The only information that is required to calculate the number of HUEs, and hence the development contribution that is chargeable, is the additional number of residential allotments or household units created by the proposed consent.

Any additional Household Unit, excluding garaging, on the same lot, will be assessed and charged a Development Contribution based on the following table:

Floor Area of Household Unit	% charge/HUE
Less than 40m ²	No Charge *
40m ² to less than 60m ²	50% HUE
60m ² to less than 70m ²	60% HUE
70m ² to less than 80m ²	70% HUE
80m ² to less than 90m ²	80% HUE
90m ² to less than 100m ²	90% HUE
100m ² or greater	100% HUE or 1 HUE

*The first additional household unit of less than 40m² will not attract a development contribution. Any further household units of less than 40m² will be levied a development contribution of 50% HUE

Retirement village self-contained units will be assessed at 0.5 HUE.

4.1.2 Extensions to Existing Household Units

Any development contribution assessment made between 1 July 2006 and 30 June 2009 for an additional household unit of less than 72m², and any development contribution assessment made after 30 June 2009 for an additional household unit of less than 100m², will be re-assessed at the time of any future extensions to the building.

This re-assessment will apply to an increase in the total floor area in accordance with the sliding scale for area of household units.

A credit will apply for the amount of the original assessment.

Where a nil development contribution has been assessed for a first additional household unit of less than 40m², and is increased to greater than 40m² but less than 60m², a development contribution of a half HUE will apply.

Note that for a (consented) household unit lawfully established prior to 1 July 2006 an historic credit of one HUE will apply irrespective of size.

4.2 Visitor Demand

The demand on community assets and networks by visitors is significant and attributable to network and community infrastructure. For engineering type assets such as roading, water and wastewater networks and infrastructure the extra demand can be calculated based on peak requirements in such periods as holidays, major conferences etc. The peak demand is taken as 100% occupancy of all accommodation and infrastructure and assets are sized accordingly. For community infrastructure more conservative HUE conversions are necessary, for instance few visitors may use the library but many will use the parks and museum. Visitor demand in these cases is taken on an activity and/or project basis using such information as is available at the time. (Refer to Tables in Appendix C).

4.2.1 Occupancy rates for Accommodation types

The percentage occupancy rates in the table below are based on accommodation data for Rotorua for June 2005 to May 2008, collected by the Statistics New Zealand Accommodation Survey, published in May 2008.

Table 2: Accommodation Occupancy Rates

Accommodation Type	% Occupancy Rate
Hotels	60
Motels and Backpackers	50

4.3 Non-Residential Applications

Non-Residential applications (e.g. business, accommodation, industrial and commercial) will include all activities except residential applications. For non-residential consent applications HUEs may be calculated for each activity using one of the following methodologies:

- If demand is known (e.g. traffic movements, volume of water usage) then use the base units in Appendix C, Table 1 to calculate the HUE. "Known demand will be provided by a suitably qualified and experienced professional in the activity field and the report will be peer reviewed by Council. If there is disagreement, Council's view will be used in the Development Contribution calculation.
- If demand is unknown, use the Gross Floor Area (GFA) conversions in Appendix C, to estimate the HUE.
- The demand on services of any activity will be calculated based on an assessment of the demand when the activity is established and operational, not on the demand created temporarily during construction.

Development contributions policy cont.

Appendix E: Procedural items cont.

4.4 Rural Land Uses

Residential developments in the rural area are treated the same as in the urban environment.

Each rural allotment will be assessed as having 1 HUE per residential dwelling on the property. Each additional or new residential dwelling on a rural allotment will be assessed as for residential land, see section 4.1.

Farm sheds and buildings associated with rural activities, which do not place additional demand on infrastructural services, will not incur a development contribution.

Industrial or commercial developments located in the rural area will be assessed for a development contribution in accordance with either section 4.3 above or Appendix G, Section 1.

Where the property is not planned to be connected to the water supply or wastewater network infrastructure no charge will be made for that activity. However if at a future time the property is to be connected it will attract a development contribution at building consent or at service connection.

4.5 Crosslease

All completed residential cross-lease titles, prior to 1 July 2006, will be assessed as 1 HUE credit.

4.6 Partition of Maori Land

The Maori Land Court can effect an order to partition Maori land. There are generally two types of partition:

- Full Partition, where parcels will not be held by members of the same hapu and must be partitioned in accordance with the RMA subdivision requirements.
- Hapu Partition, where freehold Maori land maybe partitioned for members of the same hapu without requiring a subdivision consent. In this case the Development Contribution will be assessed at the building consent stage or at time of service connection.

4.7 Application to Council for a Certificate under s226 (RMA 1991)

No development contribution will apply at the time of an application to Council for a certificate under s226(1)(e)(ii)(RMA 1991). However a development contribution assessment will apply to future development at the time of an application for building consent on the additional titles issued.

Development contributions policy **cont.**

Appendix F: Remissions, reductions and refunds

Appendix F: Remissions, Reductions and Refunds.

As a general rule, except in extraordinary circumstances, remissions, reductions and refunds will not be granted.

1. Remission

A remission is an adjustment to the scheduled charge for a particular activity within a development contribution area as a percentage or in dollar terms. Generally it is expected there will be few remissions. Remissions will only be invoked as a resolution of Council.

Remission (in whole or in part) of Development Contributions may be allowed in the following circumstance:

- Development Contributions applicable to a particular development are deemed by Council to be excessive for any reason. This catchall is inserted because Council recognises that there may be situations not envisaged at the time this policy was established that justify remission. However, where units of demand are created it would only be in exceptional circumstances that Council would accept that a remission is justified. An example where remission applications may be appropriate is as follows:
 - Strategic economic development projects that address selected high priority strategic actions developed by the Council from time to time.

2. Reduction

A reduction is an adjustment to the HUEs assessed for a consent application.

A reduction will only be considered as part of a request by an applicant.

3. Procedures for Remission and Reduction)

At the request of an applicant, the Development Contributions required on a development may be considered for remission or reduction.

Once Council has advised in writing the development contribution assessment required, a request for remission or reduction must be made by notice in writing to Council within 20 working days and before the Development Contributions required on the development are made or paid. Council will not allow remissions retrospectively after payment. However requests for reductions may be made at any time if there are significant changes to the project.

Sufficient opportunities exist for any developer to discuss all matters relating to this with Council staff, to outline any extraordinary circumstances and for matters to be brought before them for a decision. Upon receipt by Council of a written request for a review, the applicant will be advised within 20 working days the result of the review. As a result of the staff review the request may be referred to a Council committee for further consideration, and in any such case, the applicant will be given 5 working days notice of the date, time and venue of that committee meeting. The committee will make a determination within 20 working days of the referral.

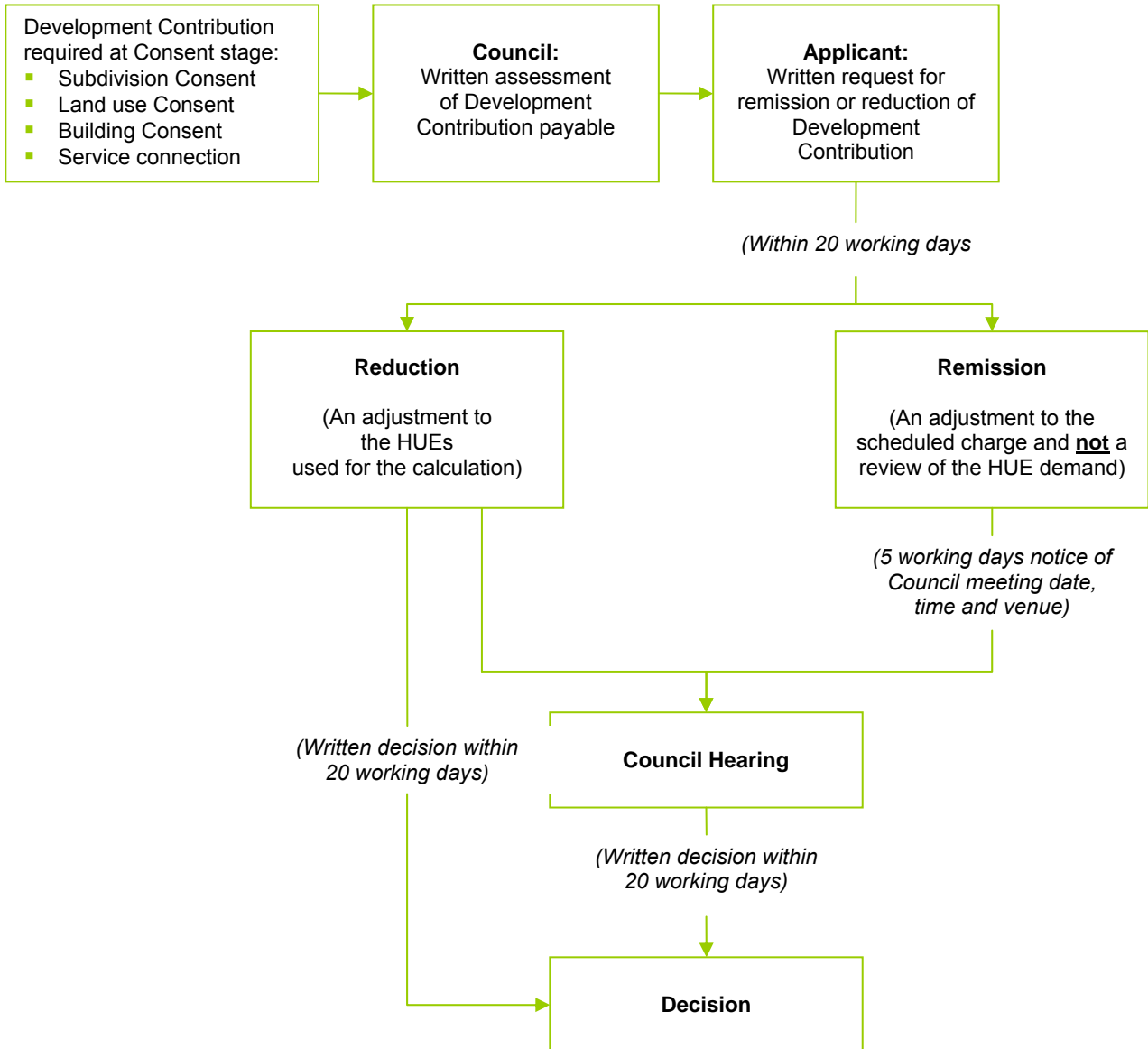
It is important to note that this review process is similar to that for remission of rates and there is no right to a hearing similar to that for the review of a condition of a resource consent.

Any claim for a reduction or remission would have to be justified by the applicant and shall set out reasons for the request.

Development contributions policy **cont.**

Appendix F: Remissions, reductions and refunds **cont.**

Diagram 2
Development Contribution Review Process¹



¹ For a Development Contribution to be considered for a remission or reduction, supporting evidence must be submitted with the request outlining the reasons why it is justified.

Development contributions policy **cont.**

Appendix F: Remissions, reductions and refunds **cont.**

- Council may, at its discretion, uphold, reduce, postpone or remit the original amount of Development Contributions required on the development and shall communicate its decision in writing to the applicant within 15 working days of any determination or hearing.

Where Council decides to consider a request for a remission or reduction the following matters will be taken into account:

- The Development Contributions policy
- The contributions model
- Council's funding and financial policies
- The extent to which the value and nature of works proposed by the applicant reduces the need for works proposed by Council in its capital works programme
- The level of existing development on the site.
-
- Development Contributions paid and/or works undertaken and/or land set aside as a result of:
 - Development Contributions
 - Agreements with Council
 - Financial contributions under the RMA 1991
- Any other matters Council considers relevant.

In any case, Council retains the right to uphold the original amount of development contributions levied on any particular development.

Any agreed outcome will be recorded in a private development agreement.

4. Postponements

For the purposes of this policy postponements on payment of a development contribution will not be applied.

5. Refunds

The Development Contribution policy provides for projects which have an extensive funding period and construction phase for many years and extend beyond the current LTCCP. However all development contribution projects have to be identified in the LTCCP.

The refund of money will occur in accordance with Sections 209 and 210 of the LGA 2002, in the following circumstances:

- if a resource consent lapses or is surrendered
- if a building consent lapses
- if the development or a building in respect of which a resource consent or building consent was granted does not proceed
- if Council does not provide any network infrastructure, or community infrastructure for which a Development Contribution was required.

Any refunds will be issued to the current consent holder for the development to which they apply.

The amount of any refund will be the contribution paid, less any costs already incurred by the Council in relation to the development or building and its discontinuance.

The refund would exclude any costs already incurred by Council, but may include any interest earned depending on the circumstances of the case.

Development contributions policy **cont.**

Appendix G: Other matters

Appendix G: Other Matters

1. Extraordinary Circumstances

Council reserves the discretion to enter into specific arrangements with a developer for the provision of particular infrastructure to meet the special needs of a development, for example where a development requires a special level of service or is of a type or scale which is not readily assessed in terms of HUEs.

If, at development stage, an application clearly has a significantly greater or lesser impact than that envisaged in the averaging implicit in the above methodology, a 'special assessment' may be called for at the Council's discretion. The applicant will be expected to provide supporting information and detailed calculations of their development's transport, water supply and wastewater demands in units of demand (HUE conversion).

Using the standard base unit/HUE conversions these estimates may then be converted to HUEs and charged accordingly.

For example, a 'traffic impact assessment' is a requirement for non-residential developments which may result in significant traffic effects, as well as larger residential developments. It will usually be possible to compare the vehicle trips per day reported from this source with the Appendix C, Table 2.5. Any particular land use, such as but not limited to the following, may be deemed to fall into the special assessment category and the HUEs based on the impact assessment. For example:

- Learning institutes (with or without accommodation)
- Tourist industries and facilities
- Conference Centres

2. Private Development Agreements

Where it is in the best interests of all parties (Council, the community and the developers), the Council may enter into a private development agreement with a developer. This agreement must clearly state the Development Contributions policy departures from the standard process and calculation, and the reasons for entering into the agreement.

Private developer agreements can also be used to formalise deferred development contribution payment agreements provided appropriate security is provided to Council's satisfaction.

3. Council Developments and Development Contributions

Council will pay Development Contributions on any Council commercial activity, except for activities that are listed in Appendix D, Table 2 "Schedule of Planned Projects with Capacity to Support Growth".

4. Goods and Services Tax (GST)

The total end-to-end process for calculation of Development Contributions is exclusive of GST. Once all the calculations are complete, GST shall be added to the final invoice as required by the legislation and/or regulations of the day.

5. Exemption - Boundary Adjustments

Where a consent is granted for a boundary adjustment, and no new titles are created, and no additional demand on services is created, Development Contributions will not be assessed.

6. Applications to Vary Consents or the Conditions of a Consent

Where applications are granted to vary consents or the conditions of consents which would result in change to household unit equivalents, gross floor area or impervious surface area (to the extent of the variation), then these will be considered, to be the granting of new consents and a revised Development Contribution assessment will be issued.

7. Service Connections

Council will continue to collect service connection fees in accordance with current practice and the LGA 2002 for the following assets:

- Water supply connection
- Stormwater and land drainage connection
- Wastewater connection
- Vehicle crossing

These fees are separate charges to any applicable Development Contribution.

8. Development Contribution Policy Review

The Development Contributions policy will be reviewed at least every three years in parallel with the LTCCP cycle, or at shorter intervals if Council deems necessary, taking account of any changes:

- to the significant assumptions to the Development Contributions policy
- in policy as Council continues to develop and implement structure plans for the District.
- to the District Plan
- in the capital works programme for growth
- in the pattern and distribution of development in the District
- as a result of the regular reviews of the LTCCP
- in the cost indices used
- or addition of other activities supporting growth
- or other matters Council considers relevant
- in the growth projection data or development.

Development contributions policy **cont.**

Appendix H: Timing, collection, payment and enforcement

Timing, Collection, Payment and Enforcement of the Development Contribution

1. General

Development Contributions will be calculated and invoiced at the earliest opportunity. Council recognises however that large subdivisions are likely to develop in stages. Council will, therefore, generally assess contributions at the subdivision consent stage.

1.1 Determination of Land use

When Council assesses a development contribution at subdivision consent stage, the expected dominant nature of activities authorised by any existing land use consent for the site and/or, in the underlying environment or zone, will determine the type of development contribution payable.

2. Payment of Development Contributions

Further recalculation of the development contribution payable will occur if payment is not received within twelve months of the issuing of the Development Contribution assessment.

Non-Residential Applications

Where an application for subdivision or land use consent is lodged with accurate information on the proposed GFA and demand (in HUEs) for Council services, the development contribution payable will be calculated and invoiced using the processes described in Section 4, Appendix E.

Where an application for subdivision consent is lodged in the absence of a land use consent, or where no information on the GFA proposed for each site is provided with an application for either subdivision or land use consent, it is difficult and impractical to calculate the demand created by the development in terms of HUEs. In this circumstance Council will make an estimate of the likely GFA for calculation purposes, based on the maximum likely building coverage, e.g. normal industrial site coverage in Rotorua is 50%. Council recognises that it would be inequitable to charge the entire development contribution based on estimates. However, Council is also conscious that development contribution charges should not be unfairly passed on to future potential purchasers of subdivided sites.

The components of the development contribution charges applying are based on the maximum GFA potential of the site(s). At the time the subdivision or land use consent is issued 25% of the estimated development contribution payable will be assessed with a minimum payable of 1 HUE per activity. This 25%, or

minimum 1 HUE assessment, will be payable prior to issuance of a s.224(c) certificate (RMA 1991).

Note the Development Contribution charges will be further assessed on all future developments on that site. The initial 25% Development Contribution will be treated as a credit.

3. Bonds

Bonding is available for Development Contributions over \$50,000 at the discretion of Council.

Bonds will:

- Only be accepted where the bond is guaranteed by a registered bank
- Be for a maximum period of 24 months, subject to later extension as agreed by Council.
- Have an interest component added, at an interest rate of 2 per cent per annum above the Reserve Bank official cash rate on the day the bond document is prepared. The bonded sum will include interest, calculated on the basis of the maximum term set out in the bond document.
- Be based on the GST inclusive amount of the contribution.

If the discretion to allow a bond is exercised, all costs for preparation of the bond documents will be met by the applicant.

4. Enforcement Powers

If payment of a development contribution is not received Council will use the powers outlined in Section 208 LGA 2002. Those provisions state that until a development contribution required in relation to a development has been paid or made under Section 198, a territorial authority may:

- (a) in the case of a development contribution required under Section 198(1)(a):
 - Withhold a certificate under Section 224(c) of the RMA 1991.
 - Prevent the commencement of a resource consent under the RMA 1991.
- (b) in the case of a development contribution required under Section 198(1)(b), withhold a code compliance certificate under Section 95 of the Building Act 2004.
- (c) in the case of a development contribution required under Section 198(1)(c), withhold a service connection to the development.
- (d) in each case, register the development contribution under the Statutory Land Charges Registration Act 1928, as a charge on the title of the land in respect of which the development contribution was required

Development contributions policy **cont.**

Appendix I: Significant assumptions

Significant Assumptions

Throughout the entire process of determining Development Contributions the Council has used the best available information. As more accurate or up-to-date information becomes available it will be used.

Any significant updates that would cause a change to the contribution will be held over until the next review of the Development Contributions policy or Schedule at annual plan time. If the effect of the update would be to reduce the maximum contribution it may be introduced by simple notification.

1. Planning

A 10 year timeframe is being used as a basis for forecasting growth and applying a development contribution. This is consistent with Council's activity management planning horizons. Note however planning horizons for infrastructure may be beyond this period and influence the capital projected during the 10 year time frame.

2. Growth

Council has had to make the best assumptions it can regarding the anticipated growth of the District and these are still within the tolerance expected by the growth projections at the current level of available growth data.

3. Capital Works

In order to support the anticipated growth Council has assumed that a reasonable capital works programme will be necessary. If the growth rates alter it is most likely that the capital works programme will be re-sequenced rather than dramatically changed in some other way.

4. Third Party Funding

While these are subject to change over time, Council has assumed that the funding policies of agencies such as New Zealand Transport Agency will remain the same for the period of the LTCCP.

5. Interest Rates

The interest rates used within the Development Contributions Funding Model are those defined in the budget assumptions for the LTCCP. While interest rates are subject to fluctuation and are reviewed annually, these are reasonable assumptions over the periods of the LTCCP.

6. Key Risks/Effects

There is a risk that the growth and uptake predictions in the growth projections will not eventuate, resulting in a change to the assumed rate of development. However, modelling suggests that the impact of any change to the growth projections on the total development contribution charge for each HUE would be minor.

There is also a risk that the lag between expenditure incurred by Council and contributions received from those undertaking developments is different from that assumed in the funding model, and that the costs of capital are greater than expected. This would result in an increased debt servicing cost and could also result in increased depreciation costs for future ratepayers.

Council will continue to monitor the rate of growth and will update assumptions in the growth and funding projections as required.

Development contributions policy **cont.**

Appendix J: Glossary of terms

Term	Meaning
Allotment	has the same meaning as 'Allotment' under both the Local Government Act 2002, and the Resource Management Act 1991, Section 2.
Backlog	That portion of a project that relates to historical catch-up to meet the required level of service for the existing community.
Base Units	The measure used for the demand of an average household unit for each service - refer to Appendix C
Catchment	Separate development contribution areas exist for each asset category. For some assets, e.g. transport, the development contribution area is District wide, for asset categories such as land drainage, water and wastewater development contribution areas are based upon existing service catchment areas as identified on the maps appended.
Commercial	Any activity, whether temporary or permanent, involving payment, exchange or other consideration. Means any activity involving commercial transactions, or providing commercial or administrative services, and includes, non-school activities, offices and banks; but excludes premises or activities involving industrial manufacture or production and retail trade.
Community Facilities	Network infrastructure, or community infrastructure for which Development Contributions may be required.
Community Infrastructure	Development of assets on land, owned or controlled by Rotorua District Council to provide public amenities.
Cost Allocation	The allocation of the capital costs of a project to the various drivers for the project, such as renewal, catch-up (backlog), and additional capacity to meet growth.
Credits	Where Development Contributions or financial contributions for a particular property have previously been assessed and paid, credit will be given for the particular activity
Current Year	The current year is 2009/10.
Development	A subdivision or other development that generates a demand for reserves, network infrastructure, or community infrastructure (but does not include the pipes or lines of a network utility operator). Includes activities that change the scale, character or intensity of any use of land.
Development Agreement	Any private agreement signed between a developer and Rotorua District Council.
Development Contribution	A Development Contribution is a payment from developers of money to fund the additional demand for community facilities created as a result of growth.
Financial Contributions	Financial contributions are provided for by the RMA and Council's Financial policy is set out in the District Plan. A financial contribution is a contribution from developers of cash, land, works, services or a combination of these. Financial contributions are used to offset or mitigate the adverse impacts on the natural and physical environment including utility services, of a new development.
Funding Model	The funding model ensures an equitable assessment of the funding requirements to support the Development Contributions regime. The primary output of the funding model is an accurate assessment of the required development contribution charges.
Funding Period	Not less than 10 years. Otherwise lesser of asset capacity life, asset useful life, or 25 years.
Gross Floor Area (GFA)	Gross Floor Area means the area of a building enclosed by outer walls, including storage and processing areas, and roofed decks.

Development contributions policy cont.

Appendix J: Glossary of terms cont.

Term	Meaning
Growth Model	For each development contribution area the Council has determined the population changes anticipated as the District expands. These are reported as 'Household Unit Equivalents' (HUEs).
GST	Goods and Services Tax at the rate then applicable.
Household Unit Equivalent (HUE)	A type of 'unit of demand' that relates to the typical demand for Community Facilities by an average household/residential unit.
Industrial	Activities including associated land, infrastructure and buildings used for the manufacturing, fabricating, processing, packing or storage of goods, substances, energy or vehicles, and the servicing and repair of goods and vehicles whether by machinery or hand. Also means: <ol style="list-style-type: none"> any premises used for any industrial or trade purposes; or any premises used for the storage, transfer, treatment, or disposal of waste materials or for other waste-management purposes, or used for composting organic materials; or any other premises from which containment is discharged in connection with any other industrial or trade process. any activity where people use materials and physical effort to: <ul style="list-style-type: none"> ▪ Extract or convert natural resources ▪ Produce goods or energy from natural or converted resources ▪ Repair goods ▪ Store goods (ensuing from an industrial process).
Impervious Surface Area (ISA)	Area of impervious surfaces to be drained to the reticulated Land Drainage network. For the purpose of development contribution Impervious Surface Area (ISA) means the area of any site which is not capable of absorbing water and includes any area which: <ul style="list-style-type: none"> ▪ Falls within roofed area ▪ Is covered by decks ▪ Is occupied by swimming pools ▪ Is paved with a hard continuous surface with a run-off coefficient of greater than 0.45.
Level of Service (LoS)	The standard of service provision for each asset.
LGA 2002	Local Government Act 2002
Lot	Lot is deemed to have the same meaning as 'Allotment' under both the Local Government Act 2002, and the Resource Management Act 1991.
LTCCP	Long Term Council Community Plan (also referred as the Ten Year Plan)
Network Infrastructure	The provision of roads and other transport, water, wastewater and stormwater collection and management.
New Growth / New Expenditure	Relates to the growth demand and planned costs in the ten years from the current year.
Non-residential Development	Any development that falls outside the definition of residential development in this policy.
Past Growth/Past Expenditure	Relates to growth capacity and cost that has been provided by past expenditure. In terms of cost it relates to actual costs incurred in past years – including the current year. In terms of demand it relates to the provided capacity for the period between implementation and the current year.
RMA 1991	Resource Management Act 1991

Development contributions policy cont.

Appendix J: Glossary of terms cont.

Term	Meaning
Reductions	A reduction is an adjustment to the HUEs assessed for a consent application. A reduction will only be considered as part of a review requested by an applicant.
Remissions	A remission is an adjustment to the scheduled charged for a particular activity and catchment as a percentage or in dollar terms. Remissions will only be invoked as a resolution of Council.
Renewals	That portion of project expenditure that has already been funded through depreciation of the existing asset.
Residential Unit	A dwelling or residential unit is defined as a self-contained building which has a bathroom and kitchen. The bathroom will include a toilet, bathing facilities (shower or bath). A kitchen will have a sink. (includes any dwelling house, apartment, flat, home unit or townhouse or papakainga housing on ancestral land or residential village unit).
Retail	The use of land, a building or parts of a building where goods are sold or displayed for sale, by retail, or are offered for hire
Rural	Rural is deemed to have the same definition as rural environment in the District Plan.
Service Connection	A physical connection to a service provided by, or on behalf of Rotorua District Council.
Subdivision	Subdivision is deemed to have the same meaning as 'subdivision' under the Resource Management Act 1991.
Working Day	Any day that trading banks are open for business in the city of Rotorua.
Wet Industry	A water intensive industry that uses significant volumes of water which exceeds average design units, both water and wastewater, as part of the industrial process.

Fees and Charges



Animal Control fees and charges

Sources of Funding

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

- Rates – This activity is funded approximately 46% from general rates.
- Dog Registration Fees – Fees set for the various categories of dogs as determined by council.
- Impounding Fees – Fees charged for the impounding and release of dogs and wandering stock.
- Infringement/Prosecution Fees – Fees collected from infringement offence notices issued under the Dog Control Act 1996 and prosecutions lodged in the District Court for a variety of offences.

Current Level of Registration

As at 10 January 2011 a total of 9,893 dogs had been registered.

Proposed New Fee Structure

	2010/2011	2011/2012
Urban Domiciled Dogs	\$60.00	\$65.00
Rural Domiciled Dogs	\$36.30	\$40.00
Selected Dog Owner Status	\$36.30	\$40.00
Rebate for de-sexed dogs	\$10.00	\$10.00
Rebate for superannuitants	\$10.00	\$10.00
<i>Note – In terms of council policy only one of these rebates is able to be claimed.</i>		
Penalty for Late Payment		
- Urban Dog	\$30.00	\$32.50
- Rural Dog	\$17.50	\$20.00
Dog Impounding Fees:		
- First Impounding	\$50.00	\$50.00
- Second Impounding	\$128.00	\$145.00
- Third and Subsequent Impounding	\$150.00	\$165.00
Sustenance Fee (per day)	\$8.00	\$8.30
Microchip implant	\$20.00	\$20.00
Replacement Tag	\$6.50	\$6.70
Collars:		
- Toy Dog	\$5.50	\$5.70
- Small	\$7.00	\$7.20
- Medium	\$8.00	\$8.30
- Large	\$10.00	\$10.30
- Extra Large	\$12.00	\$12.40
- Nylon (long)	\$10.00	\$10.30
- Nylon (short)	\$9.00	\$9.30

	2010/2011	2011/2012
Leads:		
- Narrow	\$9.00	\$9.30
- Wide	\$9.50	\$9.80
Muzzles:		
- Nylon Mesh	\$18.00	\$19.00
- Wire	\$28.50	\$29.00
- Plastic – Size 2	\$16.50	\$17.00
3	\$17.50	\$18.00
4	\$19.00	\$18.50
5	\$19.50	\$20.00
6	\$21.50	\$22.00
7	\$23.50	\$24.00
8	\$24.50	\$25.00
9	\$25.50	\$26.00
10	\$26.50	\$27.00
Kennel Licensing:		
- Initial Licence	\$50.00	\$51.50
- Renewal of Licence	\$18.00	\$18.50

Re-Homing Fees

Re-homing fees were first set in 1997 when council determined 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.

It is proposed that re-homing fees remain as follows:

	2010/2011	2011/2012
Female dog	\$132.00	\$136.00
Male dog	\$88.00	\$90.60
Already 'desexed' dog	\$64.00	\$66.00

Hire of Bark Collar

	2010/2011	2011/2012
Hire for seven (7) days	\$24.00	\$24.70
Purchase – Ag'tronics	\$175.00	\$180.20

Animal Control fees and charges **cont.**

Stock Impounding Fee

It is proposed that stock impounding fees be increased to cover actual staff costs on a time involved basis.

1. Callout Charges (minimum)

	2010/2011 per 2 hours	2011/2012 per 2 hours
7am to 6pm	\$101.50	\$104.50
6pm to 10pm	\$128.00	\$132.00
10pm to 7am	\$191.50	\$197.00
Weekends and Holidays	\$191.50	\$197.00

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

2. Transportation:

In addition, transport costs as charged by the service provider will be added.

3. Release Fee:

	2010/2011	2011/2012
Release Fee	\$29.50	\$30.50

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

4. Poundage Fees:

	2010/2011 per head per day	2011/2012 per head per day
For every horse, donkey, cattle beast or deer	\$16.00	\$16.50
For every sheep, goat or pig	\$11.00	\$11.50

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 Services fees and charges

Building Services has two key components – consent processing and providing information to the public.

It is considered 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.

Fees have increased 3% on average to cover cost increases. This is consistent with the level of fee increase anticipated in the Ten Year Plan. 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 (Property Information Memorandum) / TAR (Territorial Authority Review) fees.

Code	Category	Consent Fee 2010/2011	PIM Fee 2010/2011	Consent Fee 2011/2012	PIM / TAR Fee 2011/2012
FIXED COST BUILDING CONSENTS					
1	Proprietary garages, carports, playgrounds (2 inspections)	\$465.00	\$200.00	\$480.00	\$206.00
2	Proprietary garages with fire wall (3 inspections)	\$540.00	\$200.00	\$556.00	\$206.00
3	Proprietary farm buildings	\$620.00	\$200.00	\$640.00	\$206.00
4	Minor works (single inspection) – sewer connection, garden sheds	\$300.00	\$25.00	\$309.00	\$26.00
4a	Free standing solid fuel heater, gas or solar water heating, spa pool (Add half hour extra charge for in-built solid fuel heaters)	\$305.00	Nil	\$315.00	Nil
5	Minor works (2 inspections) – retaining walls, pergolas, simple decks, conservatories	\$465.00	\$200.00	\$480.00	\$206.00
5a	Plumbing and drainage alteration, accessible showers	\$540.00	Nil	\$556.00	Nil
6	Demolition – Residential	\$310.00	\$40.00	\$320.00	\$41.00
7	Demolition – Commercial	\$390.00	\$200.00	\$402.00	\$206.00
LODGEMENT DEPOSITS FOR BUILDING CONSENTS					
8	Custom designed garages, carports, farm buildings	\$425.00	\$200.00	\$438.00	\$206.00
9	Small projects (less than \$20,000) – shop fitouts, shop fronts, residential alteration altering footprint, complex decks	\$500.00	\$200.00	\$515.00	\$206.00
9a	Internal residential alteration, alteration to a specified system (does not include change of use)	\$580.00	Nil	\$597.00	Nil
10	Ancillary habitable buildings	\$500.00	\$200.00	\$515.00	\$206.00
11	Additions and alteration to residential buildings (over \$20,000)	\$730.00	\$200.00	\$752.00	\$206.00
12	New dwellings	\$955.00	\$530.00	\$984.00	\$546.00
13	Additions and alterations to commercial and industrial buildings (over \$20,000) (Add additional \$100 for each \$100,000 or part thereof in excess of \$300,000)	\$800.00	\$530.00	\$824.00	\$546.00
14	New commercial and industrial buildings (Add additional \$100 for each \$100,000 or part thereof in excess of \$300,000)	\$955.00	\$590.00	\$984.00	\$608.00

Building Services fees and charges **cont.**

Code	Category	Fees 2010/2011	Fees 2011/2012
OTHER SUNDRY CHARGES			
A	Certificate of Title	\$15.00	\$15.00
B	Compliance Schedule OR Amendment to Compliance Schedule	\$108.00	\$111.00
C	Building Warrant of Fitness – Admin Charge-option A	\$51.00	\$53.00
C	Building Warrant of Fitness – Admin Charge-option B	\$51.00	\$90.00
D	Building Warrant of Fitness – Site Audit-option A	\$150.00	\$150.00
D	Building Warrant of Fitness – Site Audit-option B	\$150.00	NIL
E	Knock Down Swimming Pool Inspections per annum	\$65.00	\$67.00
F	Additional / Re-inspections – 30 minutes	\$77.50	\$80.00
G	Inspection – 45 minutes	\$116.25	\$120.00
H	Inspection – 1 hour	\$155.00	\$160.00
I	Section 72 or 77 Notice	\$108.00	\$111.00
J	Certificate of Acceptance – Lodgement fee	\$430.00	\$443.00
K	Certificate of Acceptance – Processing fee per half hour Normal PIM and Consent Fees apply	\$77.50	\$80.00
L	Notice to Fix – Issue and Inspection	\$115.00	\$120.00
M	Certificate for Public Use	\$205.00	\$211.00
N	Certificate for Public Use in conjunction with Building Consent Application	\$77.50	\$80.00
O	Amendment to issued building consent (lodgement only)	\$105.00	\$108.00
P	Re-site report for existing building	\$175.00	\$180.00
Q	Lodgement of independent reports on file/exemption application	\$105.00	\$108.00
R	Building services monthly statistics/yearly (one month) (yearly subscription)	\$22.00 \$235.00	\$23.00 \$242.00
S	Copy of compliance schedule	\$22.00	\$23.00
T	Application for an extension of time to complete consented work	\$76.00	\$80.00

Environmental Health fees

The following fees are proposed by council for the 2011/2012 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.

A review of food premises fees may be necessary as a result of possible changes to legislation, a timeframe for which is still currently unknown.

Mobile Shop Fees

Mobile shop fees have been reviewed to provide a structure that recognises the potential and popularity of prime trading sites along the arterial roads of Fenton Street and Ngongotaha Road. Each of these roads with their high traffic flows provides the trader with a site giving exposure of product to local and regional travellers and tourists

The fees introduce some balance and parity between nearby ratepayer businesses and mobile shops they are in competition with.

Food Premises

The table below (Table 1) sets out the different category of food premises that require registration/inspection, the existing fees, as well as the proposed fees for 2011/12.

In general, the increase is in the order of 3%, a proportion of which is to supplement the cost of purchasing specialist equipment and necessary to enable the proper inspection of food premises.

TABLE 1

Food Premises

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 the terms the Food Hygiene Regulations. Some examples are restaurants, delicatessens and takeaway food premises.

Category FP1A	2010/2011	2011/2012
Application Fee	\$394.58	\$407.00
Transfer Notation	\$40.89	\$42.00

- ii) **Category FP1B.** Premises required to be registered within the terms of the Food Hygiene Regulations. Some examples are school canteens, fruit and vegetable shops, confectionery shops and health food shops.

Category FP1B	2010/2011	2011/2012
Application Fee	\$237.15	\$245.00
Transfer Notation	\$40.89	\$42.00

2. Other Food Premises

- i) **Category FP2A.** Premises used by the Crown and state owned enterprise; any partially exempt premise and some premises within the meaning of the Sale of Liquor Act. Some examples are sports clubs, service clubs, taverns, lodges and resorts.

Category FP2A	2010/2011	2011/2012
Application Fee	\$394.58	\$407.00
Transfer Notation	\$40.89	\$42.00

- ii) **Category FP2B.** Occasional food premises as defined by the Food Hygiene Regulations. Some examples are food kiosks and premises open on a seasonal basis.

Category FP2B	2010/2011	2011/2012
Application Fee	\$163.55	\$169.00
Transfer Fee	\$40.89	\$42.00

- iii) **Category FP2C.** Premises which are an off-licence within the meaning of the Sale of Liquor Act.

Category FP2C	2010/2011	2011/2012
Application Fee	\$237.15	\$245.00
Transfer Notation	\$40.89	\$42.00

- iv) **Category FP2D.** Any premises used as a warehouse, storeroom or similar for the storage of food, food packages and containers.

Category FP2D	2010/2011	2011/2012
Application Fee	\$102.22	\$106.00
Transfer Notation	\$40.89	\$42.00

Environmental Health fees **cont.**

- v) **Category FP2E.** Premises which supply or sell food incidental to the rendering of a service and is not otherwise registered or licensed, e.g. a training facility.

Category FP2E	2010/2011	2011/2012
Application Fee	\$102.22	\$106.00
Transfer Notation	\$40.89	\$42.00

3. Miscellaneous fees

	2010/2011	2011/2012
New premises establishment fee	\$210.58	\$217.00
Inspection/re-inspection, redefinition inspection	\$210.58	\$217.00
Closed premises re-inspection	\$523.38	\$540.00
Transfer Notation (owner transfer) fee	\$40.89	\$42.00
Copy or re-issue of Certificate		
Registration of food vending machine	\$102.22	\$106.00
Keeper of mobile and travelling food shops	\$102.22 ¹	A) Fenton Street and Ngongotaha Road sites: i) \$1500 per year ¹ ii) \$150 per month, maximum of 2 consecutive months ¹ , plus one-tenth food premise registration per month B) Balance of Rotorua District \$200 per year ¹
Food stall	High Risk - \$228.98 Low Risk - \$150.27	As per Registration Risk Category
Consultation and miscellaneous duties	Officer charge-out of \$115.51/hr plus disbursements	Officer charge-out \$120.00/hr plus disbursements

¹ Plus food premise registration fee

Environmental Health fees **cont.**

TABLE 2

Food Premises Falling into the Food Safety Programme Category (e.g. 'off the peg' food control plans, food control plans and food handler guidance)

	2010/2011	2011/2012
Verification of Food Control Plan (Food Safety Programme)	Fixed fee of \$102.22 per application plus \$115.51/hour thereafter	Fixed fee of \$106.00 per application plus \$120.00/hour thereafter
Audit of Food Control Plan (Food Safety Programme)	Fixed fee of \$102.22 per application plus \$115.51/hour thereafter	Fixed fee of \$106.00 per application plus \$120.00/hour thereafter
New premises establishment fee	\$315.87	\$326.00
Inspection/re-inspection, investigation, redefinition inspection	\$210.58	\$217.00
Notation of transfer fee	\$40.89	\$42.00
Notation of minor food premise or activity	\$102.00	\$106.00
Consultation and miscellaneous duties	Officer charge out \$115.51/hour plus disbursements	Officer charge out \$120.00/hour plus disbursements
Notation of Food Control Plan Registration (handling fee)	Nil	\$106.00

TABLE 3

Health and Bylaw Licences and Miscellaneous Activities and Duties

1. Funeral Directors and/or Mortuaries

Premises required to be registered within the terms of the Health (Burial) Regulations.

Category	2010/2011	2011/2012
Application Fee	\$155.38	\$160.00
Transfer Notation	\$40.89	\$42.00

2. Offensive Trades

Premises required to be registered within the terms of the Health Act.

Category	2010/2011	2011/2012
Application Fee	\$237.15	\$244.00
Transfer Notation	\$40.89	\$42.00

3. Hairdressers

Premises required to be registered within the terms of the Health (Hairdressers) Regulations.

Category	2010/2011	2011/2012
Application Fee	\$155.38	\$160.00
Transfer Notation	\$40.89	\$42.00

4. Camping Grounds

Premises required to be registered within the terms of the Camping Ground Regulations.

Category	2010/2011	2011/2012
Application Fee	\$227.02	\$235.00
Transfer Fee	\$40.89	\$42.00

Environmental Health fees **cont.**

5. Miscellaneous Fees

	2010/2011	2011/2012
Keeper of mobile and travelling shops (non food)	\$102.22	A) Fenton Street and Ngongotaha Road sites: i) \$1500 per year ii) \$150 per month, maximum of 2 consecutive months B) Balance of Rotorua District \$200 per year
Hawker (non food)	\$40.89	\$42.00
Itinerant trader (non food)	\$40.89	\$42.00
Stall (non food)	\$40.89	\$42.00
Bee keeping	\$40.89	\$42.00
Billiard room	\$102.22	\$106.00
Return of seized equipment	1st \$173.78 2 nd \$327.11	\$179.00 \$337.00
New premise establishment fee	\$210.58	\$217.00
Transfer notation (owner transfer) fee	\$40.89	\$42.00
Copy or re-issue of Certificate		
Inspection/re-inspection, redefinition inspection	\$210.58	\$217.00
Consultation and miscellaneous duties	Officer charge-out of \$115.51/hour plus disbursements	Officer charge-out of \$120.00/hour plus disbursements
Late payment fee	Nil	\$116.00

Resource Management Act charges

Matters relevant to all fees and charges

The following charges shall take effect from 1 July 2011. They 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 \$82.50, 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 \$165.00 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 \$45,000 in the case of a land use, subdivision consent, or private plan change.

Refunds

Where costs are less than the deposit held, a refund will be due to the applicant.

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 that require monitoring they will be charged a monitoring fee, this shall exclude Controlled CBD and Controlled Minor applications. The monitoring fee is set at \$165.00 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

Resource Management Act charges **cont.**

Land Use Fees

Classification		2010/2011	2011/2012
A.	Notified land use (43-10-10-5638)		
1	Notified land use	*\$2,556.00+A+M	*\$2,630.00+A+M
2	Notified sign	\$61.00	\$65.00
3	Limited notified	*\$1,227.00+A+M	*\$1,320.00+A+M
4	Statutory Hearing fee	\$174.00	\$165.00
5	Additional consent fees, commissioning reports, peer review, photocopying and other costs related to consents	Actual costs	Actual costs
B.	Non-notified land use (43-10-10-5662)		
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	\$317.00	\$330.00
8	Controlled (Minors)	\$317.00	\$330.00
9	Controlled	\$475.00+M	\$495.00+M
10	Restricted/Limited discretionary	*\$557.00+M	*\$577.50+M
11	Discretionary	*\$715.00+M	*\$742.50+M
12	Non-complying	*\$715.00+M	*\$742.50+M
13	Additional consent fees, commissioning reports, peer review, photocopying and other costs related to consents	Actual costs	Actual costs
C.	Monitoring (43-10-10-5666)		
14	For all land use consents excluding Controlled CBD and Controlled (Minors) that require monitoring.	*\$158.00+A	*\$165.00+A
D.	Related land use (43-10-10-5635)		
15	Extension of time (S125)	\$158.00	\$165.00
16	Cancellation of approval (S126)	\$158.00	\$165.00
17	Change/Variation to conditions of consent (S127)	*\$475.00+A+M	*\$495.00+A+M
18	Review of consent conditions (S128)	*\$792.00+A+M	*\$825.00+A+M
19	Compliance Certificates (S139)	*\$475.00+A	*\$495.00+A
20	Existing use rights Certificates (S139A)	*\$634.00+A	*\$660.00+A
21	Outline Plan approval (S176A)	*\$399.00+A	*\$412.50+A
22	Planning Certificate (Sale of Liquor)	\$158.00	\$165.00
23	Overseas Investment, Motor Vehicle Dealers, and other certificates	\$158.00	\$165.00
24	Applications for street naming	\$317.00	\$330.00
25	Contribution to valuation for heritage and reserve purposes	\$66.00	\$70.00
26	Certificate of title	\$15.00	\$15.00
65	Financial contribution for reserves purposes (34-10-25-5311)	As valued	As valued

M Monitoring charges @ \$165.00 per hour

A Additional charges @ \$165.00 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

Resource Management Act charges **cont.**

Subdivision Fees

Classification		2010/2011	2011/2012
A.	Notified subdivision (43-10-10-5665)		
27	Notified	*\$2,256.00+A+M	*\$2,640.00+A+M
28	Notified sign	\$61.00	\$65.00
29	Limited Notified	*\$1,227.00+A+M	*\$1,320.00+A+M
30	Statutory Hearing	\$174.00	\$165.00
31	Additional consent fees, commissioning reports, peer review, photocopying and other costs related to consents	Actual costs	Actual costs
B.	Non-notified subdivision (43-10-10-5689)		
32	Controlled, including cross lease to freehold	*\$869.00+A	*\$907.50+A
33	Controlled, cross lease amendment	*\$869.00+A	*\$907.50+A
34	Restricted/Limited Discretionary	*\$869.00+A	*\$907.50+A
35	Discretionary	*\$1,032.00+A	*\$1,072.50+A
36	Non-complying	*\$1,032.00+A	*\$1,072.50+A
37	Additional lots	@\$56.00 per lots over 3	@\$58.00 per lots over 3
38	Survey Plan approval (S223)	\$317.00	\$330.00
39	Compliance Certificate (S224c)	\$317.00	\$330.00
40	Engineering inspection and plan approval	\$307.00 or min plus \$150.00 per hour (for each hour exceeding 2 hours)	\$330.00 or min plus \$165.00 per hour (for each hour exceeding 2 hours)
41	Contribution to valuation for heritage and reserve purposes	\$66.00	\$70.00
42	Additional consent fees, commissioning reports, peer review, photocopying and other costs related to consents	Actual costs	Actual costs
C.	Related subdivision (43-10-10-5665)		
43	Right of way	*\$399.00+A	*\$412.50+A
44	Extension of time (S125)	\$475.00	\$495.00
45	Cancellation of approval (S126)	\$158.00	\$165.00
46	Change/Variation to conditions of consent (S127)	*\$475.00+A	*\$495.00+A
	Variation or change to Consent Notice	Nil	*\$825.00+A
47	Review of consent conditions (S 128)	*\$792.00+A	*\$825.00+A
48	Section 226	*\$792.00+A	*\$825.00+A
	Section 348	Nil	\$330.00
49	Preparation of Bonds, Consent Notices, legal documents	*\$158.00+A	*\$165.00+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	*\$158.00+A	*\$165.00+A
65	Financial contribution for reserves purposes (34-10-25-5311)	As valued	As valued

M Monitoring charges @ \$165.00 per hour

A Additional charges @ \$165.00 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

Resource Management Act charges **cont.**

Policy Fees

Classification		2010/2011	2011/2012
A.	Designations (42-10-10-5639)		
51	Notice of Requirement	*\$3,731.00+A	*\$3,960.00+A
52	Alteration of Designation	*\$3,731.00+A	*\$3,960.00+A
53	Removal of Designation	*\$951.00+A	*\$990.00+A
54	Statutory Hearing fee	\$174.00	\$165.00
55	Commissioning reports, peer review, photocopying and other costs related to designations process	Actual costs	Actual costs
B.	Plan Changes (42-10-10-5640)		
56	Private Plan Changes	*\$9,200.00+A	*\$9,900.00+A
57	Statutory Hearing fee	\$174.00	\$165.00
58	Commissioning reports, peer review, photocopying and other costs related to designations process	Actual costs	Actual costs
C.	Policy documents (42-10-10-5823)		
59	Copy of Operative District Plan on CD	\$36.00	\$45.00
60	District Plan text (Hard Copy)	Actual costs	Actual costs
61	District Plan maps (Hard Copy)	Actual costs	Actual costs
62	Lakes A Zone on CD	\$31.00	\$35.00
63	Lakes A Zone text and maps	\$266.00	\$275.00
64	Copies of Plan changes, variations, and publications	Actual costs	Actual costs

M Monitoring charges @ \$165.00 per hour

A Additional charges @ \$165.00 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

Cemetery / Cremation Fees

	2010/2011 excl GST	2011/2012 incl 15% GST	Percentage increase excl GST
Crematorium Fees			
Adults 13 years and over	\$295.11	\$458	35%
Children 5 – 12 years	\$143.11	\$217	32%
Children under 5 years	\$64.89	\$85	14%
Use of Chapel (extra)	\$73.78	\$121	43%
Disposal of Ashes			
Columbarium Niche Wall – Single	\$170.67	\$223	14%
Columbarium Niche Wall – Double	\$295.11	\$385	13%
Granite Book (including plaque)	\$295.11	\$385	13%
Granite Book (replacement plaque only)	\$88.00	\$114	13%
Ornamental Gardens Plot	\$295.11	\$385	13%
Berm lawn Plot	\$180.44	\$362	74%
Burial in existing plot	\$41.78	\$109	127%
Book of Memories Entry	\$32.00	\$60	63%
Disinterment of Ashes	\$50.67	\$79	36%
Cemetery Fees			
Purchase of Plot – Adult	\$785.78	\$1,811	100%
Purchase of Plot – Children (in area set aside)	\$193.78	\$1,569	604%
Purchase of Plot – Stillborn Memorial Wall	\$193.78	\$253	14%
Burial Fees – Stillborn area	\$50.67	\$290	398%
Burial Fees – Children 12 years and under	\$96.89	\$290	160%
Burial Fees – Adults 13 years and over	\$346.67	\$483	21%
Burial Fees – Plot maintenance	\$392.89	\$512	13%
After hours fees (in addition to standard fees)	\$147.56	\$192	13%
Fee to erect headstone (Memorial Permit fee)	\$23.11	\$60	126%
Fee to re-open plot (in addition to burial fees)	\$73.78	\$109	28%
Fee for disinterment (in addition to burial fees)	\$245.33	\$3,623	1,184%
Fee for re-interment (in addition to burial fees)	\$152.89	\$200	14%
Registration of Plots Ngati Whakaue (Kauae only)	\$60.44	\$79	14%
Search fee for written extract	\$23.11	\$30	13%
Discount for burial if family digs and fills grave	-\$182.22	-\$237	13%
Discount for burial if family fills grave only	-\$46.22	-\$60	13%

Changes to capital expenditure



Changes to capital expenditure from year 3 of the Ten Year Plan

Project	Sum of Original TYP 3rd year	Sum of Annual Plan 2010 2nd year	Sum of 2011/2012 Annual Plan	Sum of Difference	
Airport property purchases and noise	529,749	529,749	300,000	229,749	C/fd from 2010-11
Airport wetlands mitigation	-	808,294	400,000	(400,000)	Capital expenditure reduced
Aquatic Centre upgrade	530,450	530,450	265,226	265,224	Dropped by 50%
Bio diesel project	-	-	63,654	(63,654)	
Carpark upgrades	-	63,654	63,654	(63,654)	
Cemetery development	53,045	228,094	-	53,045	Land not yet purchased so no design completed for development move out to 2013
City Focus asset replacement	31,827	31,827	115,638	(83,811)	Moved from City Services Operations
City Focus capital purchases	3,819	3,819	-	3,819	
Civic building renewal	63,278	63,278	78,279	(15,001)	Deferred
Convention Centre asset replacement	107,401	107,401	328,412	(221,011)	Increased due to catering contract
Customer Service Centre capital purchases	45,619	45,619	-	45,619	Not required as covered by IT
Cycleway construction	370,580	370,580	158,820	211,760	Delayed
Development of boatramps	-	79,310	79,310	(79,310)	
District wide orthophotography	90,177	90,177	85,171	5,006	
EEC asset replacement	161,050	161,050	141,047	20,003	
Emergency Management radio and office equipment	12,306	12,306	1,552	10,754	Not required and reduced
Entrance signage	-	-	21,218	(21,218)	Rotorua entrance signage
Fleet	1,165,929	1,165,929	1,217,001	(51,072)	Budget should be \$1.326m which is reduced to \$1.217m
Fleet sales	(233,186)	(233,186)	(203,000)	(30,186)	Sales decrease correspond with reduction in renewal Project delayed
Gisborne Point/Hinehopu wastewater scheme	5,320,000	5,411,504	950,000	4,370,000	
GPS gear rangefinder	-	-	5,000	(5,000)	
Grow Rotorua Development Fund	-	1,854,000	1,800,000	(1,800,000)	
Hamurana/Awahou wastewater scheme	4,788,000	3,283,504	6,500,000	(1,712,000)	Project c/fd
High speed broadband	-	-	20,000	(20,000)	
Information Technology core hardware replacements	499,684	499,684	410,684	89,000	Expenditure reduced
Inspection - bylaws, health licensing and regulating	29,705	29,705	-	29,705	
International Stadium asset replacement	177,837	177,837	33,524	144,313	Asset replacement brought forward to 2010-11
Lakefront development	8,487,200	8,487,200	100,000	8,387,200	C/fd
Landfill development project	7,426,300	4,773,543	1,042,653	6,383,647	C/fd from 2010-11
Landfill renewals	-	-	150,298	(150,298)	
Library asset replacement	90,081	90,081	25,081	65,000	Capital expenditure reduced
Library books	637,601	637,601	537,319	100,282	Reduce expenditure and some moved to operating
Maori roadlines and unformed roads	84,704	84,704	141,720	(57,016)	
Meter renewals Urban Water	37,058	37,058	30,001	7,057	
Museum asset replacements	141,538	141,538	101,000	40,538	
Network improvement Mamaku Water	-	-	52,940	(52,940)	C/fd from 2010- 11
Network improvements Urban Water	2,308,185	6,728,140	770,095	1,538,090	Eastern pipe line delayed
Network renewals Urban Water	794,100	794,100	795,000	(900)	
New software LDIR	-	-	10,000	(10,000)	
New software purchases LIM	21,218	21,218	-	21,218	
New toilet construction	-	-	80,000	(80,000)	New designs need to be investigated, consents lodged etc
Okere / Otaramarae / Whangamarino wastewater scheme	4,880,140	6,146,324	3,200,000	1,680,140	Cost savings
Parks land purchases LOS	1,167	1,167	-	1,167	
Passenger transport centre	2,117,600	2,374,359	200,000	1,917,600	Design work and rest moved to 2013
Passenger transport infrastructure	106,939	160,408	160,408	(53,469)	

Changes to capital expenditure from year 3 of the Ten Year Plan **cont.**

Project	Sum of Original TYP 3rd year	Sum of Annual Plan 2010 2nd year	Sum of 2011/2012 Annual Plan	Sum of Difference	
Pensioner Housing building upgrade	153,831	153,831	100,000	53,831	Not required and reduced
Plant improvements Urban Water	338,816	2,405,531	420,000	(81,184)	Eastern reservoir delayed
Plant improvements Water Supplies	10,588	10,588	10,300	288	
Plant renewals Mamaku Water	18,239	18,239	17,229	1,010	
Plant renewals Reporoa Water	-	-	44,800	(44,800)	C/fd from 2010-11
Plant renewals Urban Water	82,654	82,654	485,972	(403,318)	Pumps c/fd from 2010-11
Property acquisition - Victoria street	1,060,900	1,060,900	1,000,000	60,900	
Property Management furniture renewal	26,523	26,523	-	26,523	
Public Gardens land purchases	10,503	10,503	-	10,503	
Pump station improvements Wastewater Urban			50,001	(50,001)	C/fd from 2010-11
Recycling set up			999,977	(999,977)	C/fd from 2010-11
Redwoods projects for the Ten Year Plan	42,436	259,921	259,921	(217,485)	
Renewals for parks and Tokorangi Triangle	836,264	1,038,064	500,950	335,314	Moving all of the renewals associated with Kuirau Park except \$100k which is left for investigation and design work and new project to replace the wiring within Hannahs Bay. All of the lighting in that reserve has failed.
Replacement of monitoring equipment - Water Supplies	10,588	10,588	10,000	588	
Rotoma wastewater scheme	-	-	950,000	(950,000)	B/fd
Rotorua Hospital entrance	211,760	211,760	-	211,760	
Rotorua Museum centennial development stage 3			1,400,042	(1,400,042)	C/fd from 2010-11
Rural Fire plant and equipment	24,401	130,491	150,000	(125,599)	Fire truck needs to be purchased
Rural street improvements	406,579	406,579	216,578	190,001	
Security CCTV cameras	53,045	53,045	-	53,045	Moved to City Services Operations
Sewage pump station renewals	188,189	188,189	649,000	(460,811)	Some deferred from 2010-11
Sewer network improvements/upgrades	2,085,440	2,858,689	2,685,000	(599,560)	C/fd from 2010-11
Skate park x 4			307,979	(307,979)	C/fd from 2010-11
Southern Government Gardens lighting upgrade	-	403,142	203,143	(203,143)	Lighting project spread across two year
Tarawera wastewater scheme	-	-	150,000	(150,000)	Design brought b/fd
Tea house asset replacement	9,325	9,325	-	9,325	Reduced expenditure will be spent if required
Tourism Rotorua Travel building and plant renewal	-	-	9,007	(9,007)	Printer, fax and other plant renewal c/fd from previous year
Treatment plant renewals	391,787	597,994	436,000	(44,213)	
Unsubsidised Transport development assistance	529,400	52,940	52,940	476,460	
Urban street improvements	211,760	211,760	233,760	(22,000)	
Urban Wastewater network renewals	1,064,000	1,064,000	1,000,000	64,000	
Vaughan Road Depot plant renewal	12,306	12,306	11,601	705	
Victoria/Lake Road	-	-	6,000,000	(6,000,000)	C/fd from current year (2010-11) Lake Road
Walkway development	31,827	94,657	10,000	21,827	
Wastewater land treatment improvements	1,138,480	1,138,480	-	1,138,480	Not proceeding
Wastewater land treatment renewal	61,060	61,060	122,000	(60,940)	Renewal c/fd from 2010-11
Water Investigations plant purchases	10,588	10,588	-	10,588	
Web base trait software			40,314	(40,314)	C/fd from 2010-11
Westbrook field development.	182,475	439,966	-	182,475	
WWTP process improvements	-	4,124,028	1,032,000	(1,032,000)	Budgeted b/fd to 2010-11
Total	50,084,865	62,938,367	39,790,219	10,294,646	

Changes to capital expenditure from year 3 of the Ten Year Plan **cont.**

Projects with no changes

Project	Sum of Original TYP 3rd year	Sum of Annual Plan 2010 2nd year	Sum of 2011/2012 Annual Plan	Sum of Difference
Amenity lighting budget		50,000		
Bus charging at the Redwoods.	-	51,498	-	
CCorp Works furniture and fittings/office equipment	10,609	10,609	10,609	
Cemetery - renewal	4,456	4,456	4,456	
Collection development	8,487	8,487	8,487	
Community House/Halls asset replacements	18,407	46,255	18,407	
Core hardware new	10,609	10,609	10,609	
Core software replacements	76,385	76,385	76,385	
Corporate IT equipment replacements	254,616	254,616	254,616	
Drainage renewals	39,176	39,176	39,176	
Footpath renewals	139,762	139,762	139,762	
General reserves development	93,359	93,359	93,359	
Government Gardens parking meters.	-	271,675	-	
Kerb and channel renewals	53,999	53,999	53,999	
Kuirau Park development	-	160,001	-	
Land acquisition	52,940	52,940	52,940	
Major drainage control	37,058	37,058	37,058	
Minor safety projects	677,632	677,632	677,632	
New reserve development	42,436	42,436	42,436	
Nursery renewals	36,767	36,767	36,767	
Pavement rehabilitation	1,621,023	1,621,023	1,621,023	
Plant renewals	14,853	14,853	14,853	
Plant renewals Hamurana Water	8,912	8,912	8,912	
Plant renewals Rotoiti Water	7,115	7,115	7,115	
Preventative maintenance	28,588	28,588	28,588	
Renewals for the Aquatic Centre	95,607	95,607	95,607	
Road reseals	2,793,114	2,793,114	2,793,114	
Runway and other renewals	93,107	93,107	93,107	
Rural seal extensions	1,067,270	1,067,270	1,067,270	
Software development	265,225	265,225	265,225	
Stormwater renewals	530,450	530,450	530,450	
Stormwater upgrades	518,780	518,780	518,780	
Structural replacement	127,056	127,056	127,056	
Traffic services renewals	174,702	174,702	174,702	
Unsubsidised minor safety	33,882	33,882	33,882	
Various reserve improvements	54,636	54,636	54,636	
Total	8,991,018	9,552,040	8,991,018	
Total proposed capital expenditure	59,075,883.00	72,490,407.00	48,781,237.00	10,294,646

Rotorua Partner Programme

Inaugural Foundation Partners



Foundation Partners



Corporate Partners



Project Partners



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The image contains two logos side-by-side. The left logo is on a dark blue background and features the text 'Shaping Rotorua' in white, with a stylized white spiral icon to the left of the word 'Rotorua'. The right logo is on a white background and features the text 'DESTINATION' in blue above a thin blue line, followed by 'ROT@RUA' in large blue letters with a stylized '@' symbol, and 'ROTORUA DISTRICT COUNCIL' in smaller blue letters below a dark blue horizontal bar.