



Planning for coastal hazards important

'As more people seek to live and develop property in coastal areas, planning for and managing the impacts of coastal hazards is becoming an important issue for our District as the global debate on climate change and sea level rise becomes more intense', says Whakatane District Council Chief Executive Diane Turner.

To prepare and deal with this, the Council has been holding discussions with affected property owners and interested groups on its proposed Coastal Hazards Variation to the District Plan. Variation no 6 will lead to new policies and rules that may restrict or limit development in affected areas.

Ms Turner says the Council has both a statutory and moral responsibility to start planning now, with the available information, to respond to these hazards. In order to do this the Council is currently preparing a coastal hazards variation to the District Plan.

"Through the Variation we will be in a better position to prevent, avoid or reduce the risks from coastal hazards now and in the future. We can adjust this response, if necessary, as time goes on as more information becomes available".

Moves by the Council to put in place measures to guide development in coastal areas are in line with national and regional coastal policies (New Zealand Coastal Policy Statement, Regional Coastal Environment Plan, Ministry for the Environment Guidelines).

The Regional Council is supporting the Whakatane District Council's steps to manage coastal hazards through a change to its district

plan and has already supported Tauranga City Council and Western Bay of Plenty District through this process.

A senior coastal planner with the regional council, Aileen Lawrie, says studies done by the Council show that storms and sea level rise are among hazards of which people need to be aware.

'We have an existing hazard from storms and people will remember high seas eroding our coast over years. In addition we now have sea level rise actually happening and the prospect of more and bigger storms in the future. Planning for coastal hazards is about ensuring appropriate development of our coastal margins,' she says.

Affected areas

In 2002 the Council engaged a coastal engineer from Tonkin and Taylor to analyse coastal hazards in the Whakatane District. The analysis identified affected areas where coastal erosion and inundation are currently occurring and where they are predicted to occur by 2060 and 2100, taking into account the effects of global warming and sea level rise.

The main areas potentially affected by coastal hazards over time are:

1. Ohope, particularly West End, Pohutukawa Avenue and Plantation Reserve, Ohope stream mouths and Harbour Road area;
2. Coastlands/Piripai;
3. around Ohiwa Harbour, and;
4. Clem Elliott Drive, Matata

The affected areas have been mapped and the



location of each hazard in relation to individual properties can be determined.

Consultation

Since 2005, the Council has been consulting with affected property owners and other members of the public regarding the hazards and what the Council should do about them. Consultation efforts have included:

1. writing letters to affected landowners and other interested groups
2. holding five open days in 2005 and 2006 (Matata, Coastlands, Ohope)
3. holding two Open Days in 2006 (coastlands, Ohope)
4. having meetings with statutory agencies including the Ohope, Whakatane, Taneatua and Edgecumbe-Tarawera Community Boards, Environment Bay of Plenty and the Department of Conservation;
5. meetings with sector groups including

surveyors, iwi, developers, architects and real estate agents.

6. having one on one meetings and discussions with various individuals
7. holding two public meetings in November 2006.

Later this year and early next year, the Council will be holding workshops on the coastal hazards variation prior to publicly notifying the variation. When the variation is notified, people will have the opportunity to make submissions on the variation. The Council is encouraging everyone with an interest in this issue to become involved and participate in the process.

If you would like more information about this issue, please contact Tony Bullard (Senior Policy Planner) on 306 0500 or visit our website www.whakatane.govt.nz/districtplanning/variation6.

Council prepares Annual Plan

The Council is now in the process of preparing the 2007/08 Annual Plan. The Plan outlines the Council's projects, activities and rates demand for next financial year and will begin to put into action the second year of the Ten-year Council Community Plan (Ten-year Plan).

Last year the Council had extensive discussions with the community about its strategic direction during the development of the Ten-year Council Community Plan 2006-2016 (Ten-year Plan).

The Council's Chief Executive Diane Turner says it is important for the people to take an active interest in the Annual Plan process and the Council gladly welcomes any community's input.

"It is through the Annual Plan process that the community is able to actively participate in fine tuning the costs, funding and project priorities from those proposed in the Ten-year Plan for the 2007/08 financial year" added Ms Turner.

In the Annual Plan, the Council will set the

rates for 2007/08 and will also include a list of the changes that are proposed from the Ten-year Plan (where they relate to the 2007/08 financial year) so that the community can provide comments on these changes.

Ms Turner says the Council will be preparing a draft of the Annual Plan which is expected to be available for public consultation between April and May 2007 during which period people will have the opportunity to provide written submissions and also make oral presentations to the Council if they wish.

Under the Local Government Act 2002 the Council is required to adopt the final Annual Plan before 1 July 2007. The Act also requires the Council to review its Ten-year Council Community Plan before 1 July 2009. Copies of the Ten-year Council Community Plan are available at the Council offices, libraries and on the Council's website, www.whakatane.govt.nz.

Further information is available from Julie Gardyne or Catherine Stedman at the Council on (07) 306 0500.

Summary Annual Report

This Summary Annual Report was authorised for issue by the Council on 26 October 2006. The specific disclosures included in this report have been extracted from the full Annual Report and adopted by the Council on 26 October 2006. The Summary Annual Report cannot be expected to provide as complete and understanding as provided in the full Annual Report of the financial and service performance, financial position and cash flows of the Council.

The Summary Annual Report has been audited for consistency with the full Annual Report and a copy of the unqualified Audit Report is included.

been audited and an unqualified Audit Report dated 26 October 2006 has been issued.

Full Annual Report

A copy of the full Annual Report is available on the Council's website www.whakatane.govt.nz. Copies are also available for viewing at the Council's libraries. The full Annual Report has

Changes in accounting policies

There have been no significant changes in the accounting policies, which have been applied on bases consistent with previous years.



Mayor and Chief Executive's message

The last year has been a busy one as the Council has moved to complete the Long-term Council Community Plan (Ten-year Council Community Plan). Development of the Ten-year Plan was a huge undertaking for the Council and the communities. It was a challenging process for all those involved as we had started the move to a new corporate information system, and to deal with planning for a ten-year horizon. It is a credit to both the commitment of the staff and councillors involved that we were able to meet our statutory requirements and satisfy the stringent quality requirements.

While producing the Ten-year Council Community Plan was in itself a major exercise, the hard work has, in many ways, only just begun. The Council needs to take the directions and works programme signalled in the document and implement them.

Managing Growth

The District continues to grow and growth brings both benefits and challenges. It can enrich our communities, attract new business and employment opportunities, and enhance our future security. It can also put a strain on existing infrastructure and adds pressure to our physical environment. In this regard work is still under way with a number of very important strategic projects including the transportation study, residential, commercial and industrial growth studies. These projects will set the future direction for the development of this district. Increasingly major planning initiatives are being carried out within a wider regional context. The Council has changed its structure and focus so that it is able to contribute positively to regional forums.

Natural Hazards

Again, the Council and the District had to deal with the impacts of a significant natural disaster, this time at Matata. Although the event occurred prior to the commencement of the financial year most of the consequences and financial

implications had to be considered and managed during this year. The implications of both the 2004 and 2005 disasters will impact on the District for the foreseeable future as the Council wrestles with addressing mitigation and infrastructural issues and the associated funding.

Corporate Information System

Our information technology systems are still some way from the requirement of the e-government strategy. However, we are making significant investment in both systems and people, and by the end of the current year will be in a much better position.

Financial Overview

Financially, 2005/06 ended with a net operating surplus of \$6,928,700 against the budget forecast of \$1,344,800. The increase was brought about by the revaluation of assets (\$5,125,908 net) and \$600,000 received from the sale of the Professional Services Business Unit to Opus International.

The revaluation was a book entry and did not produce cash. Apart from these extraordinary transactions, the Council completed the year very much in line with the Annual Plan forecasted surplus. Organisationally there was much change. This did have an adverse impact on the performance of the organisation. However, in future years these changes will positively impact on the quality and delivery of services, the most significant this year being the sale of the Professional Services Business Unit to Opus International, will now provide the majority of our engineering advice.

Capital Works progressed during the year and included the completion of the Recycling Park and implementing the new solid waste collection service. This is a big step in the move to being a zero waste district and a significant step in terms of the Council showing leadership in sustainability. All things considered, the change of service went very smoothly.

Other projects included flood damage repairs to Ohope Road (realignment), Herepuru North (reinstatement), Awakaponga-Matata (reinstatement) and reconstruction of Thornton Road intersection, Taneatua Road and Main Street in Edgecumbe.

Conclusion

While the last year has been busy and challenging, the Council remains focused on contributing to the achievement of community outcomes and the priorities that describe the future you want to see for this district. Council and standing committees now meet monthly instead of six-weekly in line with normal business practice in a move to speed up decision making and improve processes.

The Council and staff are working very well together and despite the many challenges we have faced have managed to conduct our business with good humour and respect.

Colin Holmes
MAYOR

Diane Turner
CHIEF EXECUTIVE



Your rates explained

There are three components to rates - General Rate, Uniform Annual General Charge (UAGC) and Targeted Rates. Below is a brief description of the rates that Whakatane District Council collects and what they pay for.

General Rate

The General Rate is collected by way of a rate in the dollar on capital value and therefore varies depending on the capital value of your property. Revenue collected from the General Rate contributes to environmental protection and development, council administration, cemeteries, recreation and community facilities, strategic and investment property, Museum and Gallery, hazardous substances, general inspections, animal control, safer communities, rural fire control, public toilets and rest-rooms, halls and economic development.

Uniform Annual General Charge (UAGC)

Unlike the General Rate, the UAGC is applied uniformly across all ratepayers in the District regardless of the value of their property. The UAGC provides funding for 21 activities across

the District including a portion which funds:

- Democratic Services (operations of the Mayor and Council).
- Specific Council initiatives which include grants and one off projects
- Development of plans and policies (including the Long Term Council Community Plan and the District Plan).
- Civil Defence.
- Resource planning, building control and environmental health activities.
- Promotion, economic development and visitor information.

Targeted Rates

Targeted Rates fund activities like water supplies, wastewater services and refuse collection. They also meet part of the cost of swimming pools and parks and reserves, with the balance of those activities being funded from works and facilities rates. Promotion and development is partly funded by way of a targeted rate and the balance from general rates.

The following table lists the targeted rate funded activities:

Works and Facilities Rates	Pay for each area's share of the following activities: parks (70% of costs), dune care, swimming pools, recreation, refuse disposal, library, land drainage and trade waste.
Roading Rate	The roading rate, including the fixed charge, funds the District's roading expenditure.
District-wide Parks Rate	Funds 30% of the district's parks activities. The works and facilities rates fund the balance of the activity.
Water Rates	The water rates fund each of the individual water supplies
Waste water Rates	The waste water rates fund each of the individual schemes.
Refuse Collection Rate	Funds the weekly refuse removal and fortnightly greenwaste collection charged to properties for which the Council is prepared to provide a service.
Promotion and Development Rate	Charged to commercial/industrial properties, and funds 40% of the district's marketing and development activities.
Swimming Pool Rate – Whakatane Rural	Funds 13% of the cost of the Whakatane Aquatic Centre. The works and facilities rates fund the balance of the activity.
Swimming Pool Rate – Murupara Rural	Funds 45% of the cost of the Murupara Swimming Pool. The works and facilities rates fund the balance of the activity.
Community Board Rates	Funds the operating costs of each of the five community boards.
Disaster Mitigation Rates	Council sets targeted rates on a differential basis to fund disaster mitigation works throughout the District. These rates are set on both a uniform basis per rating unit and a rate in the dollar on the capital value of rating units. In addition, the Council charges a targeted rate in the dollar on the capital value of all rating units in the District to recover a share of the overall costs of disaster mitigation.

Council finances at a glance

Explanations for major differences in budgeted figures compared with actual figures.

Statement of Financial Performance

The Council had a net operating surplus of \$6.9m (Budgeted \$1.3m). This surplus included transactions of \$5.1m related to the revaluation of assets. These were non-cash transactions and had no effect on the Council's cash position.

Excluding these (non-cash) transactions, the Council's net surplus would have been \$1.8m against the budget of \$1.3m.

The net surplus also includes the sale of the Professional Services Business Unit which produced \$600,000. This transaction was not included within the projected surplus of \$1.3m set out in the Annual Plan.

Statement of Financial Position

The equity of the Council at year end was \$431m against an Annual Plan budget of \$352m, an increase of \$79m. The majority of this difference, \$68m, related to the revaluations and movements in asset values over the past two financial years. The 2005/06 Annual Plan was put together prior to the completion of the year ended 30 June 2005 and therefore did not foresee either the 30 June 2005 or 30 June 2006 revaluation effects.

Statement of Cash Flows

Cash resources at year end were \$5.1m against an Annual Plan budget of \$5.9m. There was not one single transaction that related to the difference in actual to budget. Restoration works from the 2004 and 2005 disasters all affected the Cash Flow Statement and resulted in differences from budgeted figures.

Statement of Financial Position	2005/06 Actual \$	2005/06 Budget \$	2004/05 Actual \$
Current Assets	14,050,516	10,520,200	18,012,562
Non-Current Assets	432,753,691	363,803,100	428,901,812
	446,804,207	374,323,300	446,914,374

Current Liabilities	12,910,024	9,469,200	13,085,692
Non-Current Liabilities	2,960,225	12,327,600	6,871,551
	15,870,249	21,796,800	19,957,243

Total Equity at end of the Year	430,933,958	352,526,500	426,957,131
--	--------------------	--------------------	--------------------

Statement of Financial Performance	2005/06 Actual \$	2005/06 Budget \$	2004/05 Actual \$
Rates	19,878,816	19,655,900	16,985,052
Subsidies	9,265,031	4,654,800	7,939,682
Investment Properties Revaluation	6,282,735	-	6,513,114
Developers Contributions	2,075,943	1,579,800	447,222
Other	12,359,842	5,839,300	16,119,674
	49,862,367	31,729,800	48,004,744

Expenditure	41,776,840	30,385,000	41,037,124
Museum Collection Revaluation	1,156,827	-	-
	6,928,700	1,344,800	6,967,620

Statement of Movement in Equity	2005/06 Actual \$	2005/06 Budget \$	2004/05 Actual \$
Equity at Start of Year	426,957,131	351,181,700	391,493,315
Net Surplus/(Deficit)	6,928,700	1,344,800	6,967,620
Increase/(Decrease) in Revaluation Reserves	(2,951,873)	-	28,496,196
	430,933,958	352,526,500	426,957,131

Statement of Cash Flows	2005/06 Actual \$	2005/06 Budget \$	2004/05 Actual \$
Opening Cash Resources*	9,932,743	10,054,100	11,724,200
Net Cash Flows from Operating Activities	3,401,629	10,860,000	4,167,617
Net Cash Flows from Investing Activities	(6,187,130)	(15,310,400)	(4,061,300)
Net Cash Flows from Financing Activities	(1,972,167)	316,500	(1,277,400)
	5,175,075	5,920,200	10,553,117

* Opening Cash Resources excludes Sinking Fund balance of \$620,374

Whakatane Airport

The audited results of the Whakatane Airport have been consolidated into the Financial Accounts.

The Whakatane Airport is a joint equity venture between the District Council and the Ministry of Transport (Air Transport Division)

Council Control: 50%
Balance Date: 30 June 2006

The values of the joint venture that have been consolidated into the reports are:

	2005/06 \$	2004/05 \$
Assets	3,035,579	2,279,664
Liabilities	23,314	17,963
Revenue	95,613	73,401
Expenses	76,797	74,141

Land and buildings have been revalued to \$5,246,000 at 30 June 2006, and 50% of this has been included in the above figures.

No related party debts have been written off or forgiven during the year.

Performance measured against statement of intent

Performance Indicators	Result
Operate and maintain the Airport's assets within an operational expenditure budget (excluding Corporate Overheads and depreciation) of \$92,000 per annum.	Achieved. Operational Expenditure = \$90,123
Renew electrical infrastructure in accordance with the Whakatane Airport Asset Management Plan \$5,000.	Not Achieved. Independent report revealed that VASIS Light System was adequate to 2010.

Significant capital projects

	Actual	Budget	Delivery
Subsidised Roding - Rural			
Reseals	1,011,998	1,222,600	Amount under expended by \$210,602 due to deferment of Commerce Street (Hotmix project).
Water Supplies			
Whakatane Water Supplies	951,258	1,115,000	Hinemoa Street water upgrade completed. Overall project under budget.
Whakatane Solid Waste			
Recycling Park	2,057,844	1,900,000	Project completed. Additional costs associated with building variations and requirements of Resource Consent.
Refuse Collection			
Wheelie Bins	-	700,000	Project not required as purchase of mobile garbage bins included in the waste collection contract.
Harbour			
Eastern Jetty	-	400,000	Project deferred due to delays in obtaining consents.
Army Hall	-	720,000	Project deferred due to delays in finalising details of purchase agreement and caveat placed on the proposed purchase.
Investment Property			
Piripai	13,505	600,000	Project deferred due to Council decision to call for Requests For Proposals for future development of the site.



Herepuru Road under construction



Community outcomes

Since 2004 the Council has been working with Whakatane District communities to identify their long term goals and vision for the District. As part of that process a number of community outcomes were developed. These outcomes guide the Council in its decision making.

Activities undertaken to contribute to social outcomes

- District libraries joined a regional shared library system (InfoShare)
- Improved the quality of library stock through buying 4,196 new books
- Pohutukawa Avenue upgrade in Ohope (Mahy and Maraetotara Reserves) commenced
- 93% of the Rural Fire personnel were certified to meet Standard 3285 (protecting personal safety on the fire ground)

Activities undertaken to contribute to economic outcomes

- New businesses increased by 9%
- \$1.01million was spent on road reseals
- Completed the restructuring and sale of the Professional Services Business Unit (engineering services) to Opus International
- Reconstruction of the Thornton Road and East Bank Road intersection completed

Activities undertaken to contribute to environmental outcomes

- The Council is participating in zero waste management initiatives
- Recycling Park opened and new refuse collection system successfully implemented
- New refuse, recycling and greenwaste collection systems successfully implemented

- Hinemoa Street water upgrade completed on time and within budget
- 99.8% of building consents issued within 20 working days
- Major road works to repair flood damage on Ohope Road (realignment), Herepuru North Road (reinstatement), Awakaponga-Matata (reinstatement)
- No hazardous substances spillage were attended to during the year
- Completed the upgrade of Thornton boat ramp, including provision of a separate Waka Ama area

Activities undertaken to contribute to cultural outcomes

- A Tūtohunga (Memorandum of Understanding) between the Iwi Liaison Committee and the Council signed
- Iwi Liaison Committee adopted strategic plan
- Pro-Turf Hockey Association was granted \$100,000 for stage 2 of Stadium Horizon development

Audit Report

AUDIT NEW ZEALAND

To the readers of Whakatane District Council's
Summary Annual Report
For the year ended 30 June 2006

We have audited the summary annual report.

Unqualified opinion

In our opinion:

- the summary annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the information reported in the summary financial statements complies with FRS-39: Summary Financial Reports and is consistent with the full financial statements from which it is derived.

We expressed an unqualified audit opinion, in our report dated 26 October 2006, on:

- the full financial statements; and
- Council's compliance with the other requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report.

Basis of opinion

Our audit was conducted in accordance with the Auditor-General's Auditing Standards, which include New Zealand Auditing Standards. Other than the audit and in conducting the audit of the Long Term Council Community Plan, we have no relationship with or interests in the District Council.

Responsibilities of the Council and the Auditor

The Council is responsible for preparing the summary annual report and we are responsible for expressing an opinion on that report. These responsibilities arise from the Local Government Act 2002.



M G Taris, Audit New Zealand
On behalf of the Auditor-General
Tauranga, New Zealand
22 November 2006



MINISTRY OF HEALTH PUBLIC NOTICE

Some plumbing fittings have the potential to allow minute traces of metals to accumulate in water standing in the fittings for several hours.

Although the health risk is small, the Ministry of Health recommends that you flush a mugful of water from your drinking-water tap each morning before use to remove any

metals that may have dissolved from the plumbing fittings.

We are recommending this simple precaution for all households, including those on public and private water supplies.

Karen O Poutasi (Dr)
Director-General of Health

Whakatane District Council Holiday Hours 2006 Christmas and New Year

Whakatane office

will close at 3:00pm on Friday, 22 December 2006 and reopen at 8:00am on Wednesday, 3 January 2007.

Murupara office

will close at 3:00pm on Friday, 22 December 2006 and reopen at 9:00am on Monday, 8 January 2007.

Refuse Collection

Tuesday

26 to 29 Friday December 2006

normal collections between 7:30am and 4:30pm.

Monday 25 December 2006 and Monday 1 January 2007 - no collections.

Areas normally serviced on Mondays - rubbish will be collected on the Saturday (23 and 30) prior to the Monday.

Monday 8 January 2007 normal service resumes for all areas.

Recycling Park - Te Tahī Street

Christmas Day Closed
New Years Day Closed

Murupara Transfer Station and Recycling Centre

Christmas Day Closed

Whakatane Museum and Gallery

Christmas Day Closed
27-30 Dec 06 Open 11:00am-3:00pm

New Year's Day Closed
2 January 07 Open 11:00am-3:00pm

3 January 07 Normal hours resume

Whakatane District Library (Civic Centre)

23 Dec 06 Closed

27-29 Dec 06 Open 9:00am - 5:00pm

30 Dec - 2 January 07 Closed

3 January 07 Normal hours resume

Edgecumbe Public Library

23-28 December 06 Closed

29 Dec 06 Open 2:00pm- 4:00pm

30 Dec 06 - 2 January 07 Closed

3 January 07 Normal hours resume

Ohope Public Library

23 Dec 06 - 2 January 07 Closed

3 January 07 Normal hours resume

Murupara Public Library

22 Dec 06 - 2 Jan 07

Closed from 3:00pm

3 January 07 Normal hours resume

Visitor Information Centre

Christmas Day Closed

Boxing Day Open 10:00am- 4:00pm

New Years Day Open 10:00am-4:00pm

Parking Services

Parking wardens will be operating as normal, Wednesday 27- Saturday 30 December 2006.

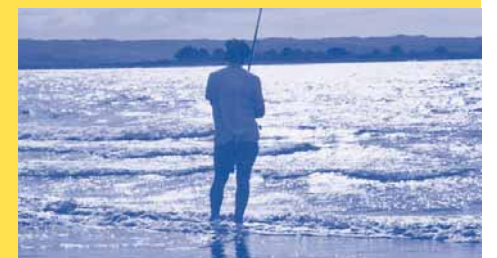
Creative New Zealand funds allocated

In May this year the Creative New Zealand Local Funding Assessment Committee in May this year allocated nearly \$18,000 to local art, drama and musical groups as part

of its efforts to develop arts in the region. Below is a list of organisation and groups that received grants from Creative New Zealand.

Organisation	Project	Amount Allocated	Condition
Eastbay REAP	Hold an Art Expo for primary and secondary schools	2,000.00 GAL	
The Edgecumbe Choir Incorporated	Commission Choral work by Choir	2,000.00	Promotion and Fees
Whakatane Citizens Band Inc	Remunerate Musical Director and pianist	1,000.00	
Whakatane High School Kapa Haka Team	National Kapa Haka Competition	1,000.00	Tutorial Fees and Venue Hire
Whakatane District Community Arts Council	2007 Whakatane District Summer Arts Festival	6,000.00	
Ropu o Te Ora Ki Kokohinau	Arts and Crafts	1,500.00	
Te Urewera Hapu ki To Totara Marae	Kahikatea Design and Korowai Project	500.00	
S Whale - Whakatane District Community Arts Council	The Whakatane River Festival	1,000.00	Co-ordinators fees
Bay of Plenty Music School (Whakatane)	Tutor Costs for Music School	1,500.00	
Theatre Whakatane	Les Miserables production	2,000.00 GAL	

GAL means Guarantee Against Loss (Funds are allocated to cover losses up to the allocated amount).



Iwi consultation policy

The Iwi Liaison Committee (ILC) is developing an Iwi Consultation Policy following discussions at several meetings highlighting the need for such a policy.

A key role of the ILC is to provide advice to the Council on cultural issues. The committee in its strategic plan said it would develop cultural policies and improve Māori capacity within Council policies.

Among the issues the policy will address the need for the Council to increase and genuinely include Māori perspective in council processes; the need to improve communication and to discuss how to consult more effectively with Māori.

Iwi Liaison representatives say that Māori society/Iwidom have some consultation models that are very effective such as is the marae model.

This is an unseen process of what is required at the front of the marae and what happens in the back of the marae. The reason for its success is that everyone is aware and appreciates their roles and duties. There may be slight variances from Iwi to Iwi but the concept of consultation is the same.

The Council encourages consultation with Māori as it adds value to the process.

Hinewai Katene - Iwi Liaison Officer