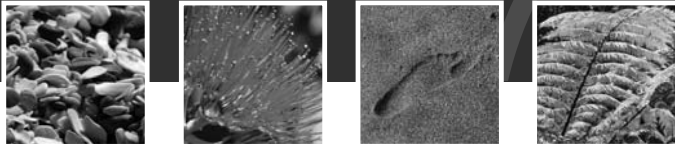




# Long Term Council Community Plan 2009-2019 *Planning for our Future*

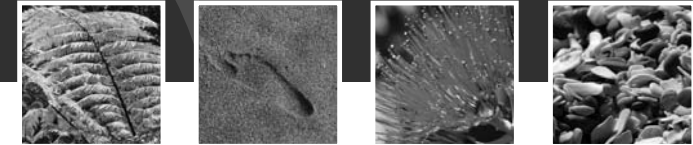
**Policies in Volume Two of this LTCCP  
have been amended**  
Refer to "LTCCP Amendments" chapter in Policies,  
Volume 2, pg. 105 of this LTCCP





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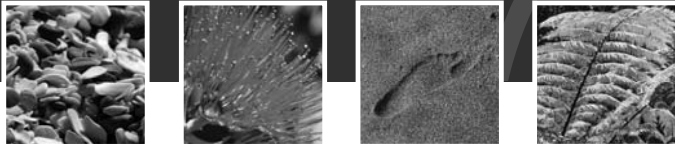
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**ELECTED MEMBERS 2007 - 2010**



**Standing: (L-R)** Cr. G V Johnston, Cr. I J Shearer, Cr. S Jarrett, Cr. R N Orr, Cr. A A Bonne, Cr. W B Clark, Cr. J Te Kurapa  
**Seated: (L-R)** Cr. E R Byrne, Deputy Mayor G I Hanlen, His Worship the Mayor C G H Holmes, Cr. C Chambers, Chief Executive D A Turner



## Our Place... Our Future... Towards 2019

### MESSAGE FROM THE MAYOR & CHIEF EXECUTIVE

This is the third Long Term Council Community Plan (LTCCP) for Whakatane District Council. There has been a substantial body of work completed to support the development of the Plan for 2009-19. An important focus of the last three years has been on developing a better understanding of the state of the infrastructure that the Council maintains on behalf of the community.

This work established that the Council has a large catch up programme to ensure the infrastructural integrity and long term sustainability of our assets. Through this process and the information gathered for our latest Asset Management Plans it has become clear that the low rates increases over the last two decades were at the expense of the District's infrastructure. The challenge for the Council has been one of developing a programme to bring infrastructure up to standard, but at the same time finding ways to reduce the dependence on funding by increasing levels of rating. The world economic crisis and the uncertainty that it has brought has certainly had a strong influence on the Council giving an added pressure to re-examine its priorities and expenditure in detail.

Some hard decisions have had to be made so the Council can deliver affordable and reliable infrastructure.

A considerable amount of capital expenditure has been postponed in the early years of this plan:

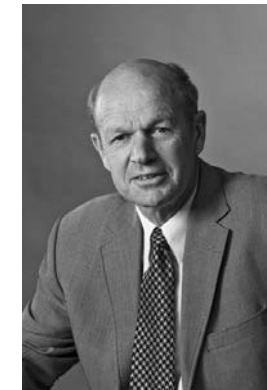
- Stormwater; \$10m worth of stormwater capital works (some 40+ projects) have been deferred for three years.

- Roading; an activity that the community sees as being a high priority, approximately \$3.2m worth of proposed works delayed for up to six years.
- Water services; more than \$8 million of large projects have been deferred for up to three years.

Waste water has a number of high risk areas and requires immediate attention. As a result there is little deferment of expenditure in this area.

Projects in the area of solid waste cannot be deferred. The Council is facing major costs in the area of solid waste with the pending closure of the Burma Road landfill at the end of 2009. The cost of transporting waste out of the District is estimated to be \$1.8 million each year. The Council will be constructing a composting plant in 2009/10 to divert some of the waste stream and therefore minimise future transportation and disposal cost increases. The Council has also re-examined the development and construction of a transfer station in Whakatane in 2009/10 and has lowered the planned cost of this to \$850,000 (\$366,865 to be funded in 2009/10 and the remainder to be carried over from 2008/09). Meanwhile a proposal for a new landfill is signalled in 2013/14 at a cost of \$7,800,000 (excluding resource consent costs). This is a long-term regional solution. The impact of solid waste cost increases has resulted in an increase of 4.2% of the proposed rates rise of 7.3% in 2009/10.

Not only is it important to ensure that adequate funding is being provided for infrastructure maintenance, renewal and development, the Council must continue to look to the future. The District needs to be well placed to ensure



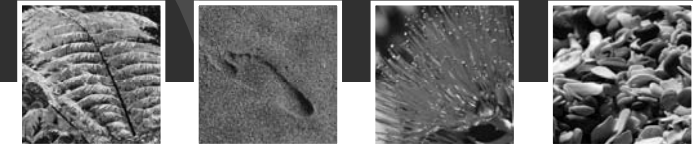
Colin Holmes  
**MAYOR**



Diane Turner  
**CHIEF EXECUTIVE**

sustainable growth and development when the economic climate improves. There are some key projects included in this Plan which support the future growth and wellbeing of the District, for which delay is a more costly option.

The Council has included a three year project in the LTCCP to develop a new District Plan. This provides an opportunity to address many of the planning issues that have been adversely impacting on the development of the District. The review will be able to build on the body of strategic work that the Council has already completed (retail strategy, residential growth strategy, transportation study and Whakatane Airport master plan).



Last year the Council also approved a Town Vision Strategy for the Whakatane Central Business District. The Vision provides a framework for the Council, developers and the wider community to:

- Protect special features that characterise the town centre;
- Enable appropriately scaled development within the town centre;
- Provide an investment environment that is conducive to encouraging appropriate development within the town centre.

Implementing of this strategy is to commence shortly. This will ensure that the Council is in a strong position to respond to development opportunities when they arise.

The Council has a major Information Communications and Technology programme underway. This has been resourced in the last six months and will be used to provide a greater level of service. It is envisaged that improvements in technology will be able to drive improved service delivery and organisational efficiency and result in further organisational savings in future years.

Across most areas of the Council many operational projects have been either cut or deferred to minimise the cost increases to the ratepayer in the next three years. By cutting expenditure, savings of \$3.5 million per year have been reflected in the Plan.

The Council received over 1,160 submissions to the draft LTCCP, which mainly addressed the key issues that had been identified. Some of the submissions were supported by petitions including one with over 4,000 signatures opposing the sale of the pensioner housing. The submissions received generally opposed the proposals made by the Council in the draft LTCCP

and only made already hard decisions more difficult. The Council listened to presentations from submitters over a four day period and debated issues raised in submissions over a five day period. The Council has aimed to strike a balance between the needs and expectations of the community with what is affordable for the District over the next 10 years. Determining priorities against available funds and finding good quality long-term decisions is never easy. As few submitters presented the Council with other options for dealing with the issues, the Council was faced with some very difficult and challenging decisions.

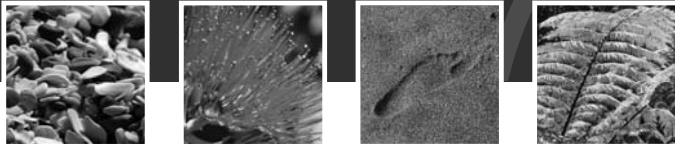
Key changes as a result of submissions received are:

- The Council is continuing with its proposals to sell pensioner housing and community halls and has reduced the level of funding in some areas such as community development and other operating areas in order to be able to focus its funding on the provision of core services. In making its decision to sell pensioner housing the Council has outlined some very clear requirements around the sale that are designed to protect current and future tenants.
- The Council is continuing with its proposed programme to sell properties and reserves that are no longer required to support service delivery. During the early part of this year it will determine a decision-making framework against which it can review its extensive property portfolio and progress sales where criteria are met.
- The draft LTCCP signalled an intention for a smaller Council and no community boards. Many submissions were received on this issue. The decision on representation was always to be a

separate process under the Local Government Electoral Act 2001 and is expected to be completed in time for the next elections in 2010. Meanwhile funding based on the existing model of representation had been included in the LTCCP.

- Arts and Culture Centre: \$3.25 million has been included in the 2009/10 year to provide better library, museum and exhibition facilities. The Council has yet to make a definite decision as to where these facilities will be located but this is expected to occur shortly. The existing museum and gallery will be turned into an archives, heritage storage and research facility. The integrated cultural, environmental and tourism centre (Whakatane Centre) has been deferred until 2012-2015 so this can be reconsidered in the 2012-2022 LTCCP.
- Murupara Service Centre (MSC): The Council decided not to close the Murupara Service Centre. In the expectation that the centre will become more cost effective to operate. This is something that staff will be working on during the year.

This Council has had a strong focus on the principle of user pays. To this end a major review of the rating system was completed and included in the draft LTCCP. A series of complex and ill defined rating categories were largely replaced with a number of well defined targeted rating categories designed to ensure a fair and transparent system of paying for the services that the Council provides. As a result of the feedback received during the consultation processes some changes were made to the rating system.



These included: Separately used or inhabited parts of a rating unit (SUIPs): The Council had proposed to adopt a definition of a rateable unit to set rates on separately used or inhabited parts of a rating unit (SUIPs). The Council has agreed to revert to rating only per a rating unit for all rates for 2009/10 but that the use of SUIPs as a rating tool is further investigated in sufficient time to be considered for the draft Annual Plan 2010/11.

The stormwater rate will be based on which catchment the property is in and will be charged as a uniform annual charge of 25% and 75% to be recovered by way of a capital value rate, except for Whakatane commercial/ industrial properties which have a differential of 2.2 applied.

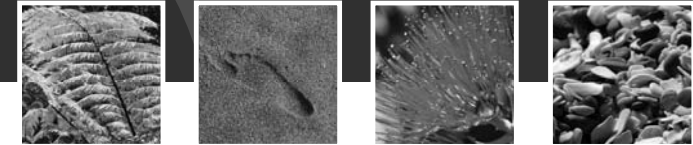
- A remoteness differential was introduced for the Te Urewera Subdivision of the Murupara Ward for the Murupara swimming pool, library, and parks and reserves.
- The Uniform Annual General Charge as been reduced from \$325 to \$200 for 2009/10.
- The Harbour Endowment Fund will not be used to support District-wide disaster mitigation costs or fund Toi-EDA.
- Review of the Harbour Endowment Fund: The Council has decided not to proceed with the review of the Harbour Fund during the next year.

The Council made a decision early on in the development of the Plan that it would rather “get things right” than rush to meet legislation imposed deadlines. Consequently this Plan was approved after 1 July 2009. However we believe that some important decisions were needed to ensure that the Council is heading in the right direction.

On behalf of the Council we would like to thank everyone who participated in the development of the LTCCP 2009-19. It has taken an extraordinary amount of work to bring a plan together which provides a firm foundation for the future.

Colin Holmes  
**MAYOR**

Diane Turner  
**CHIEF EXECUTIVE**



## WHAKATANE DISTRICT COUNCIL PURPOSE AND VISION

### PURPOSE

#### Great services, excellent delivery

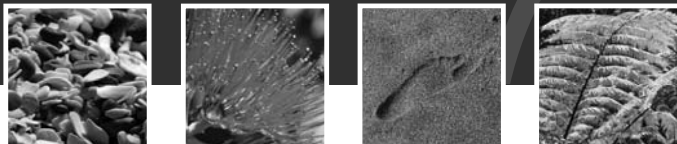
- We provide governance, leadership and advocacy for the people of the District;
- We provide quality infrastructure including community facilities, roads, sewerage, water and stormwater systems;
- We deliver regulatory services focused on public health, safety and wellbeing;
- We develop long-term plans and strategies to provide a framework for change and sustainable development in our community.

### VISION

#### To be respected by our community for the provision and delivery of excellent services which ensure that both present and future generations have;

- A quality environment in which to enjoy our great climate;
- A respect for and pride in our history;
- A community that is friendly and caring;
- A place that is known to be the best to live, work and play in and where people want to come.





## WELCOME TO THE LONG TERM COUNCIL COMMUNITY PLAN 2009-2019

### WHAT IS THE LONG TERM COUNCIL COMMUNITY PLAN?

This document sets out the Council's priorities for the next ten years and how the Council will work towards addressing major issues facing the District.

This Long Term Council Community Plan (LTCCP) updates the last plan produced by Council in 2006 (entitled the Ten-year Council Community Plan 2006-2016). The update is a requirement of the Local Government Act 2002. This LTCCP reflects the achievements made by the Council, and changes to the environment in which the Council operates, since 2006.

### WHEN WILL THE LTCCP NEXT BE REVIEWED?

This LTCCP will remain in place until 30 June 2012. The Council will prepare a new plan to take effect from 1 July 2012.

During the term of the LTCCP, the Council will prepare Annual Plans. An Annual Plan provides an annual budget linked to the rate-setting process. Significant changes to the LTCCP cannot be effected through the Annual Plan alone, without a corresponding amendment to the LTCCP.

### OVERVIEW OF THE LTCCP

#### Volume One

##### Section One – Strategic Direction

This sets out challenges facing the District along with statistical information about the current and projected future of the District. Also included is information about community outcomes. These are the outcomes that the community wants, not just from the Council but all organisations and groups in the District.

##### Section Two – Services Delivery

The Key Issues section explains the major projects and proposals that the Council is planning over the period 2009-2019. The Groups of Activities section provides detailed information about the Council's activities – what it does and why, priorities, financial forecasts and performance targets. Also in this section is information about the Whakatane Airport, Toi-EDA, and Bay of Plenty Local Authority Shared Services, which are Council Controlled Organisations.

##### Section Three – Financials

This section sets out the financial forecasts and projections for the Council for 2009-2019.

#### Section Four – Corporate Information

The Council undertakes activities that support services provided to the community and the general operation of the Council. Information is included on the projects and plans of these corporate activities.

As a requirement of the Local Government Act 2002 this LTCCP has been audited. A copy of the audit opinion can be found at the end of this volume.

#### Volume Two

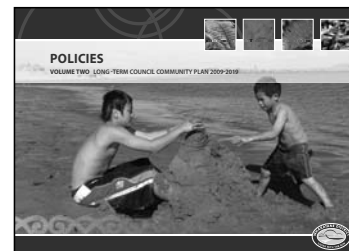
This volume sets out the Council's policies that have been developed to meet the requirements of the Local Government Act 2002. Also included is information on the Council's Sustainability Programme, how the Council is building Māori capacity to contribute to the Council's decision making processes and summaries of the Waste Management Plan and Assessment of Water and Sanitary Services.

#### Volume Three

This volume sets out the Council's Fees and Charges for the 2009/10 year.



Volume One



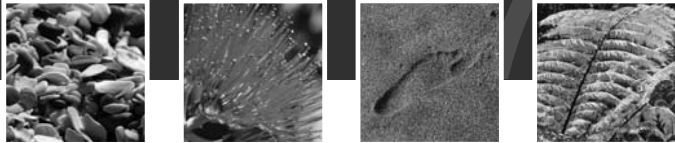
Volume Two



Volume Three



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## IDENTIFICATION OF INFLUENCES ON THE WHAKATANE DISTRICT

### BACKGROUND

The Council's plans and work programmes over the next ten years are targeted to meet the future needs of the District. To do this successfully, it is important to understand what will influence change in our district and the elements of change that can be influenced by the Council so that our communities can achieve their aims and aspirations for the future.

While the LTCCP 2009-2019 has a 10 year time horizon, many of the programmes and budgets have a longer term focus. Whilst it is not possible to predict or foresee everything that will occur, it is important to provide a context for our future planning and expenditure. In an age of globalisation, communities in our district are exposed to what is happening worldwide. This requires the Council to have, not only an understanding of the aspirations, trends and issues of the communities that make up the Whakatane District, but also a good understanding of what is likely to happen in the Bay of Plenty, New Zealand and the world.

This section provides the context for the environment that will impact on the Council and the community over the 10 year planning period for this plan.

### INTERNATIONAL TRENDS

The Council functions within a global market and is influenced by global events that provide both opportunities and risks. During the period that this plan was being developed a global credit crisis occurred. The crisis has continued to deepen and the impacts continue to have an affect on the International economy. The District's economic base, largely dependant on agriculture and manufacturing, is strong affected by overseas ownership and/or overseas market fluctuations. While we are likely to have little influence

on decisions made in a global environment, the Council has a responsibility to ensure we retain the ongoing sustainability of our communities. Internet access enables increased visibility of the Whakatane District to the rest of the world and to enable those who live here, access to increased knowledge, people in other countries, lifestyle choices and to goods and services.

### NATIONAL IMPACTS

A three-year electoral system leads to uncertainty around the stability of policy decisions and the continuation of initiatives started under one government. There was a change in government in November 2008. The approach of the new government will affect Council's strategic direction and its ability to provide the services at an affordable level.

The government has already started to change legislation and policies that impact on local government. Examples include:

- Changes to the Resource Management Act
- Changes to the Building Act
- Focus on the improvement of infrastructure (particularly roading and broadband) as well as changes to the Government Policy Statement

It has also signalled a major change to the structure of local government in Auckland. It is expected that will also lead to changes to the sector across New Zealand.

The devolution of functions to local authorities from central government has, in the past, resulted in additional costs to ratepayers. In some areas, central government has sought higher standards - also resulting in increased costs to ratepayers. An example is the additional training and audit costs associated with the Council being a Building Control Authority, or the

additional compliance costs associated with meeting higher drinking water standards. Government policy will impact on the Council, what it does, and the relative cost of the provision of services. These impacts need to be managed.

In a country that is increasingly urbanised, the "one size fits all" approach does not necessarily benefit our communities which make up some of the most socio-economically deprived areas of New Zealand. Our Council needs to be well placed and resourced to advocate for our communities and to ensure that it can extract maximum value from government funding available to improve the level and quality of services.

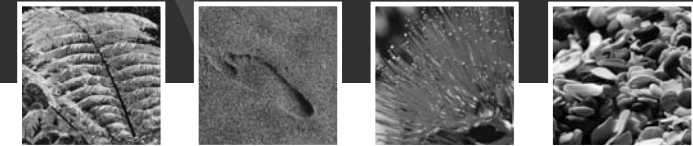
### REGIONAL IMPACTS

Central government agencies are expected to continue to rationalise how they deal with other levels of government. This means focused decision-making and interaction at a regional level. This is currently occurring in roading, as is Ministry of Trade and Enterprise funding for economic development initiatives.

This trend means that the Council needs to change the way it engages with its community to ensure its voice is considered and reflected at a regional level. This is a particular challenge as our district has less people and is part of the wider eastern Bay of Plenty, which is the most socio-economically deprived area of the region.

Governance and representation is based on population. While politicians are elected to serve the region or district that they represent, there is a trend towards supporting issues affecting larger population centres in the region. This trend will be exacerbated within the Bay of Plenty if the proposed relocation of the Regional Council headquarters from Whakatane to Tauranga proceeds. The Regional Council's work is likely to increasingly

# IDENTIFICATION OF INFLUENCES ON THE WHAKATANE DISTRICT



focus on urban issues. In addition the headquarters shift is likely to have a negative economic and social impact on Whakatane, with some staff and their families moving from Whakatane.

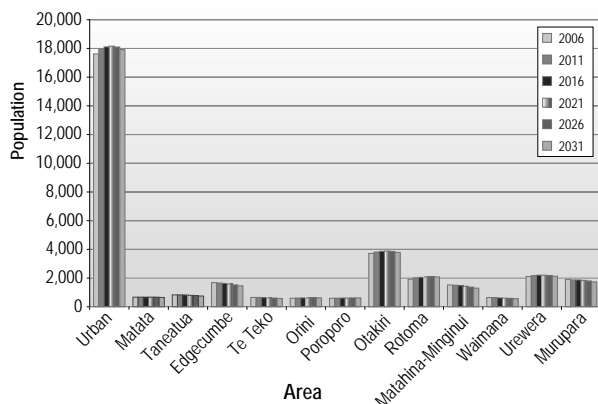
## DISTRICT IMPACTS

Many of the issues and trends that exist in our district today are expected to continue in the 10 year period of this plan. These are highlighted in the following paragraphs.

## POPULATION CHANGE AND MOVEMENT

Population change in the Whakatane District increased by 1.3% or 435 people between 2001 and 2006. The rate of change in the urban areas of Whakatane and Ohope (2.7%) contrasts with the lack of population increase in most other parts of the District. Statistics New Zealand population predictions for Whakatane and Ohope urban areas indicate a population change from 17,620 in 2006 to 17,910 (medium growth prediction) in 2026.

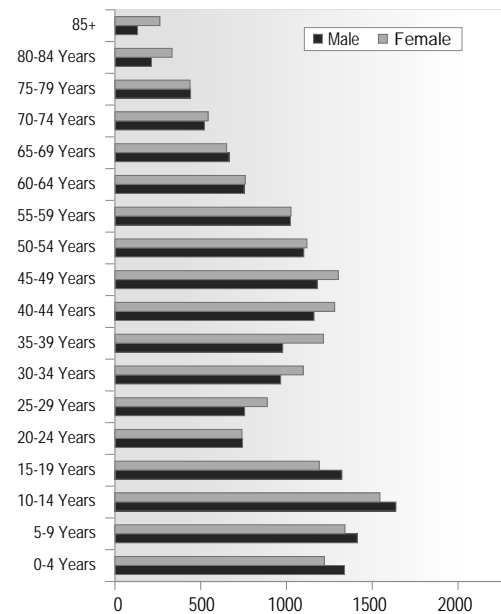
WHAKATANE DISTRICT, POPULATION PROJECTIONS BY CENSUS AREA UNIT 2006-2031



\* Whakatane Urban comprises the combined Census Area Units of: Allandale-Mokorua; Coastlands; Maraetotara; Ohope; Trident; Whakatane North; Whakatane West.

The District's population structure will change over the next 25 years. There will be fewer people between the ages of 0-14 years, and 15-39 years. The population between the age of 40 and 65 years will increase over the next 10 years before declining, and the number aged 65 years and over will more than double between 2006 and 2031, from 4,300 to 9,200. The ageing population will be a significant factor in housing form, type and location in the future.

WHAKATANE DISTRICT, AGE DISTRIBUTION 2006

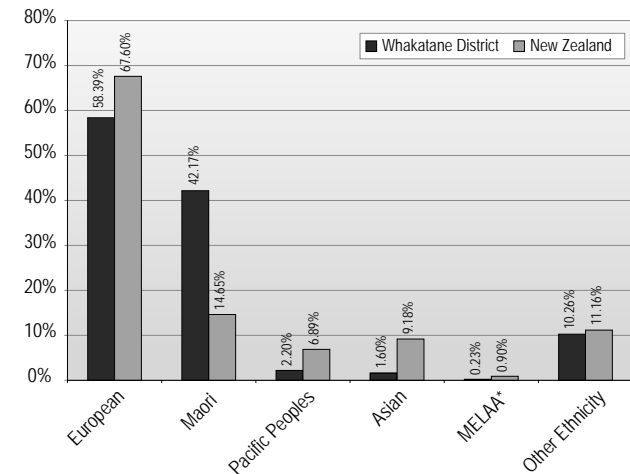


Natural increase (births minus deaths) in population in the Whakatane District is likely to decline steadily over the next 25 years, reflecting the aging of the population.

By 2046, the number of deaths in the District is likely to exceed the number of births.

The District will continue to have a significantly higher Māori population (42%) than the national average. The majority of the population is of European descent. This split between ethnic groups is likely to remain over the next 25 years.

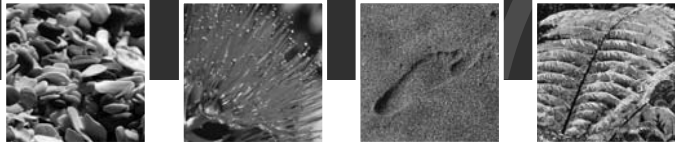
WHAKATANE DISTRICT AND NEW ZEALAND ETHNIC DISTRIBUTION 2006



\* MELAA includes Middle Eastern, Latin American and African ethnic groups

Historically, more people leave the District than arrive from other parts of the country or from overseas. This trend is likely to continue into the future.

Population change will potentially alter the social structure of communities. An aging population will have increased social needs in terms of type of accommodation and assisted care. Appropriate community facilities for an aging population will need to be considered.



The District has (and is projected to have) disproportionately less 20 to 39 year olds, indicating a trend of younger workers leaving the District for employment or education. A need exists to retain this proportion of the population in the District. This could be in the form of further training, work opportunities, and entertainment.

While the Council is planning to cater for continued growth in Whakatane and Ohope, it also will consider the potential for continued loss of population and households in other parts of the District. This may, in time, raise questions of affordability for communities to keep some infrastructural services operating at the existing level of service for a declining population.

Factors such as the attractiveness of Whakatane and Ohope as a destination for lifestyle reasons, a likely drift of population along the coastline from the Western Bay of Plenty, the aging population, and strong economic development initiatives may lead to population change that is different to the Statistics New Zealand predicted figures.

## HOUSEHOLD TRENDS

### Key trends will include:

A continuing decline in the rate of home ownership and consequential increase in the number of people renting houses.

The combination of construction costs, land availability (section prices) and the coastal location in Whakatane and Ohope have pushed prices to a level where some prospective homeowners cannot afford to buy.

The average occupancy per dwelling is predicted to steadily drop from 2.67 (2006) to about 2.5 people per household by 2021.

An ageing population will require smaller households (one and two bedroom houses) and other homes will be adapted into smaller units.

Papakainga housing will become a viable option for building on multiple owned Māori land if the landowners can retain ownership while prospective homeowners can borrow finances to build housing.

The Council anticipates that house building will continue at a rate ahead of the rate of population growth, and that more people will choose to live in smaller settlements where house prices are lower, such as Kawerau, Edgecumbe, Matata and Taneatua instead of Whakatane or Ohope.

It is predicted that Whakatane and Ohope will need (over the 2006 census night figures) an additional:

- 1,044 new households by 2016
- 1,294 new households by 2021

The Council will complete its growth modelling taking these factors into account, and implement the strategy to ensure adequate serviced land is available for residential, retail and industrial development, timed to coincide with the actual rate of growth. This will provide challenges to the Council to fund the required infrastructure at the right time.

The number of unoccupied dwellings has steadily increased over the past 15 years reflecting second homes, holiday homes, and a declining population in some areas. This trend is expected to continue and will provide a challenge in the provision and maintenance of infrastructure.

## ECONOMIC VULNERABILITY

The Whakatane District has a relatively limited economic base, with the primary industries of agriculture, forestry and the processing of logs being heavily influenced by overseas markets, the relative value of the New Zealand dollar and decisions made overseas. The future of the pulp and paper industry at Kawerau (Norske Skog, SCA and CHH) and in Whakatane (CHH) is at risk.

Dairying dominates the District's agricultural sector and is supported by the Fonterra milk processing plant at Edgecumbe. There is potential for greater agriculture support industries in Edgecumbe. Agricultural markets are also vulnerable to changes in global markets.

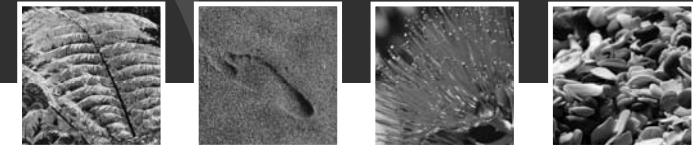
Industry in Whakatane is focused on serving the local market and surrounding rural area. This pattern is likely to continue into the future, with heavy industry preferring Kawerau with its good road and rail links to the Port of Tauranga, energy supply, and land supply.

Murupara has a large industrial land area, but low employment in the sector. In 2005, 57 people were employed in the industrial sector, primarily in transport and storage.

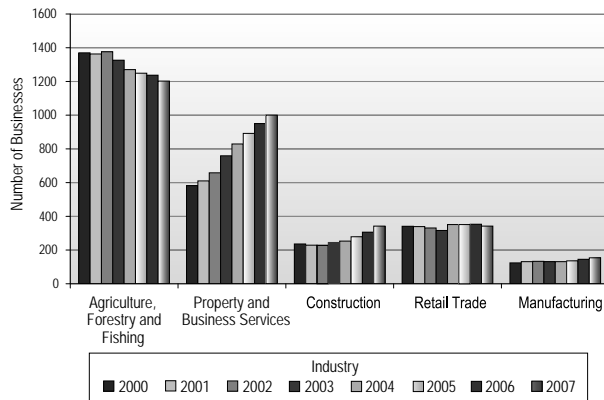
Exotic forestry occupies 125,000 hectares of land in the District (29%). Most of the forests in the District are overseas owned, and few value added products are produced in the District, other than pulp and paper.

The Whakatane District has demonstrated a sustained increase in the total number of businesses and employees between 2000 and 2007. In February 2000, there were 3448 businesses employing 10,200 people. By February 2007 the number of businesses had risen to 3944 employing 12,050 people.

Property and business services as well as construction showed the largest increase in the number of businesses from 2000 to 2007. The only industries showing a significant decline were agriculture, forestry and fishing, declining from 1370 to 1202 over the period 2000 to 2007.

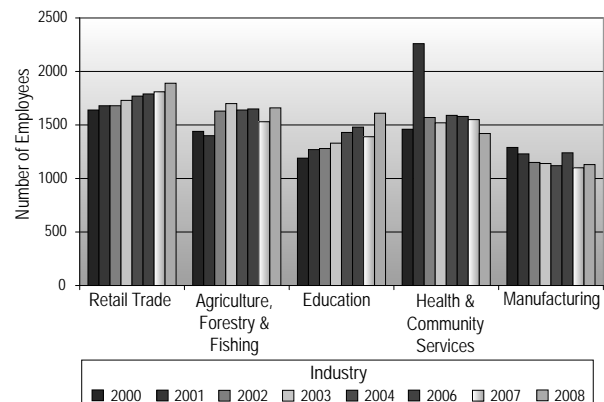


**WHAKATANE DISTRICT - NUMBER OF BUSINESSES BY INDUSTRY 2000-2007**



The largest increase in employment from 2000 to 2007 was in the education sector, followed by the construction industry. For most industries, 2000 to 2007 was a period of either growth or stability in terms of the number of employees. The only industry showing a declining trend in the number of employees was manufacturing.

**WHAKATANE DISTRICT - NUMBER OF EMPLOYEES BY INDUSTRY 2000-2007**



## ECONOMIC DISPARITY

A large economic disparity exists in the District with limited employment opportunities in most rural settlements.

This includes all the predominantly Māori communities in the District. A total of 75% of census area units in the District have a high deprivation index of nine or 10 (10 is the maximum). This includes most areas in Whakatane, all rural settlements and all but one rural census area.

The larger urban areas of Whakatane and Ohope tend to attract the most population growth while other smaller urban centres have little growth or reducing household formation rates.

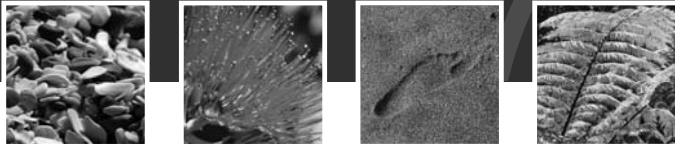
The main manufacturing sector and other support services are based in and around the Rangitaiki Plains between Whakatane, Ohope, Kawerau, and Edgecumbe. Limited employment opportunities exist in other parts of the District other than farming and forestry, which do not employ large numbers of workers.

Treaty of Waitangi settlements are expected to generate increased economic investment in the District, and increase the overall wellbeing of Māori people. Most major iwi settlements are expected to be completed in the next 10 year period.

The New Zealand Index of Deprivation classifies New Zealand geographic areas according to nine key census indicators of socio-economic status. The index components include levels of home ownership, household income, prevalence of income support and unemployment, lack of access to a motor vehicle and telephone, overcrowding, single-parenting and low educational attainment. Areas are scored one to 10 with one indicating that an area is in the 10% least deprived in New Zealand, and a score of 10 indicating an area is in the 10% most deprived.

**DEPRIVATION LEVELS OF THE WHAKATANE DISTRICT BY CENSUS AREA UNIT 2006**

AREA	DEPRIVATION SCORE
Coastlands	1
Ohope	4
Otakiri	4
Maraetotara	6
Allandale-Mokorua	7
Matata	9
Edgecumbe	9
Whakatane North	9
Whakatane West	9
Poroporo	9
Rotoma	9
Taneatua	10
Te Teko	10
Trident	10
Orini	10
Matahina-Minginui	10
Waimana	10
Urewera	10
Murupara	10



## ECONOMIC OPPORTUNITIES

The Council expects to support economic development through its funding of Toi EDA, the Eastern Bay of Plenty's Regional Economic Development Agency, and will need to ensure its focus is on these initiatives in conjunction with the Bay of Plenty Regional Economic Development Strategy. The Council will need to support Toi EDA to achieve its goals.

The following opportunities have been identified as having potential to strengthen the District's economic base.

- Value added timber processing near Kawerau.
- Growth in manufacturing, wholesale trade and utility services.
- The tourism sector, including developing culturally based tourism activities. Water based tourism activities rely on the Whakatane Harbour mouth which can be difficult to navigate because of silt limiting access over the bar.
- Additional geothermal energy resources near Kawerau.
- Education and training opportunities associated with Te Whare o Awanuiarangi, Waiariki Institute and Anamata. The engineering sector has a strong training facility associated with the mills at Kawerau.
- Marine industries such as aquaculture, harbour development, boat building and maintenance.
- Māori resource utilisation, such as improving Māori land productivity, iwi geothermal power, commercial investments arising from treaty settlements.
- Broadband expansion, including improved speed of broadband in the District.

- Service industries to support an aging population.

It is expected that programmes will focus on realising some of these opportunities over the next 10 years.

As an owner of key assets the Council is well placed to work with Toi EDA and businesses to advocate, encourage and support business development. It will also need to ensure that infrastructural programmes, planning frameworks and the development of facilities and services support the future economic development of the District.

Te Runanga o Ngāti Awa and Tuwharetoa Bay of Plenty have settled treaty claims with the Crown. The Central North Island Collective (CNI) has reached a settlement involving Ngai Tuhoe, Ngāti Whare, Ngāti Manawa, Ngāti Rangitihi, Ngāti Whakaue, Ngāti Tuwharetoa, Raukawa and affiliate Te Arawa iwi/hapu for ownership of 176,000 hectares of Crown owned forest, being mainly the Kaingaroa Forest. Other settlements are likely over time, notably Te Urewera settlement with Tuhoe.

These settlements will provide potential long term economic, social and cultural wellbeing through the receipt or control (kaitiakitanga) of land and financial resources to enable land investment and development options. The Council recognises it may have a role in facilitating economic growth and wealth creation arising from these settlements.

## NATURAL ENVIRONMENT

The natural environment has a significant influence on the future development of the District. In the past our District has experienced several hazard events, including:

- Severe flooding in 1964, 1998 and 2004;
- A magnitude 6.3 earthquake at Edgecumbe and surrounding rural areas in 1987;
- Coastal storm wave run up and erosion at Ohope

during cyclones Bola (1988), Fergus (December 1996) and Drena (January 1997);

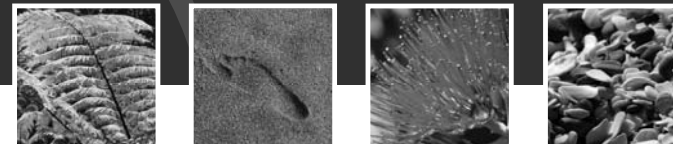
- Debris flows in Matata in 2005;
- Summer fires in various locations across the District.

The District also sits within the possible path of an ashfall from a volcanic eruption of the Okataina volcanic plateau. With high levels of coastal settlement, areas of the District are also vulnerable to the potential impacts of Tsunami events.

Climate change predictions for the Bay of Plenty suggest temperatures could increase by 0.5 degrees to 3.8 degrees over the next 70 to 100 years. Rainfall changes are uncertain but there could be drier average conditions, resulting in warmer winters, a reduced frequency of frost inland and at higher elevations, and a longer growing season. Drier average conditions will increase drought risks; more frequent and intense rainfall events could take place, with an increased risk of flooding and erosion. It may result in more tropical cyclones and periods of intense storminess. Areas of the Rangitaiki Plains that are currently below sea level may be at greater risk from both flooding and sea level rise. The agricultural sector may need to adapt to changes in temperature, water supply and the type and number of pests and diseases that exist. Other effects may be seen in animal health, the nutrient cycle, increased rural fire risk and the effects of sea level rise on low lying areas. The Council has adopted a planning horizon of at least 100 years to take account of climate change predictions.

Reliance on water resources for drinking water and irrigation from rivers and ground water systems may change over time through scarcity of the resource or allocation systems intended to manage the quality and quantity of water use.

## IDENTIFICATION OF INFLUENCES ON THE WHAKATANE DISTRICT



The Council's planning for hazards will take account of any likely changes in hazard events that the District may experience. Investigation work is underway and will continue to identify information gaps around potential hazard risks facing parts of the District. The Council will set priorities to then manage those risks over the next 10 years.

Our natural environment provides some real challenges to future growth and development. It is becoming increasingly difficult to find suitable land for intensive residential development which impacts on development costs because communities have higher expectations around avoiding risk to themselves and their properties.

Disasters are expected to occur with increasing frequency. The Council has developed a Disaster Mitigation Funding Policy to determine how the costs from disaster mitigation works will be funded over time.

Because of our natural environment our infrastructure has to be planned and built to be resilient and to provide a level of risk that is appropriate. This will continue to impact on the level of expenditure.

### SUSTAINABLE DEVELOPMENT

The sustainable development of resources is fundamentally important to gaining long term benefits for the District and to balance objectives that enhance economic, social, cultural and environmental wellbeings.

Population growth for its own sake is not ideal; rather there is a need to facilitate and integrate the efforts of people and agencies to ensure economic growth is achieved along with enhancement of the natural environment, effective infrastructure provision that is affordable, and partnerships with others to make effective decisions.

In addition, there is a need to ensure the culture of the Council is seen to be user friendly, reflecting a high performing organisation.

The Council will clearly set expectations, boundaries and strategies for growth that will occur, to ensure these other factors are considered. This will involve effective relationships with a wide range of other agencies, such as the Ministry of Social Development, Toi EDA, Police, the business community, health agencies and the like.

The Council has further committed to ensuring sustainable development and consideration of the four wellbeings through the development and implementation of a sustainability strategy. The strategy, and implementation will ensure that sustainability principles and objectives are integrated into all aspects of the Council's business. The sustainability programme outlining timeframes for the strategy development and its implementation is outlined in Volume Two of this LTCCP.

### INFRASTRUCTURE

Many of the Council's infrastructural assets are in need of renewal. The ability of ratepayers to afford the necessary improvements will be a significant issue into the future. Alternative sustainable methods and techniques need to be incorporated into the Council's infrastructural planning.

Route security across the Whakatane River is a major project in this LTCCP. Transportation by rail is available from parts of the District to the Port of Tauranga. The Whakatane airport and local port facilities are key infrastructural assets that are owned or managed by the Council.

Fuel costs may become more of an influence for people in their choice of where to live, having regard to the frequency and distance of travel from home to work, school and shops. For example, at present there is a significant volume of commuter traffic between Whakatane and Ohope to the mills at Kawerau and Edgecumbe, as well as rural residential property owners commuting to Whakatane for schools and employment.

### LOCAL GOVERNANCE & DEVELOPMENT OF MĀORI CAPACITY

The Council will be undertaking a representation review in 2009 in time for the 2010 election, to determine the representative basis for the Council. It is currently based on ten councillors elected from four wards and a mayor elected at large. There are also five community boards which cover the District.

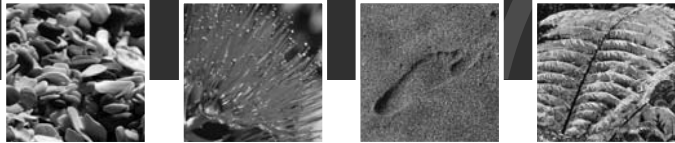
In the future, the Eastern Bay may collectively decide to provide local authority representation on a different electoral basis. Information on the representation review is also provided in the Key Issues section of this LTCCP.

A poll in 2007 defeated the proposal to include Māori seats onto the Council. This decision will be reviewed after the 2013 elections.

The Council is continuing to enhance collaborative working environments with central government agencies such as Housing New Zealand, Toi Te Ora, Ministry of Trade and Enterprise, Department of Internal Affairs, New Zealand Transport Agency, Ministry of Culture and Heritage, and with other agencies and local authorities. Collaboration and close working relationships with all organisations that influence our district is important.

The District has examples of governance structures at a community level that influence Council decision-making. These range from community boards to iwi/hapu executive bodies representing a wide spread of community of interest. There is a potential conflict when the functions of these governance bodies overlap, such as the aims of a hapu and a community board or the Council. There are examples of other hapu wanting to exercise kawanatanga (government) through opposition to Council actions.

It is expected that iwi will be more involved in the wider community, and particularly in relation to decisions that directly affect their development. This is a primary



reason for the Council identifying a need to develop a more effective relationship with the Māori community.

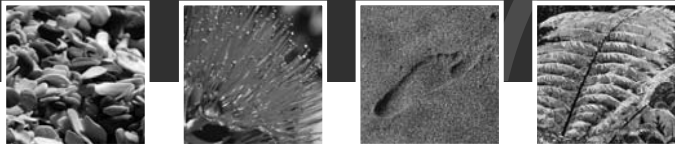
The Council is seeking a better understanding of current Māori strategic issues and the plans of iwi/hapu to manage these issues. It considers that a different approach to communicating and working with Māori needs to be explored. It sees a role in facilitating a process that provides a greater understanding of which Māori organisations are working within the District and what they do in relation to achieving the “wellbeings” for Maori, and to seek agreement on a more effective approach to communicating and consulting with Maori.

The processes used to enable Māori to contribute to Council decision making processes, and the steps that will be taken to further this capacity are outlined in more detail in Volume Two of this LTCCP.

The Key Issues section provides further information on the representation review.



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## ABOUT THE WHAKATANE DISTRICT

### LOCATION

The Whakatane District is located on the East Coast of the North Island of New Zealand. The District has a central location in the Bay of Plenty Region and shares borders with the following eight districts: Kawerau, Western Bay of Plenty, Rotorua, Taupo, Wairoa, Hastings, Gisborne and Opotiki. By road Whakatane is 302km from Auckland, 96km from Tauranga and 85km from Rotorua.

The Whakatane District covers the coast from Otamarakau in the west to Ohiwa Harbour in the east, a distance of approximately 52 kilometres, and extends inland for approximately 114 kilometres including the settlements of Minginui and Ruatahuna.

### TOTAL POPULATION

**34,400**

The population of the Whakatane District was 34,400 as at June 2006. This ranks the Whakatane District 36th in population size out of the 73 local authorities in New Zealand. Of the total population 49.1% were male and 51.9% were female.

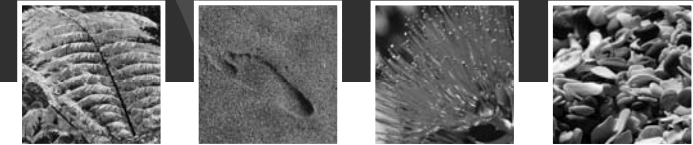
### POPULATION DENSITY

**7.7 PEOPLE PER KM<sup>2</sup>**

The population density of the Whakatane District was 7.7 people per square kilometre based on a population of 34,400 in June 2006.

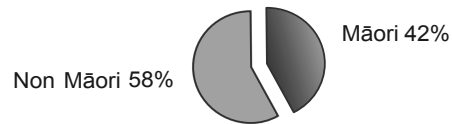


# ABOUT THE WHAKATANE DISTRICT



## MĀORI POPULATION

Māori make up approximately 42% of the population of the Whakatane District. This compares to 14% nationally. The Māori culture is a strong and vibrant aspect of the Whakatane community.



### Iwi in the District include:

- Ngāti Awa
- Tūhoe
- Ngāti Whare
- Ngāti Manawa
- Ngāti Rangitihī
- Ngāti Tūwharetoa
- Upokorehe

## SETTLEMENTS

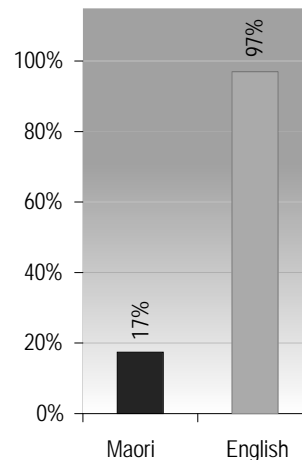
Whakatane, also encompassing Ohope and Coastlands, is the major urban area in the District with a population of 17,620. Edgecumbe (population 1,680) and Murupara (population 1,910) serve as the other main urban centres. Several smaller rural settlements located throughout the District are associated with the District's farming, forestry and horticulture activities and traditional land ownership patterns.

SETTLEMENT	POPULATION
Whakatane	17,620
Murupara	1,910
Edgecumbe	1,680
Taneatua	830
Matata	670
Te Teko	650

## LANGUAGE

Apart from English, the next most common language spoken in the Whakatane District is Māori which is spoken by 17% of people. For New Zealand as a whole the most common language apart from English is also Māori, spoken by 4% of people.

In the Whakatane District 78% of people speak only one language. This compares to 81% nationally.



## CLIMATE

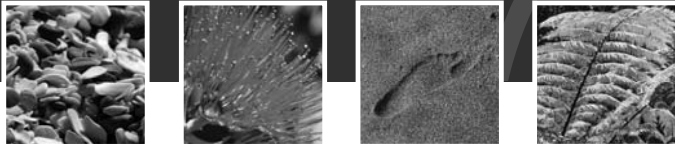
The Whakatane District has one of the sunniest climates in the country, especially in coastal areas, recording some of New Zealand's highest sunshine hours. In 2007 Whakatane's average annual sunshine was 2,550 hours, making it the sunniest place in the North Island and third sunniest place in New Zealand overall. Whakatane's summer daytime temperatures average 22-26°C, while the winter average daytime temperatures range between 12 and 19°C.



## TOPOGRAPHY

The total area of the District is 4,445km<sup>2</sup> encompassing a variety of natural characteristics and landscapes. In the north the coastline is predominated by sandy beaches including Otamarakau, Matata, Thornton and Ohope. Major river mouth systems found along the coast are the Tarawera, Rangitaiki, and Whakatane. Significant estuary systems are located at the Whakatane River mouth and Ohiwa Harbour.

The coastal lowlands centred on the Rangitaiki Plains have high quality, highly productive soils. The total area of the Rangitaiki Plains is approximately 30,000 hectares. About 45% of this area (14,000 hectares) is considered to be of sufficiently high quality soil to have potential for market gardening, cash cropping or fruit production.



Low, rolling hill country reaches to the sea west and east of the plains. The largest part of the District rises to the south into the Central Volcanic Plateau.



Local orchard

## ENVIRONMENT

The environment plays an important part in the Whakatane lifestyle. The District boasts many outdoor activities focusing on the forests, rivers/streams and coastal activities.



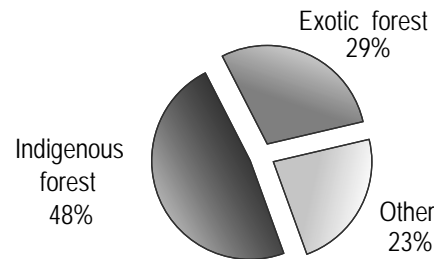
Fishing off the Port Ohope wharf

Whakatane provides a tourist gateway to Whakaari (White Island) - an active volcano that can be visited by boat or helicopter. Whakatane's premier game fishing waters extend to offshore islands, offering a range of species to anglers.

The Rangitaiki, Tarawera and Whakatane/Waimana Rivers offer recreational opportunities for rafting, canoeing, fishing and game hunting. Lake Aniwhenua and Lake Matahina, both formed as a result of hydro electricity dams, are also popular for recreation. A number of rare and protected waterbird species have been seen in the wetland at the southern shallow end of Lake Aniwhenua.

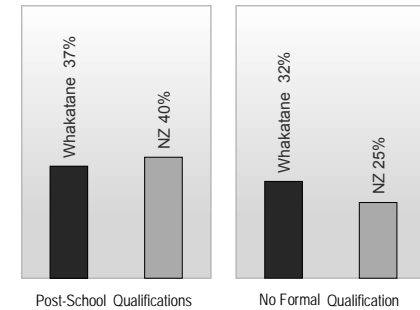
Inland, a significant proportion of the District is protected native forest within Te Urewera National Park (the third largest national park in New Zealand). Along with Whirinaki forest, this is part of the largest remaining indigenous forest tract left in the North Island.

## INDIGENOUS AND EXOTIC FOREST COVER



48% of the Whakatane District is covered by native forest. 29% of the Whakatane District is covered by exotic forest.

## EDUCATION

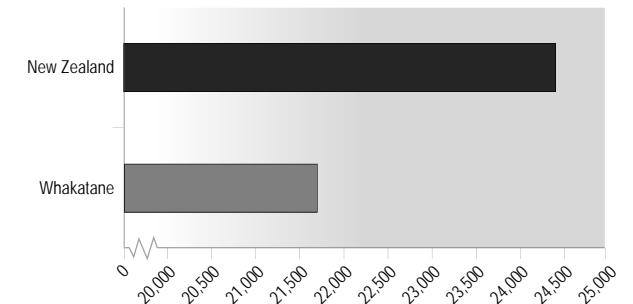


In the Whakatane District 36.7% of people aged 15 years and over have a post-school qualification, compared with 39.9% of people throughout New Zealand. For Māori this figure is 27.3% within the District and 27.9% nationally.

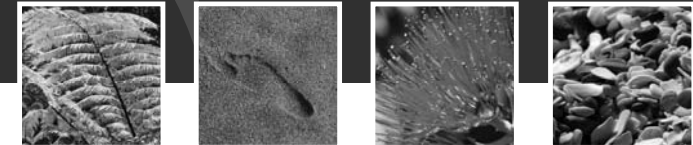
In the Whakatane District, 32.1% of people aged 15 years and over have no formal qualifications, compared with 25.0% for New Zealand as a whole. For Māori this figure is 42.5% within the District and 39.9% nationally.

## INCOME

For people aged 15 years and over, the median income (half earn more, and half less, than this amount) in the Whakatane District is \$21,700. This compares with a median of \$24,400 for all of New Zealand.



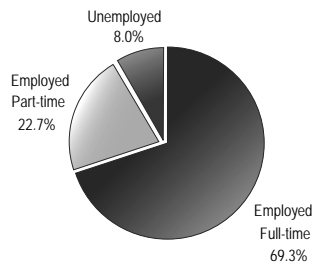
# ABOUT THE WHAKATANE DISTRICT



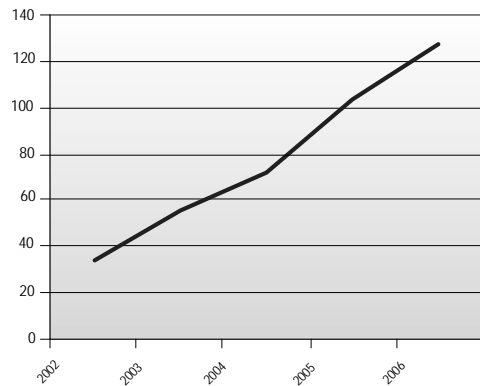
For Māori aged 15 years and over, the median in the Whakatane District is \$17,300, compared with a median of \$20,900 for all Māori in New Zealand.

## UNEMPLOYMENT

In the Whakatane District the proportion of the labour force that was unemployed fell from 12.2% in 2001 to 8% in 2006. The main reason for this trend was an increase in fulltime employment from 65.1% to 69.3% over the same period, while part-time employment grew by just 0.1%.



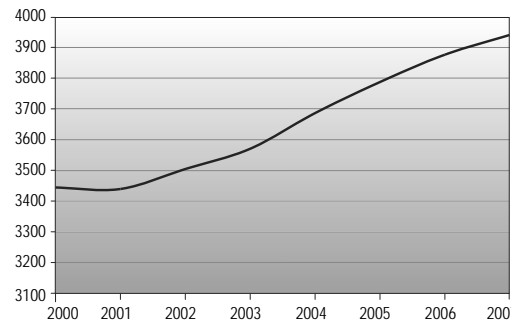
## INDUSTRY TRAINING



The number of modern apprenticeships being undertaken within the Whakatane District increased from 34 in 2002 to 131 in 2006.

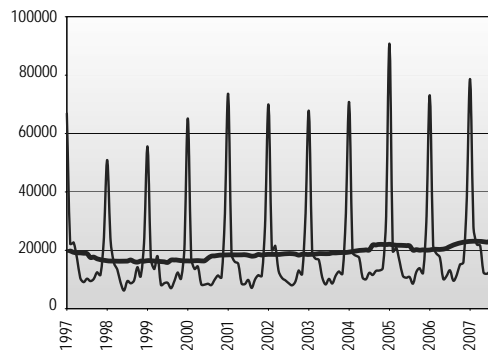
## BUSINESS GROWTH

The total number of businesses increased from 3,448 in 2000 to 3,944 in 2007 within the Whakatane District. The industries making the greatest contribution to this growth were property and business services as well as construction.



## GUEST NIGHTS AND LENGTH OF STAY

The average number of guest nights in commercial accommodation per month increased from 16,391 in 1998 to 21,623 in 2007 within the Whakatane and Kawerau districts combined, as shown by the graph below.



Over the same period the average length of stay for guests in commercial accommodation decreased from 2.42 to 2.06 nights.

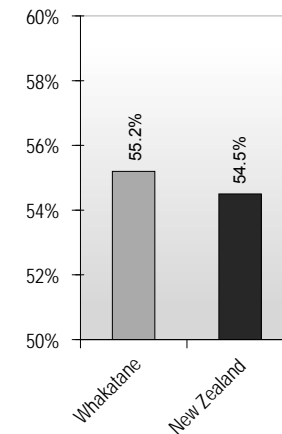
## HOUSEHOLD SIZE

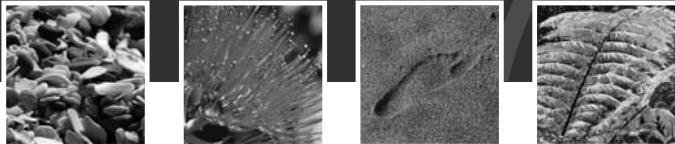
The average household size in the Whakatane District is 2.8 people, compared with an average of 2.7 people for all of New Zealand.



## HOME OWNERSHIP

In the Whakatane District, 55.2% of households in private occupied dwellings own the dwelling, with or without a mortgage. This compares to 54.5% for New Zealand as a whole.





## ROAD CRASHES

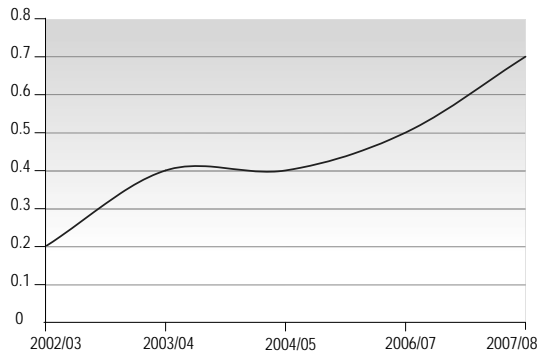
The rate of injury crashes per 10,000 people is fluctuating within the Whakatane District with 30 injury crashes per 10,000 people in 2001, peaking at 43 per 10,000 in 2003, and falling to 37 per 10,000 in 2006.



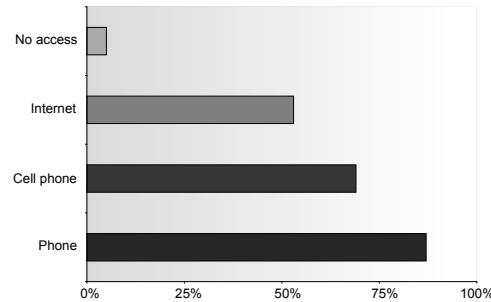
**37 INJURY CRASHES PER  
10,000 PEOPLE IN 2006**

## BUS SERVICES

The use of bus services within the Whakatane District increased from 0.2 trips per person in 2002/03 to 0.7 trips per person in 2006/07.



## ACCESS TO TELECOMMUNICATIONS



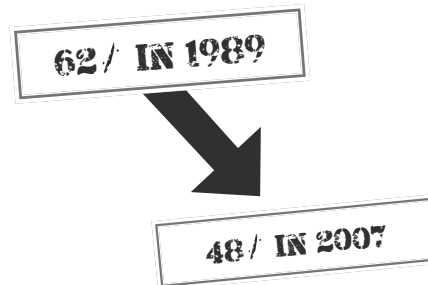
The proportion of the population with no access to telecommunications within the Whakatane District decreased from 8% in 2001 to 5% in 2006.

52.6 % of households in the Whakatane District have access to the Internet, compared with 60.5 % of households throughout New Zealand.

In the Whakatane District 68.5 % of households have access to a cellphone, compared with 74.2 % of households for New Zealand as a whole.

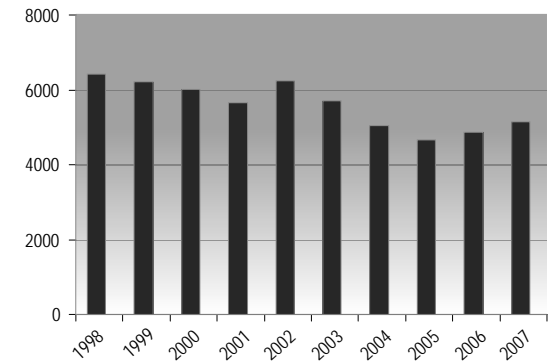
## LOCAL ELECTIONS VOTER TURNOUT

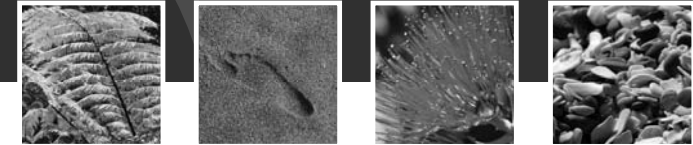
Voter turnout to local elections within the Whakatane District declined from 62% in 1989 to 48% in 2007.



## LEVEL OF RECORDED CRIME

The number of recorded crime offences within the Eastern Bay of Plenty Police Area decreased from 6,431 recorded offences in 1998 to 5,159 in 2007.





### HISTORY OF THE WHAKATANE DISTRICT

The first inhabitant, more than 1000 years ago, was Tiwakawaka, a grandson of Maui, the legendary voyager and discoverer of Aotearoa. Tiwakawaka's people had lived in Kakahoroa (later to be named Whakatane) for some generations before the arrival of the ancient tribes Te Tini o Toi, Te Hapuoneone and Nga Potiki.

Many of Toi's people (Te Tini o Toi) married into the original settlers and from his stronghold - Kapu-te-rangi (one of the oldest known pa sites in New Zealand) - above Whakatane, his sons Rauru and Awanuiarangi, in turn went forth to found tribes of their own.

Some 200 years later, the waka Mataatua arrived bringing the kumara. Following the directions of his father, Irakewa, the Captain Toroa, his brothers Puhi and Taneatua, sister Muriwai, son Ruaihona, daughter Wairaka and other members of his family sailed to Kakahoroa, mooring in the river estuary near the town's current commercial centre. The men then climbed the hillside to Kapu-te-rangi, leaving Mataatua in the care of the small group consisting mainly of women. The outgoing tide was threatening to carry away the waka when Wairaka exclaimed: "E! Kia whakatāne ake au i ahau" (let me act the part of a man). In breach of tradition, the women paddled the canoe back to safety and from this incident, Whakatane received its name.

Some time later, Toroa and Puhi fell into dispute over the planting of the kumara and Puhi and some of his followers departed in Mataatua for the Far North where he founded the Nga Puhi tribe.

Again, Toroa's people intermarried with the tangata whenua and from them descend the Ngāti Awa, Tūhoe and Te Whakatōhea iwi which remain the guardians of the Eastern Bay of Plenty region to this day. There are more iwi from the Whakatane District each with their own history.

European settlement began in the 1830s when whalers, sealers and later missionaries and traders made their homes here. The area became a major shipbuilding centre and the vessels were used to carry maize, potatoes, wheat and flax to other northern population centres for sale or barter.

Although many Eastern Bay of Plenty Māori took no active part, the area nevertheless became embroiled in the New Zealand land wars during the 1860s and 70s. In 1866, 448,000 acres (181,000 hectares) of land belonging to the 'rebel' tribes of the Bay of Plenty - Tūhoe, Te Whakatōhea and Ngāti Awa - were confiscated by the Government. Tūhoe lost Ōpouriao and Waimana, their only substantial flat lands, and their only access to the coast through Ohiwa Harbour. This injustice fanned the flames of war.

In 1869, the famed fighting chieftain Te Kooti raided Whakatane, razing its few buildings. This led to the stationing of a unit of armed constabulary in Whakatane and the construction of a defensive redoubt on the promontory above the town centre.

With the advent of more peaceful times, industrial and agricultural development continued, accelerating from 1910 onwards when work began to drain the swamplands of the Rangitaiki Plains. Between 1911 and 1925 the Rangitaiki wetland was drained with the diversion of the Rangitaiki River direct to the coast and the channelling and stopbanking of the Tarawera River. This enabled major development to occur on the Rangitaiki Plains. Reclamation in Whakatane also created new land for residential and commercial development.

Fort Galatea was established as a military redoubt in 1869. In 1884 Hutton Troutbeck purchased 21,694 acres and established Galatea Station. In 1931 the estate was

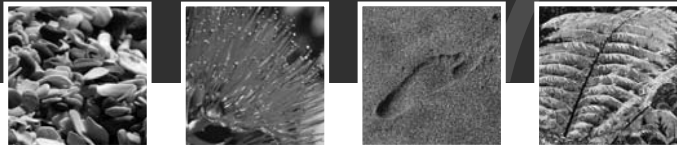
purchased by the Crown to be offered for ballot farms. The Galatea Basin was further developed after World War II when land was offered to ex-servicemen for ballot.

The establishment of industrial complexes near Kawerau were the impetus for major development in the District. This included the construction of an integrated pulp, paper and timber mill, utilising largely radiata pine from Kaingaroa Forest, during 1953-1956 by a consortium of construction firms. Associated with the development of the mill was the development of the town of Kawerau. At first there were no shops and supplies had to be brought in from businesses at Edgecumbe, Te Teko and Whakatane.

The development of housing at Otarawairere took place in conjunction with the development of the industrial complexes at Kawerau to provide accommodation for senior mill staff.

The Murupara township was also developed in the 1950s to house forestry workers and as a railhead for logs going to the Pulp and Paper Mill at Kawerau.

The diversion of part of the Whakatane River into a new channel alongside the township was completed in 1969. The diversion was a major project of the Bay of Plenty Catchment Commission's scheme which aimed at protecting the town from a "100 year flood event" (the highest likely flood to occur in a century).



## COMMUNITY OUTCOMES

### WHAT ARE COMMUNITY OUTCOMES?

The community outcomes are high-level goals for the present and future, identified by the community. They are intended to reflect what the people of the District believe is important to their social, cultural, economic and environmental wellbeing.

The identification and reporting of community outcomes is intended to guide and inform the planning processes and setting of priorities of local authorities and other organisations. The community outcomes help local authorities and other organisations focus on a community vision for the District.

### HOW WERE COMMUNITY OUTCOMES IDENTIFIED?

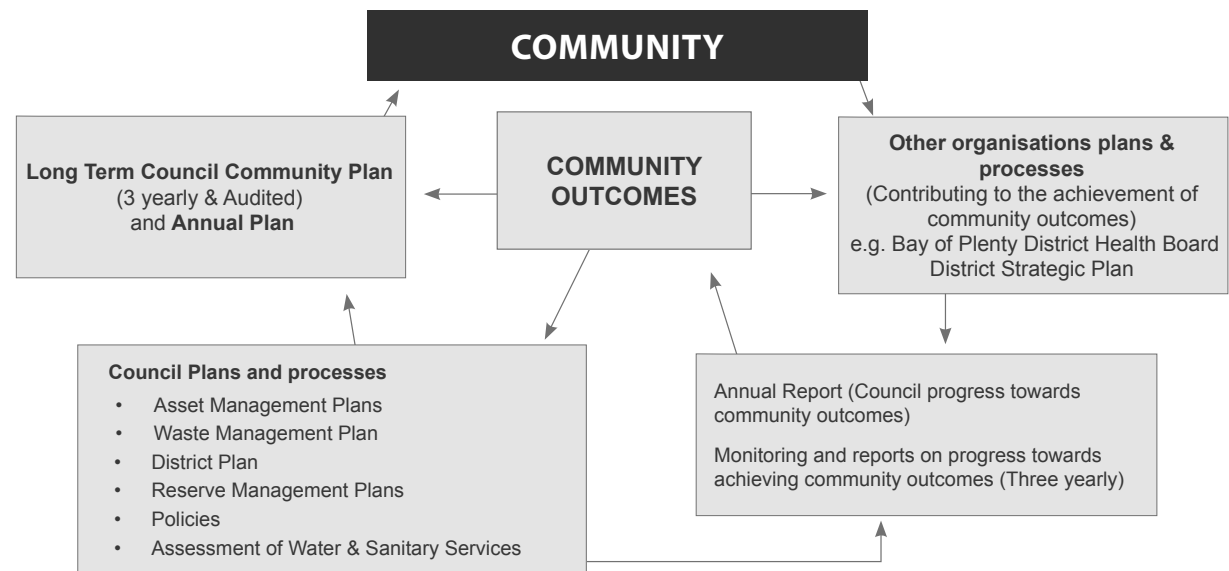
To identify community outcomes for the Whakatane District and for the Eastern Bay of Plenty, the Council participated in a joint project with Environment Bay of Plenty, Kawerau District Council and Opotiki District Council. This project was named "Eastern Bay – Beyond Today" (see [www.easternbay.org.nz](http://www.easternbay.org.nz)).



Final community outcomes for the Whakatane District were acknowledged by the Council at its meeting on 29 June 2005.

### HOW DO THE COMMUNITY OUTCOMES RELATE TO OTHER PLANS AND PROCESSES?

Community outcomes provide the foundations for the planning processes of the Council and other organisations who can contribute to achieving them. They help local authorities and other organisations focus on a community vision for the District.



### WHO IS RESPONSIBLE FOR ACHIEVING COMMUNITY OUTCOMES?

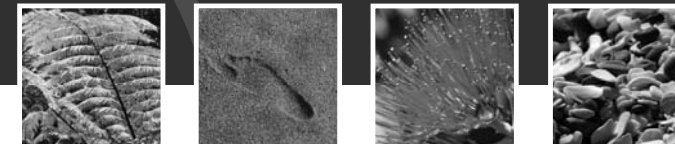
Under the Local Government Act 2002, it is the role of local councils to facilitate, identify and monitor outcomes on behalf of their communities. Community outcomes provide high level goals for the community as a whole rather than specifically for the council.

The activities undertaken by the Whakatane District Council promote and contribute towards the achievement of these goals but the goals cannot be achieved by the Council alone.

Achievement of community outcomes requires a collaborative community approach. Significant progress towards the achievement of outcomes will happen when a wide range of groups and organisations including community groups, central government, iwi, business and local councils all play a role in implementation. The Council will continue to work with others to further the community outcomes.



# COMMUNITY OUTCOMES



## The Council can contribute to the community outcomes in a number of different ways:

- **Lead agency** – being largely responsible for action in a particular area
- **Joint lead agency** – managing a programme in conjunction with other organisations
- **Supporting** – providing support to leading agencies
- **Monitoring or influencing** – looking to influence other players
- **No direct influence** – being aware of the programme

## When the Council takes on a role, it can also be involved in a number of different ways:

- **Provider** – carrying out the programme using our own resources. This is most common when the Council is the leading agency
- **Funder** – making a financial investment in the programme
- **Regulator** – developing and enforcing rules as appropriate
- **Promoter and facilitator** – encouraging progress by organising interested parties or securing financial support from other sources
- **Advocate** – expressing support publicly  
In some cases the Council may be involved in more than one way for an individual programme.

## COUNCIL'S CONTRIBUTION TO COMMUNITY OUTCOMES

Throughout the Groups of Activities section of this document icons have been used to identify the community outcomes to which each activity contributes, as illustrated in the next column.

Also within the Groups of Activities section of the document, the levels of service tables (entitled: “Measuring our Performance”) indicate where specific services contribute to the community outcomes of the District.

## REPORTING ON COMMUNITY OUTCOMES

The Council is required to report every three years on the progress made by the community towards achieving the community outcomes of the District. In 2008, the Council produced its first progress report. The Community Outcomes baseline report is available on the Council website ([www.whakatane.govt.nz](http://www.whakatane.govt.nz)) or by contacting the Council.

Under each community outcome the report uses a series of indicators to monitor progress. The indicators for each community outcome are outlined under “What we Monitor” on the following pages. Each indicator includes data and information about some aspect of the outcome. The majority of the indicators in the report show baseline data and provide a starting point against which to gauge progress in the future. In some cases historical data has

been available and it has been possible to determine progress - showing whether we are getting better, getting worse or staying the same.

## WORKING WITH OTHERS TO FUTURE COMMUNITY OUTCOMES

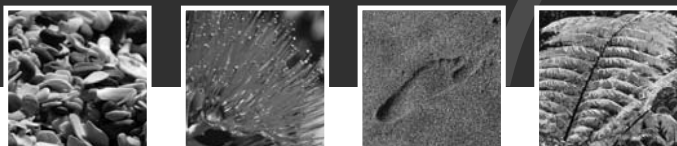
COBoP (Community Bay of Plenty) is a relationship network among local government chief executives, and central government regional managers and senior public servants with responsibilities in the Bay of Plenty. The focus of COBoP is on improving how local and central government agencies themselves can work together more effectively and efficiently around local community outcomes. COBoP membership consists of nine local authorities and 22 central government representatives.

An example of COBoP’s work is a collective local and central government approach to gathering and holding monitoring information which all Councils in the region can draw from, to report about local progress on community outcomes. This way of working both creates efficiency and improved practices through sharing knowledge and expertise within the region.

The Group of Activities section also provides details of activities where the Council works with other organisation and groups.

## COMMUNITY OUTCOMES OF THE WHAKATANE DISTRICT

The following pages outline the nine community outcomes of the Whakatane District. Listed under each community outcome are the specific “goals” that were identified by the Whakatane District community as being important to their wellbeing. Also listed under each community outcome are the things we measure (“What we monitor”) in order to assess progress towards achieving community outcomes.



## COMMUNITY OUTCOMES



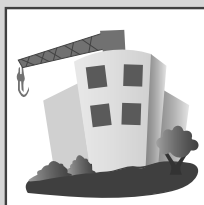
### Clean Protected Environment

#### Goals

- The environment is clean and natural resources are protected and conserved
- The community is educated and involved in environmental care
- Natural and cultural heritage places are recognised and protected
- Waste is well managed.

#### What we monitor

- Perceived state of the natural environment
- Cover of indigenous and exotic forest
- Community involvement in environmental care
- Level of recycling
- Recreational water quality
- Air quality



### Environmentally Responsible Development

#### Goals

- Development is planned, managed and controlled sustainably
- Economic growth is balanced with cultural, social and environmental responsibility
- Environmental laws are actively enforced
- Sustainable energy use is encouraged
- There is a sense of pride and enjoyment about how attractive the district is.

#### What we monitor

- Residential growth capacity
- Natural environment enforcement action
- Sense of pride in the district
- Sustainable energy use



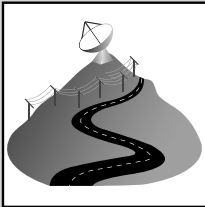
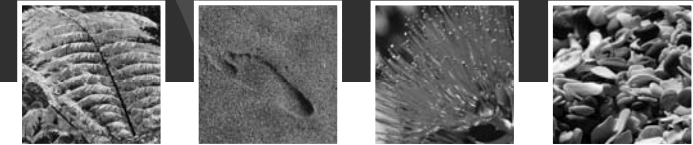
### Prosperous Economy

#### Goals

- The economy is prosperous in both urban and rural areas
- Business builds on the district's assets to support the economy
- Māori economic development is supported
- New businesses are attracted to the area and all businesses are encouraged
- Employment opportunities are available for all.

#### What we monitor

- Incomes throughout the District
- Business growth
- Tourism activity
- Employment and unemployment



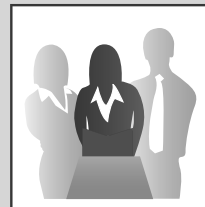
## High-Quality Affordable Infrastructure

### Goals

- High quality affordable infrastructure supports growth (e.g. transport, water, energy, waste)
- Transport links to the district are maintained and enhanced
- Roothing is safe, convenient, and appropriate to all users
- People, infrastructure and the environment are protected from natural disasters
- Improvements in communication technology are available throughout the district (e.g. Mobile coverage and fast internet access).

### What we monitor

- Roothing infrastructure
- Road crashes
- Level of bus services
- Access to telecommunications



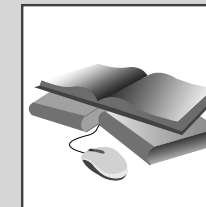
## Strong, Transparent and Open Leadership

### Goals

- Leaders are visible, strong, have a clear vision and listen to all sectors of the community
- Decision making processes are transparent, open and inclusive
- Council, the community and Māori work in partnership
- Council costs are appropriate for the services provided.

### What we monitor

- Voter turnout
- Inter-sectoral partnerships
- Understanding the decision-making process
- Confidence in decision-making



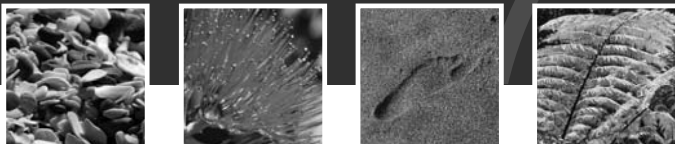
## Education and Training Opportunities For All

### Goals

- Affordable quality education and training accessible to all
- Education and training supports economic growth
- Participation in education is encouraged and supported, especially for youth
- Education values and promotes cultural heritage.

### What we monitor

- Level of educational attainment
- Education reflects cultural heritage
- Level of industry training



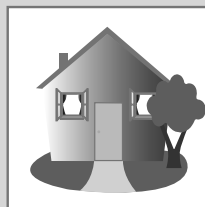
### Safe Caring Community

**Goals**

- Communities help themselves and care about each other
- Drug, alcohol and gambling abuse is diminished
- Homes and neighbourhoods are free from fear of violence or crime
- Youth development is supported and youth gain from and contribute to our community.

**What we monitor**

- Level of crime
- Perception of freedom from crime
- Involvement in unpaid work
- Youth involvement in decision-making



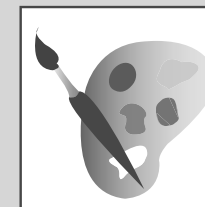
### Healthy People and Quality Housing

**Goals**

- Affordable, quality housing is available for all
- Initiatives are in place to encourage self sufficiency in housing
- Quality primary and secondary health care and facilities accessible to all
- Information and support for preventative health issues is made available to all
- Appropriate support is available for disadvantaged, disabled and those in need.

**What we monitor**

- Housing affordability
- Life expectancy
- Low birth-weight babies
- Main causes of injury
- Rates of smoking, drinking and obesity
- Barriers to medical care



### Diverse, Creative and Active Community

**Goals**

- Facilities and venues are in place to accommodate a wide range of activities for all
- Activities and events support and celebrate culture, creativity and recreation
- Parks, reserves and recreational facilities are enhanced and increased
- Māori culture is valued, celebrated, promoted and protected
- Diversity is valued and different cultures, genders and ages are respected
- All forms of art are catered for.

**What we monitor**

- Perception of recreation and leisure opportunities
- Number of feature events
- Perception of a culturally diverse arts scene
- Te Reo Māori
- Historic and archeological heritage

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## KEY ISSUES

### INTRODUCTION

When developing this LTCCP, the Council had to consider some major changes in the activities and the levels of service it provides. The changes planned include:

- Divestment of pensioner housing units
- Divestment of property (rural halls, certain reserves and operational property no longer required)
- A reduction in expenditure in the area of community development

The Council will also change how it charges rates for services that the District and rateable properties receive. The changes planned include:

- Changes as a result of the Council's Rates Review
- A revised Development Contributions Policy

Major projects planned during the term of this LTCCP also include:

- Projects to address the closure of the Burma Road landfill (transfer station, composting plant, and alternative landfill site)
- Arts and Culture Centre
- Review of the Whakatane District Plan
- Wastewater schemes in Matata and Te Teko

All projects and proposals were open to public comment through the submission process. The following paragraphs highlight the status of these issues at the time of adopting the LTCCP.

### Breach of the Local Government Act 2002

Section 93 clause 3 of the Local Government Act 2002 requires all councils to adopt their LTCCP every three years, before the commencement of the financial year, which for this plan is 30 June 2009. The Council did not meet this statutory deadline and adopted the plan on 13 July 2009. The adoption date of 13 July 2009 still allowed the Council to strike rates for the first quarter for the 2009/10 financial year.

### ADDRESSING THE NEED FOR MAJOR EXPENDITURE

#### Rates and Affordability

This Council, as a smaller medium sized local authority, is grappling with the cost of delivering services and, at the same time, addressing poor maintenance of our infrastructure. If these issues are to be addressed effectively, substantial funding is required.

With relatively low levels of growth, a lower than average level of income and given the current economic conditions, the Council plans to make some significant changes to the way it intends to operate in the future.

There has been a complete revision of all Asset Management Plans. As a result it has become evident that major expenditure would be required to bring the assets up to an appropriate level of service.

Investigations found the costs would have significant implications on the community in terms of rating. The capital costs, if funded without a substantial review of funding mechanisms, would result in forecast debt levels being outside the Liability Management Policy ratios in future years.

At a fairly early stage in developing the LTCCP the Council decided that such costs would not be sustainable. The impacts of the worldwide financial crisis on the New Zealand economy provided an added emphasis to this position.

In order to arrive at a position where the Council is able to operate and maintain assets at a satisfactory level, and at the same time meet legislative demands and community expectations, significant changes were needed. This process has taken time, to the extent that the Council adopted the LTCCP in July 2009, later than the time frame required by the Local Government Act 2002.

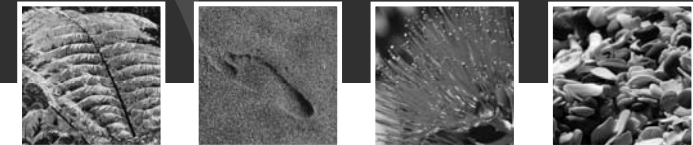
Within this context substantial changes were made to both operational and capital works programmes as listed below:

- Operational expenditure was reduced where possible. This resulted in reduced levels of service in some areas and no improvement in levels of service in other areas where additional funding was required to achieve improvements.
- A number of projects will not proceed, be deferred, or be completed in house.
- The capital works programme was substantially reduced in the first three years of the plan, except in relation to existing commitments, health and safety or legislative compliance issues.
- Expenditure (both capital and operational) has been moved out to future years to reduce the cost impact in the early years of the 10 year period.

The rating review also highlighted a number of areas where the Council made changes to its policies to manage fairness and equity issues and to ensure the costs were correctly attributed to the end users.

#### Affordability and Catching Up

Over the past year detailed investigations have been made into numerous activities throughout the Council's operations. These investigations have looked at the Council's infrastructural assets such as water, wastewater, stormwater, refuse, roading, recreational facilities, community property and arts and culture.



This, coupled with a number of key strategic Council documents (e.g. Town Vision, Residential Growth Strategy), has provided a sound framework from which our Asset Managers have been able to plan for the sustainability of our infrastructural assets.

The key issue is that historically our infrastructural assets have not been well managed and as a community we will be playing catch up for many years to come.

The Council has deferred a number of key projects in this LTCCP so it can make the catch up affordable.

In order to prioritise, the Council has acknowledged any project that has community health issues or legislative responsibilities is a top priority.

There is also a focus on projects funded by depreciation. Any projects that proposed increased levels of service or required loan funding have been deferred – to be revisited once the high risk projects are complete.

In the following activities these have been identified as: -

## Stormwater

Approximately \$10m worth of capital works (some 40+ projects) have been deferred for three years. Deferred works include: reticulation upgrades throughout many parts of the Whakatane urban centre, Ohope stormwater improvements and a delay in the channel upgrade for Wainui Te Whara stream.

These works do not pose immediate high risk exposure to the community and as such the programme has been adjusted to meet affordability constraints in other areas.

## Roading

Approximately \$3.2m worth of works and projects have been deferred to later years or excluded from the programme altogether.

In many cases projects have been deferred for one year including seal extensions, sealed road re-surfacing, Matahi Valley Road realignment, Thornton Road pavement rehabilitation, Taneatua Road pavement

rehabilitation, footpath renewals, Tarawera River access upgrade and Matata Lagoon causeway upgrade.

There are a number of projects that have ongoing reduced budgets or have been removed from the capital plan including general kerb and channel repairs, maintenance of Christmas lights and power undergrounding.

Where planned programmes have been deferred, the roading assets will be monitored carefully to ensure there is no material impact on the network in the next three years.

## Water

More than \$8m of large projects have been deferred for up to three years. These deferrals have been influenced by high risk projects in other activities such as wastewater. Deferred projects include: water treatment plant upgrades, reticulation upgrades in Coastlands, and upgrades in Awakeri/Whakatane West.

Water is recognised as one of the key high risk areas. As a result there is an intensive programme to maintain the infrastructural integrity of the network in the current plan.

## Wastewater

The wastewater activity is one of the activities that has a number of high risk areas and requires immediate attention. There are a few small projects that have been deferred.

## Waste

The Council is facing major costs in the area of solid waste with the pending closure of the Burma Road landfill at the end of 2009 and the subsequent need to dispose of waste outside of the District. Projects in the area of solid waste cannot be deferred.

## SERVICE DELIVERY CHANGES PROPOSED

The Council reviewed what services it delivers and how they are delivered as part of developing the LTCCP.

This is an ongoing programme and will ensure that core services are being delivered effectively and efficiently. By exiting services that are no longer needed, or better delivered by others, it will increase resources available to focus on core activities. The first year of the plan includes a number of service delivery changes as described below.

### The Murupara Service Centre

The Murupara Service Centre (MSC) is located in the Murupara town centre. The MSC is open between 9am and 4.30pm Monday to Friday and has two permanent staff members both working part-time hours.

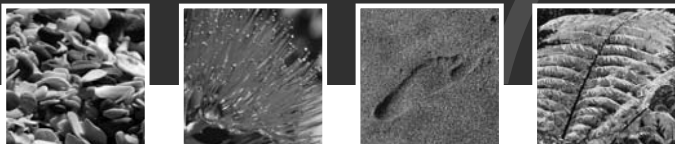
The MSC currently provides two main functions:

- A service centre for Council transactions and enquiries
- A library for the community

The facilities are also used as a meeting place for the community board and a drop-in point for Whakatane-based staff while working in the area.

The services offered at the MSC are essentially the same as those offered at the Whakatane office. The main difference is that there is a very low volume of transactions (an average of six financial transactions per day)

In the draft LTCCP the Council considered options for the MSC to reduce costs, and proposed to close this service centre. The Council received submissions from residents in Murupara and across the District about the impact this closure may have on the Murupara community. Following consultation, the Council has agreed not to close the MSC in the expectation that the centre will



become more cost effective to operate. The Council will consider this issue further during 2009/10.

## The Council's Role in Community Halls

### Urban Community Halls

The Whakatane District has four urban based community halls – Whakatane War Memorial Hall, Murupara Municipal Hall, Edgecumbe War Memorial Hall and the Ohope Hall.

Use of the Ohope, Edgecumbe, Murupara and Whakatane Community halls has been reasonably consistent over the past three to four years. The busiest facility is the Whakatane War Memorial Hall and demand often exceeds supply during peak use times. The other three halls are not well used.

The Council will explore alternative future options for the four halls. The first step toward doing this is for the Council to develop an overall strategy to guide future decisions on the facilities.

The Council does not have a current policy or strategy guiding current and future decisions for community halls (including the proposed multi-sports events centre).

A Whakatane District Council Halls Strategy is planned to provide a framework to manage the Council's involvement in urban community facilities for existing and future generations. The Council's role as funder, provider, supporter or advocate will be explored through the development, consultation and adoption of firm policies.

### Rural Community Halls

The Council intends to find and implement alternative ownership and operational models for rural halls. This will be done on a case by case basis in conjunction with stakeholders.

The Council considers the ownership costs associated with rural halls are more than the economic, social and cultural benefit provided to the community. Currently

they are administered and funded from the general rate with little focus on individual viability.

These halls are Awakeri War Memorial Hall, Otakiri Hall, Manawahe Hall, Waimana – Nukuhou North War Memorial Hall, Te Teko War Memorial Hall, Taneatua War Memorial Hall, and Galatea War Memorial Hall.

The Council is considering all of the following options (other than the current approach) as part of a process to out-source or potentially divest rural halls:

**Rural hall committees or major users take over ownership responsibilities.** Offer rural hall committees or major users the opportunity to take over ownership responsibilities for the maintenance and operation of rural community halls (without financial support from Council). This would mean community organisations takeover the day to day operations, maintenance and hire of the particular hall, along with longer term renewal and capital planning. It may involve a ground lease of land (at minimal rate) to the community organisation for the site upon which the hall rests.

**Main hall users purchase or take over long term lease.** Where there is no hall committee, the Council will consult with main hall users with a view to purchase or long term lease of rural community halls. In some cases the main hall user may be interested in taking over either full ownership or long term lease of a community hall. The Council will explore opportunities and options for this in conjunction with the main users.

**Targeted rate on communities to retain hall.** If options above are not feasible or practical but the community wants to retain the facility, it will become the subject of a targeted rate where the full costs of that hall will fall on that community.

**Sale of halls.** Alternatively the Council may consider outright sale of rural community halls.

The Council is aware that a number of these halls are war memorial halls. Where such halls may change

ownership or administration, this memorial status will be fully discussed with the local community and other interested parties e.g the Returned Services Association. This may include the possibility of transferring the memorial status to another facility with appropriate features.

### Pensioner Housing

The Council has agreed in principle to sell its pensioner housing units, subject to some clear requirements around the sale to protect current and future tenants. The decision to sell these units is the result of the Council's review of levels of service and the need to focus on the Council's core business.

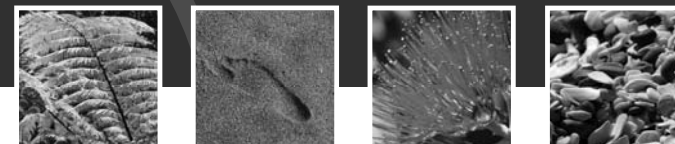
Pensioner housing is one of the activities that other organisations, such as Housing New Zealand, could deliver more efficiently than the Council. The pensioner housing asset is valued at \$5.5m (as at 1 September 2007) and selling it will release over \$5m to provide benefits for the wider community by retiring debt.

The Council will only divest pensioner housing stock as long as tenants' interests are safeguarded. The following criteria must be met before the units are sold:

- Satisfactory protection of existing tenants' rights and welfare
- Satisfactory protection and control of the ongoing use and development of low cost pensioner housing
- The profile and track record of a registered care provider
- Any proceeds from the sale of pensioner housing units will be used to retire debt

A list of the Council's pensioner housing units and the planned year of divestment is included below. The timing of divestment for any of the units below may change depending on market interest for the units.





PROPERTY NAME	NUMBER OF UNITS	PLANNED YEAR OF DIVESTMENT
Alice Stone Flats, 65 Goulstone Road, Whakatane	28	2009/10
Lovelock Court, 1 Spence Lane, Whakatane	22	2010/11
Murphy Flats, 18 Kowhai Avenue, Murupara	5	2010/11
Hardy Flats, 9 Kowhai Avenue, Murupara	2	2010/11
Allandale Flats, 145 King Street, Whakatane	11	2011/12
Veronica Flats, 19 Apanui Avenue, Whakatane	11	2011/12

### Community Development

The Council has reduced expenditure in the area of community development as part of the Council’s decision to refocus expenditure on core services. Community development includes the Safer Communities and Māori Liaison activities. The LTCCP indicates that the initiatives that were being delivered under the Safer Communities activity will continue. The Council has indicated that it wants to access a greater level of Central Government funding to support this activity. Appropriate resources will also be put in place to fully support the work of the Iwi Liaison Committee and the wider organisation.

### Representation Review

The Council is required by the Local Electoral Act 2001 to review its governance arrangements and will complete its review by September 2009. Although the timing is similar, the process is a separate one to the special consultation process required for the adoption of the LTCCP. The Council has indicated that through the review, it will look at how the governance arrangements could be more effective as well as provide cost savings for ratepayers.

The draft LTCCP signalled an intention to budget for a reduction in the number of councillors from ten to eight and the abolition of the five community boards. This would result in cost savings of about \$500,000 each year. It was felt that community input to the Council could be achieved by supporting ratepayer associations or similar organisations or by targeting consultation on major projects – this would be more cost effective for the community.

Following consideration of submissions received during consultation, the Council has based the LTCCP budgets on the status quo for the representation model (including retaining 10 councillors and five community boards). This budget will be in place until the results of the representation review are known.

The Council does not want to pre-empt any decision that may be made during the representation review process. A final decision on the representation arrangements will be known in time for the 2010 elections and the Council will be able to amend the budget for the draft Annual Plan 2010/11 to reflect the final arrangements.

### FUNDING CHANGES

#### Rating Review

As part of the Council’s review of its services and core business it has reviewed how it charges rates for the services that the District and rateable properties receive.

This is a significant process as many changes have been made to the way rates are calculated and charged.

Rates are levied to provide a broad range of services, programmes, facilities and infrastructure from parks and playgrounds to roads and rubbish collection.

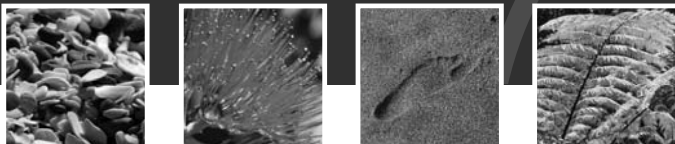
In making changes the Council has had to measure whether the changes will impact on certain groups. Issues such as affordability, accessibility to services, whether a transitional process is required for some changes and what impact the changes might have on different sectors of the community have also had to be addressed.

As a result, the Council adopted the following approach:

- Where users can be clearly identified they should directly contribute to the cost of providing the services. An example is water metering where people are charged according to the amount of water they use.
- Where services are provided to particular parts of the District, a targeted rate will be charged to that part of the District. An example would be those areas where rubbish and recycling is collected.
- Where users cannot be clearly defined then the cost of providing that service will be charged as part of a uniform annual charge across all rateable properties. An example of this is parks, gardens and reserves.

The following changes have been adopted by the Council:

- The differential charged on all properties over \$10m for roading and general rating purposes has been removed.
- The general rate that was charged for land drainage, refuse disposal, parks, gardens and



recreation, swimming pools, trade waste and libraries has been removed in favour of different rates for the different activities as follows:

- Stormwater is based on which catchment the property is in and will be charged as a uniform annual charge of 25% and 75% to be recovered by way of a capital value rate, except for Whakatane commercial/ industrial properties which have a differential of 2.2 applied.
- A uniform annual charge is levied for refuse disposal.
- Parks and gardens are charged through a uniform annual charge as it is difficult to define the users.
- Swimming pools and libraries are covered by a uniform annual charge based on where in the District properties are and how close they are to a swimming pool or library complex.
- A remoteness differential has been introduced for the area defined as the Te Urewera Subdivision of the Murupara ward as follows:
  - The uniform annual charge to be half the Murupara rural swimming pool rate, half the Murupara library rural rate and half the District wide parks rate.
- Water charges will be charged using a targeted rate and variable cost through metering.
 

The price of water will be double during summer to reflect peak demand costs and be relatively lower during low demand periods (from 1 July 2010). This is expected to have the impact of slowing the need for major capital investment

in upgrading the scheme. Water meters for Whakatane and Ohope urban areas will be read every three months from 1 July 2010.

- The uniform annual general charge will be set at \$200 for 2009/10.

### Rating Units

The draft LTCCP included a proposal that the Council adopt a definition of a rateable unit to set rates on separately used and inhabited parts of a rating unit (SUIPs). Following consultation on the draft LTCCP, the Council has agreed to revert to rating only per a rating unit for all rates for 2009/10 but that the use of SUIPs as a rating tool be investigated in sufficient time to be considered for the draft Annual Plan 2010/11.

The Council recognised the significant correspondence, queries and submissions over the potential uncertainty surrounding the introduction of SUIPs in 2009/10. The Council will work through the issues raised by submitters to determine whether or not to include SUIPs in a modified form. Should the Council wish to proceed with SUIPs, this will be consulted with the community in the draft 2010/11 Annual Plan.

### How the Rates Review Affects your Property

A summary of rates and examples of how these policy changes affect your property are included at the end of this Key Issues section. Rating changes are also included in the Council's Revenue and Financing Policy in Volume Two of this LTCCP.

### Water Supply

The Council had a range of rating policies for different water schemes which saw charges administered through uniform annual general charges, supply charges and water meter charges for the amount of water used.

The charging system did not accurately reflect the true cost of providing water to the community and the Council has made changes to ensure the system is fair.

The major change planned is that in urban centres water meters will be read quarterly rather than six monthly from 1 July 2010. This will enable the Council to forecast summer water demand and more accurately charge those people who use more water in summer months (December to February).

In summary the charges are as follows:

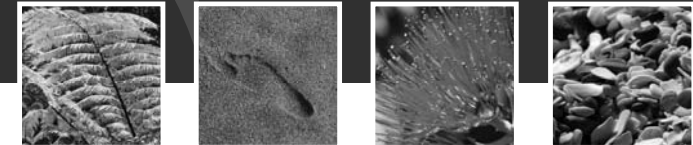
- The fixed costs of supplying water are recovered by a targeted rate per connection or per property which is able to connect and the variable cost be recovered by way of metering.
- The price per cubic metre for all urban areas will be twice the amount over the summer months as it is during the rest of the year to reflect peak demand costs. This will be introduced from 1 July 2010 alongside a community education programme about water pricing and conservation.
- Water meters for Whakatane and Ohope urban areas will be read every three months from 1 July 2010.

The total cost of providing the water-metering service is \$134,000pa. Reading water meters every three months increases costs by approximately \$30,000 (due to extra meter reading, postage and support services).

Properties without a water meter will pay the targeted rate plus a usage charge based on the average use. These charges will not apply to Plains water supply for the 2009/10 year which will remain on the same basis as previous years.

### Plains Water Supply Charging Scheme

Projects have been included in the capital works programme for the next 10 years to upgrade the Plains water supply system. These projects are programmed for implementation from 2010-14 and are designed to bring the supply in line with New Zealand Drinking Water Standards and required levels of service.



Investigations and studies are underway to prepare a master plan for water in the whole Plains area for the next 50 years. The plan will need to address possible re-define of Plains water boundaries, how much water will be needed in the next 50 years for activities like dairying, horticulture, agriculture and domestic supplies and whether the water capacity will be available.

The possibility of securing subsidy funds from Central Government to support rural community projects like this will also be addressed.

Following preparation of the master plan in 2009/10, fees and charges in the LTCCP will be reviewed. That may be an opportunity to introduce development contributions for water and water availability charges in the Plains area.

The master plan for the Plains water supply and subsequent fees and charges review will be completed in 2009/10. Public consultation will be carried out as part of the 2010/11 Annual Plan process.

### Combining Two Water Schemes

The Ohope water scheme was separate from the Whakatane scheme and the Council will now treat them as one.

Whakatane and Ohope are supplied from the same source of water and supplied through an interconnected network of pump stations, reservoirs and pipes. However, in the past, only the Whakatane users have paid all treatment plant costs including depreciation.

Combining these schemes allows the creation of a number of bulk zones within the same scheme. These bulk zones will help to manage the water supply better (e.g. leak monitoring, pressure management etc).

The levels of service in both schemes will be the same and scheme costs will be more equally distributed.

### More Water Meters Supplied

The Council plans to put water meters into more areas within the Whakatane District and will start with Edgecumbe and Matata water schemes in the 2009/10 and 2010/11 financial years.

Experience and case history has shown that households paying for their water by water meter charges are inclined to use less water than those in unmetered schemes.

The main reasons for metering are:

- 1 Statistics show that the water consumption per capita in unmetered schemes is much higher than in metered areas. The main reasons for this are wastage of water and leaks in private properties. Metering will help people to better understand leaks and will encourage them to repair the leaks quickly to avoid paying more.
- 2 If leaks in the pipes are not fixed they can be a potential health hazard due to the risk of cross contamination from the sewerage network. Often people do not know this is even happening.
- 3 Better management of water supplies metering will help people understand consumption patterns and manage the water supply better.

Whilst the cost of metering Edgecumbe and Matata will be \$600,000 and \$300,000 respectively, the Council is expecting to secure 95% of the funds for the capital works from Government subsidies (Drinking Water Assistance Programme of Ministry of Health). Therefore, the impact on rates due to the capital works is expected to be negligible. Pricing based on usage will begin from 1 July following installation of the water meters.

Proposals to meter other schemes will be investigated and progressed in the next three years.

### The Harbour Endowment Fund

#### Review of the fund

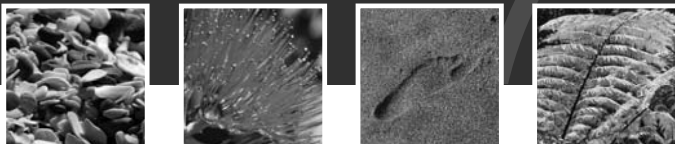
The Harbour Endowment Fund is one of a number of special purpose funds held by the Council. The original purpose of the endowment was to support the activities of the Whakatane Harbour Board. In 1976 there was a local government reorganisation within what is now the Whakatane District. An Order in Council resulted in the dissolution of the Whakatane Harbour Board with the functions being transferred to the Whakatane District Council.

The Order in Council entrusted the Council with the good management and proper use of the assets of the former Harbour Board.

In the draft LTCCP the Council signalled its intention to review the appropriateness of the legislative framework controlling the Harbour Endowment Fund. Following the consultation process, the Council has agreed that it will not proceed with this review.

#### Harbour access

In recognition of the importance of the harbour asset and the long-standing issues around availability of harbour access, an investigation is in the process of being commissioned to establish a long-term sustainable solution. This process includes a detailed modelling project that will provide the design criteria for a number of options that the Council will consider when completed in 2010/11. At that time it is expected that any proposed physical works will be consulted on as part of the 2010/11 Annual Plan. Funding for this project is included in the operating costs for the Ports and Harbour activity in 2009/10.



### Funding to support District - wide disaster mitigation costs and Toi - EDA

The Harbour Endowment Fund will not be used to fund District-wide disaster mitigation costs or Toi-EDA. Funding for Toi-EDA which was proposed in the draft LTCCP to come from the Harbour Endowment Fund (\$100,000) plus an additional \$50,000, will come from commercial properties across the District.

### Funding to support implementation of the Town Vision Strategy

The Council intends to establish a Town Vision Advisory Board to implement the Town Vision Strategy. Funding for the Board will come from the Harbour Endowment Fund. As a result of submissions received the governance costs associated with this project have been reduced. The Board's progress will be reviewed on a three yearly basis to coincide with the LTCCP process. Funding has been included until 2015/16.

### Development Contributions Policy

The Development Contributions Policy enables the Council to collect monetary contributions from those developing land by building a house, business or subdividing land, or connecting to a service.

The policy seeks a contribution based on identified capital works projects that are needed or partly needed as a consequence of a development placing added demand on existing infrastructure. Where a development (or a combination of developments) will lead to the need for new assets or assets with greater capacity, a development contribution can be charged to help provide for those assets in a timely manner.

The Council has revised its Development Contributions Policy and the adopted policy is included in Volume Two of this LTCCP. This adopted policy is based on a staged approach which means contributions will be taken for a project only when the capacity of the existing asset

that will be upgraded or added to has been reached. It means that no contributions are sought ahead of the time that a new or upgraded service or facility is needed.

### DIVESTMENT OF PROPERTY

*Should the sale of assets not realise the planned amounts, additional debt will need to be incurred or the planned levels of service reassessed. This could result in increases to general and/or targeted rates. However the Council maintains conservative debt levels under Treasury Policy limits.*

### Operational property no longer required

The Council will consider selling/divesting some of its property, which could release up to \$955,000.

Four properties are not required by the Council for any service provision or future development and subject to legislative processes can be sold over the next three years. They are:

- 2 Oregon Drive, Murupara - Ray Hardie Centre
- 143 King Street, Whakatane - Disabilities Resource Centre
- 65 Keepa Road, Whakatane - Plant Nursery
- 40 Te Tahi Street, Whakatane - Pou Whakaaro

In the case of 2 Oregon Drive and 40 Te Tahi Street, divestment would also convert to savings as both properties currently cost the Council money to maintain.

Section 40 Public Works Act clearance may be required for the properties.

### Reserves

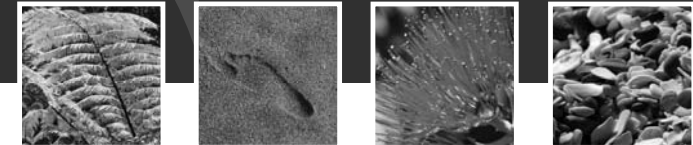
A number of reserves were listed in the 2006 LTCCP for potential sale. While some work has been done to investigate divestment potential of the reserve properties, the Council intends to decide in 2009/10

what will happen to them. The Council will consider a programme to consider and evaluate these properties, with those of concern to submitters on the draft LTCCP taking precedence. Additional properties will also be investigated for possible divestment during the first year of this LTCCP. As part of the investigations, properties will be reviewed as to the possibility of divesting parts of them, whilst maintaining its original intent.

A full list of reserve properties considered for sale is included below. Any proposal to divest reserve assets will be completed in accordance with the Local Government Act and the Reserves Act as appropriate. A project will be commissioned to ensure appropriate reserves are held to meet the community's current and future needs. Should this project identify further unnecessary reserves or properties, consultation on possible divestment will be included alongside the 2010/11 Annual Plan.

Reserves (or portions of these reserves through subdivision) to be investigated for sale are as follows:

- 32 Waiewe Street, Whakatane
- 213 Valley Road, Whakatane
- 35a Riverside Drive, Whakatane
- 2 Otakiri Road, Edgecumbe
- 6-16 Centennial Drive and 4931- 4943 Galatea Road, Galatea
- 17 Koromiko Street, Murupara
- 5 Miro Drive, Murupara
- 5 Harakeke Road, Murupara
- 1 Te Mahoe Village Road, Te Mahoe
- 78 Gorge Road, Whakatane (local purpose reserve plantation)
- 59 Huia Crescent, Te Teko (local purpose reserve road)



- 17 Hurinui Avenue, Whakatane, (plantation reserve – astronomical observatory)
- 104 Otarawairere Road, Whakatane (Otarawairere Tennis Court – Recreation Reserve)
- 133 Otarawairere Road, Whakatane (Recreation Reserve)
- 1961A Troutbeck Road, Galatea (Grant Family Cemetery)
- 59 Valley Road, Whakatane (local purpose reserve plantation)
- 139 Valley Road, Whakatane (local purpose reserve plantation)
- 93A Valley Road, Whakatane (local purpose reserve plantation)
- 27A Waiewe Street, Whakatane (local purpose reserve drainage)
- 39A Waiewe Street, Whakatane (local purpose reserve drainage)
- 17 White Horse Drive, Whakatane (Recreation Reserve)

## PROJECTS

### Closing Burma Road Landfill

With the pending closure of the Burma Road Landfill, the Council has had to grapple with ways it can provide a suitable alternative and reduce its waste stream.

Once the landfill is closed at the end of 2009, all non-recyclable waste will need to be shipped out of the District. The operational and capital cost implications of this are high.

Council staff have been working hard on options to minimise the costs. Firstly the Council needs to establish a cost effective refuse transfer station which will enable refuse to be trucked out of the District at the

best possible price. A transfer station has been planned at Te Tahī Street at an overall cost of \$850,000 (including \$366,875 to be funded in 2009/10 and the remainder to be carried over from 2008/09).

The other part of this proposal is to divert organic material from the waste stream for composting. In 2009/10 the Council will construct a composting plant which will result in savings against the cost of shipping waste out of the District. Alongside this proposal, the Council will review operational aspects of the rubbish collection service.

In the longer term, the Council will investigate an alternative landfill site within the District which is intended to also provide a regional waste solution. The costs of constructing a new landfill are \$7.8m (excluding resource consent costs) and this is included in the LTCCP in 2014. Discussions with Environment Bay of Plenty on this matter have been initiated.

The Council has also agreed to include a new uniform annual charge of \$21 across all properties in the District to reflect the cost of providing waste services. Properties that receive refuse collections will also pay a targeted rate to fund the collection and disposal of refuse from the Council approved refuse/recycling bins.

### Art and Culture Centre

Early in 2009 the Council approved one of its most significant capital investment projects for many years and this project was included in the draft LTCCP for further consultation and comment. This project recognises that a long term solution is required to remedy the critical situations in the library and museum in terms of the space shortages, environmental controls and appropriate facilities.

The project will involve the development of a:

- Heritage collections, archives and research facility in the current museum building; and
- Dedicated library.

The Council included \$3.25m in the 2009/10 year to provide better library, museum and exhibition facilities. The Council has yet to make a definite decision as to where these facilities will be located.

The development of an integrated cultural, environmental and tourism centre (Whakatane Centre) has been deferred until 2012-2015 so this can be reconsidered in the 2012-2022 LTCCP.

### District Plan Review

The Whakatane District Plan needs to be reviewed and updated to deal with new legislation and issues such as climate change, renewable energy and urban design.

The Proposed Whakatane District Plan will be made partly operative soon and there is already a large programme of plan changes needed to update it.

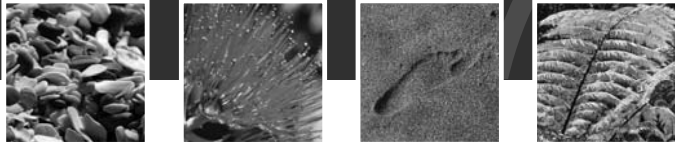
The rural section of the plan is now 10 years old. The Proposed District Plan does not contain sections on indigenous biological diversity or financial contributions, and may not include esplanade reserve provisions.

The two-phase review of the Resource Management Act may lead to other changes that need to be considered. The Government's emphasis on National Environmental Standards and National Policy Statements also need to be incorporated into the plan, as do statutory acknowledgements arising from Treaty settlements.

The Regional Council is currently reviewing its Regional Policy Statement and a timely review of the District Plan would enable better integration of the two planning documents.

The current economic recession enables forward planning to occur and allows a more proactive approach to forward planning than in the past.

The work programme would see the review take place over a two year period, with the third year being set aside for notification of the Proposed District Plan and the submissions process.



Under this timetable a reviewed plan could be notified in August 2011, with decisions on the submissions being released in July 2012.

The project will include the appointment of a project manager, four planners, an administration assistant and a budget for consultants to help with specialist work. The budget is \$1.87m over three years. This is funded by way of loans to be spread over 10 years.

**Matata Wastewater Treatment**

At present Matata relies on septic tanks for domestic wastewater treatment and disposal. Stream monitoring carried out in 2003/04 in Matata indicated increased contamination in the stream water.

Therefore, the Council carried out investigations and prepared preliminary designs and cost estimates for a reticulated system in Matata. The preliminary cost estimate for the system was \$4.48m. Based on this information the Council made a provisional application to the Ministry of Health’s Sanitary Works Subsidy Scheme and as a result, the Council was advised in December 2004 that a sum of \$2.24m (a 50% subsidy) had been approved. This was subsequently raised to \$3.72m (83% subsidy).

Consultation with the community was undertaken by way of public meetings held in April 2004 and February 2005.

Following the debris flow in May 2005 this project did not proceed due to the disaster recovery works being given higher priority. Since then the Council and the Matata community have been fully occupied by the disaster recovery works. When the Council decided to go ahead with the sewerage scheme in 2008/09 the new estimate had risen to \$8.97m.

This project has now been included in the LTCCP for implementation in 2009-11 years. Negotiations are underway to increase the subsidy amount for the scheme to reflect the increased cost. The timing and scope of the project will depend on the subsidy amount and the outcome of further public consultation.

**Te Teko Wastewater Scheme**

At present Te Teko relies upon septic tanks for wastewater disposal. There was a proposal in 2003/04 to install a reticulated wastewater system.

However, at the time Government subsidies for the project were only 50% of the total cost of the project. When community consultation was carried out, the community realised it could not afford the system and did not want to go ahead with the project.

Subsequently the Government increased the subsidy amount that would be applicable. As a result there was a request from the community groups to revisit the proposal and the Council investigated different options for a reticulated system with appropriate disposal option.

The cost estimate for a proposal with a package treatment plant is \$7.39m. The Council is preparing an application to secure funds.

This project has been included in the LTCCP in the years 2012-17. The project will cover Te Teko township and Te Mapou area. The timing of implementation and scope of the project will depend on the subsidy amount and further community consultation.

**Disaster Mitigation Projects**

Following the natural disasters that occurred in the District in 2004 and 2005 the Council adopted a range of flood, landslip and debris flow mitigation projects.

The projects were as follows:

- Matata Regeneration Projects
  - Awatarariki
  - Waitepuru Debris and Stream Management
  - Ohinekoao
  - Waimea
- Awatapu

- Edgecumbe/Rangitaiki Plain Flood Mitigation
- Otarawairere/Ohope Wastewater/Stormwater Disposal Project

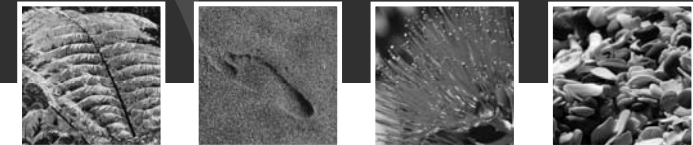
These projects were included in the 2006 LTCCP and were consulted on at that time. The Awatapu and Otarawairere/Ohope projects have been completed. Parts of the Matata Regeneration Projects have not been completed as set out below:

The resource consent for the Waitepuru catchment has been appealed to the Environment Court and the hearing has been scheduled for 13 July 2009. Therefore the physical works, if consent is granted, will be undertaken in the 2009/10 construction season.

The Awatarariki catchment is divided into two components.

- The Awatarariki Stream (downstream of Moore’s Bridge on Arawa Street) and Te Awa o Te Atua Lagoon restoration works and the debris disposal area at the Railway Lagoon: The resource consent application has been in the resource management process since March 2007. The consent was granted with the exception of excavation in Clem Elliot Drive. The physical works will start early in 2009/10.
- The Debris Detention Structure: A draft resource consent proposal was presented to the consent authorities in June 2009. The construction date is unknown and will depend on when the resource consent process is completed.

The resource consent application for the Edgecumbe/Rangitaiki Plain Flood Mitigation has been lodged and it will be granted in 2009/10. Physical works will commence as soon as possible after the receipt of resource consent.



## Review of the Disaster Mitigation Funding Policy

The Council received submissions about the application of the Disaster Mitigation Funding Policy to Matata. As a result of these submissions, the Council agreed to review this policy for inclusion in the 2010/11 Annual Plan.

## The Whakatane Aquatic Centre

The \$3.94m Aquatic Centre Repair Project is a response to design faults in the building structure.

The major problem is the lack of effective vapour barrier, which means surface water and condensation gets into the roof and ceiling. Therefore the durability of the roof structure is significantly compromised, there is a mould hazard and energy costs are greatly increased.

It is believed that the problems are mainly due to errors in design. Whakatane District Council began an arbitration process with the architect in 2006. The arbitration process was put on hold to allow the Council to complete the design of the repairs works and establish likely costs. The design is now complete and the project estimate is known. After consultation with key stakeholders the Council intends to undertake the repair work in March 2010 and seek recovery of the costs through the arbitration process.

This repair project requires installation of a continuous air and vapour barrier in the roof and walls. To do this, the roof, walls and windows need to be removed and many fixtures and fittings replaced including the insulation and air conditioning. Both the Whakatane District Aquatic Centre and gymnasium will need to be closed for six – seven months to enable repair work to be safely carried out.

The Council has met with key stakeholder groups and has held two open days where residents and users were invited to voice their views. The Council had initially planned to carry out repairs in 2009 however after discussions and consultation with community groups, the

date has been moved out to the first quarter of 2010 after major sporting events. The Aquatic Centre will close from March 2010.

## Technology and the Challenge it Poses

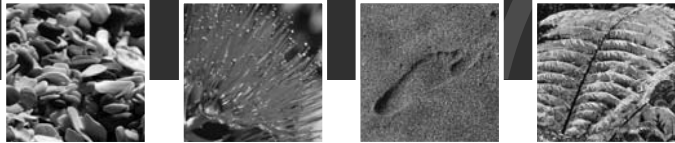
The Council has identified significant challenges in updating and upgrading its information systems software, technology and skill base to meet increased demands for more effective and efficient service delivery. In July 2008 the Council approved an updated Information Services Roadmap 2008, together with approval for an additional staff over the next two to three years to support an improvement programme.

An Information Services Strategic Plan was adopted in 25 March 2009. It has identified some key issues for the Council as it moves into its next 10 year planning period.

These include:

- Increasing demand for information services by the Council and the community, with growing expectations for internet-enabled services despite low broadband availability.
- Statutory requirements, e.g. compliance with the Public Records Act or Local Government Act-defined Service Levels, are increasingly difficult to meet without information services.
- The increasing need to integrate information and functionality across multiple sources to support core Council processes, maintain productivity and mitigate risk, e.g. asset management or customer services.
- Substantial on-going investment is required in information services, recognising that information services assets require asset management activities to maintain the capability and mitigate risk. Competing demands for limited investment funds and pressure to contain rates increases constrains the level of investment that can be

afforded for Information Services, which means that improvements will most likely be made over a longer time frame.



## SUMMARY OF MAJOR CAPITAL PROJECTS

The table below sets out the major capital projects planned over the period of this LTCCP. Some of these projects receive external funding. Further information on these projects is included in this Key Issues section and the Groups of Activities section of the LTCCP.

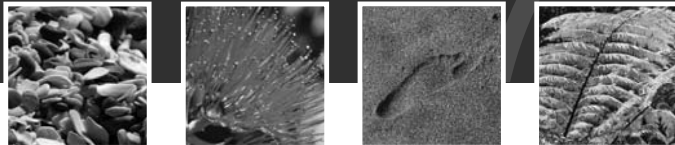
WHAT WE ARE GOING TO DO	START YEAR	END YEAR	TOTAL COST
Waitepuru Stream and debris hazard management (Matata)	2010	2010	carried over from 2008/09
Heritage collection, archives and research facility (includes subsidy funding)	2010	2010	3,250,000
Awatarariki Stream hazard management (Matata)	2010	2011	carried over from 2008/09
Water treatment plant alternative abstraction points (Whakatane)	2010	2011	1,500,000
Whakatane Aquatic Centre repair project	2010	2011	3,980,000
Gorge Road widening and cycleway improvements (design 2009/10 and construction 2010/11)	2010	2011	1,152,000
Construction of a organic waste composting plant	2010	2011	2,360,500
Review of the Whakatane District Plan	2010	2012	1,877,000
Wastewater treatment plant and reticulation construction (Matata)	2010	2012	8,967,350
Water mains renewals (Whakatane)	2010	2019	3,590,000
Wastewater reticulation upgrades to address problems with Edgecumbe wastewater	2011	2016	2,060,000
Wastewater treatment plant upgrade (Ohope)	2011	2017	2,050,000
Widening of Wainui Road to 10m seal width	2011	2019	3,123,000
Thornton Road curves realignment (Blueberry Corner) design 2011/12 and construction 2012/13	2012	2013	2,900,000
Widening of Thornton Road to 10m seal width	2012	2019	2,400,000



## KEY ISSUES



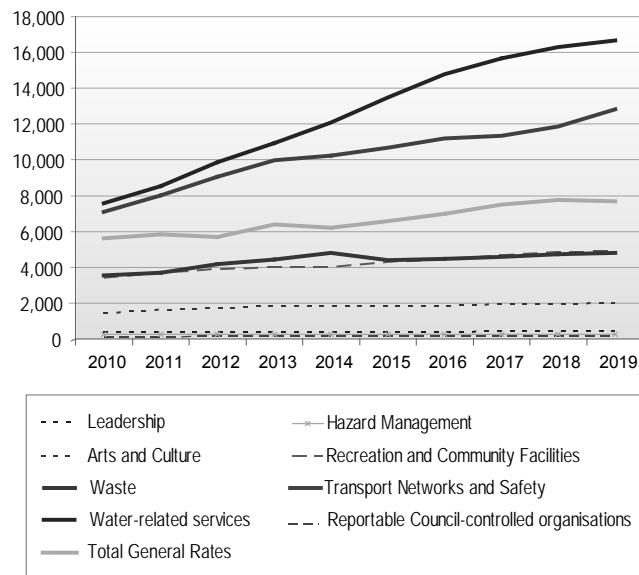
WHAT WE ARE GOING TO DO	START YEAR	END YEAR	TOTAL COST
Paul Road bore site and reticulation (Plains Water)	2013	2015	4,220,469
Development of a cultural environmental and tourism centre (Whakatane Centre)	2013	2015	10,725,222
Multi-sports events centre	2013	2015	6,500,000
Wainui Te Whara - Urban Channel Upgrade	2013	2016	1,661,212
Wastewater reticulation construction (Te Teko)	2013	2017	7,394,000
Transportation - Route security projects	2013	2019	6,720,000
Construction of a landfill (excluding resource consent costs)	2014	2014	7,800,000
Coastlands stage 3 reticulation upgrade (Whakatane)	2014	2015	1,880,000
Second bridge over the Whakatane River (provisional funding indication only - project feasibility still to be developed)	2015	2017	25,500,000
Develop improvements at the Port Ohope wharf in line with the Port Ohope Concept Plan	2015	2019	1,685,000
Installation of Ozone treatment or Biologically Activated Carbon treatment in Whakatane water treatment plant to address Cynabacteria issue (when need arises)	2017	2019	2,300,000



## FINANCIAL STRATEGY

Prior to 2006 the Council held rates increases below the true costs of providing the level of service. This has resulted in renewal and capital expenditure being deferred. In the LTCCP there is a significant increase in the total renewal expenditure (expenditure to restore an asset to its original or performance capability). As a result of this, over the next ten years there will be significant rate increases relating to the water related activities and transportation.

PROJECTED RATE REVENUE BY GROUP OF ACTIVITIES



## NATURAL DISASTERS

In recent years the Council has faced two significant natural disasters and the resulting mitigation works have depleted Council's accumulated funds. As a result Council will have to borrow more in the short term but is proposing to sell surplus assets which will reduce debt.

## RENEWAL EXPENDITURE

The Council completed a major review of its Asset Management Plans (AMPs) in 2008. These plans provide detail of major capital expenditure including renewal expenditure. From the Water Supply and Wastewater AMPs the Council identified significant renewal expenditure that is required now. To ensure that the existing ratepayers are not unfairly burdened with paying for the catch up and additional renewal expenditure in the early years of the plan, short term debt has been used. In later years increased rates will be required to pay for this renewal expenditure. The impact of this will smooth the rates increases. This will result in some activities having an accounting operating deficit in the first few years. However the requirements of section 100 of the Local Government Act 2002 which requires the Council to have an operating surplus has been complied with because other activities generate operating surpluses.

## DEPRECIATION

Depreciation is the allocation of the depreciable amount (the cost price<sup>1</sup> of an asset, less any residual value) of an asset over its useful life. The purpose of this is to match the cost of the asset against the revenues the asset is expected to generate, rather than providing for the replacement of the asset. In the local authority

<sup>1</sup> Or the revalued valuation – where the asset has been revalued. With the conversion to International Financial Reporting Standards most local authorities are now revaluing assets at least once every triennium.

context depreciation is especially important as it ensures that today's ratepayers pay their fair share of consumption of the assets. Depreciation is therefore a vital component of the process of setting rates and charges. The Council, when setting its revenue, has considered the depreciation expense against the future renewal requirements and in some activities has chosen not to fully fund the depreciation expense because the renewal expenditure in the next 25 years is less than depreciation expense. If Council was to use depreciation as the amount to match to revenues then significant cash surpluses will accumulate over the next 25 years. This is shown in the cost of service statements in the Groups of Activities Chapter.

**Water activities** – Debt has been used in the short term to fund renewal expenditure and this is repaid in later years by increased rates. Some water schemes have little renewal expenditure in the next 25 years therefore not all the depreciation is funded.

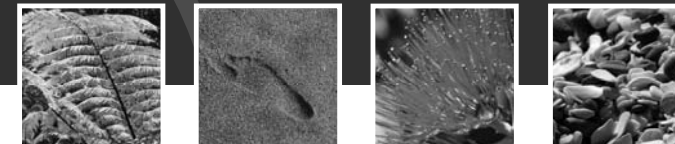
**Transportation** – Subsidies from New Zealand Transport Agency in the future will assist in paying for the renewal expenditure therefore that share will not be funded by Council.

## GROWTH

The Council is anticipating additional dwellings in the Whakatane and Ohope areas. The share of capital expenditure for growth is recovery by development contributions. Refer to the Council's Development Contributions Policy in Volume Two of this LTCCP for further information.

## LEVELS OF SERVICES

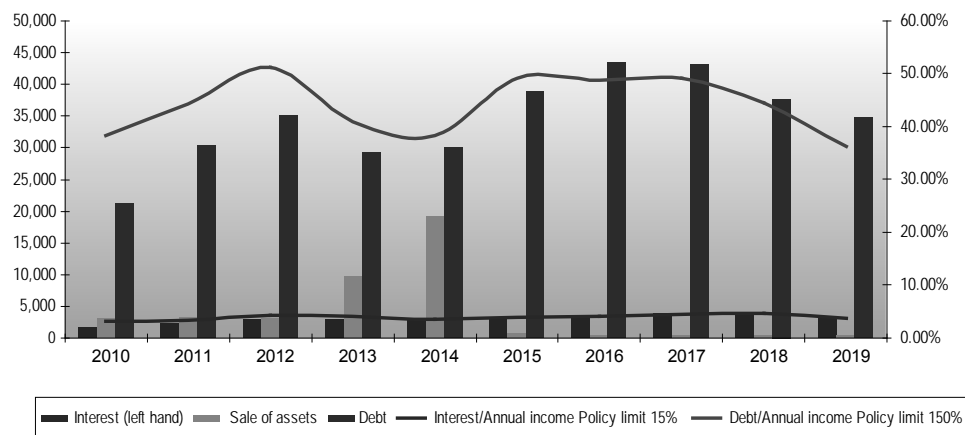
Where the Council has identified a capital cost that results in an increase in levels of service (i.e. new capital expenditure) then that is to be loan funded.



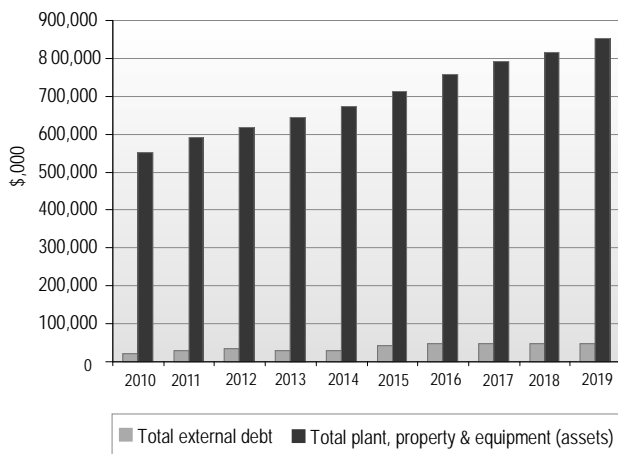
## PROJECTED FINANCIAL POSITION

While the Council has used debt to spread the funding of the increased levels of service, because of the sale of assets debt will not be an excess amount. This is shown in the graph below:

LEVEL OF DEBT, ASSET SALES AND DEBT TO ASSET POLICY COMPLIANCE



MOVEMENT IN ASSETS DEBT AND SALE OF ASSETS



## FUNDING AND FINANCIAL POLICIES

The Council's Revenue and Financing Policy included in Volume Two of this LTCCP sets out how the Council will recover costs for each activity. In summary the Council has adopted the following philosophy for the apportionment of funding:

- Where services and the users of those services can be clearly defined, the users should contribute towards the cost of providing those services in proportion to their level of use; and
- Where services are provided to particular parts of the District, the cost of those services should be met through rates charged to that part of the District the services are provided to; and
- Where the users or the level of use of services cannot easily be defined then everyone should pay the same.

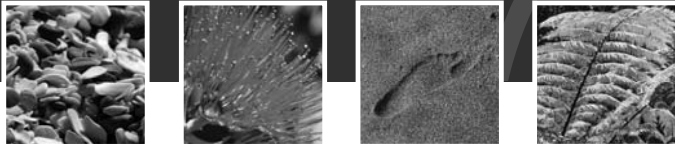
The Council is often restricted in recovering the costs of activities from the users because of the inability to identify the appropriate users or restrictions within legislation. When this occurs the Council uses the taxation principles and has applied capital value as a rating base.

As a result of the changes to the Revenue and Financing Policy the incidence of rating has moved from high value properties to lower value properties.

## INTERGENERATIONAL EQUITY

The Council has tried where possible to follow the principle "That all costs, direct operational, depreciation and interest should be paid for by the people who consume them, at the time they consume them".

Many of the activities and services provided by the Council are either network or community infrastructure

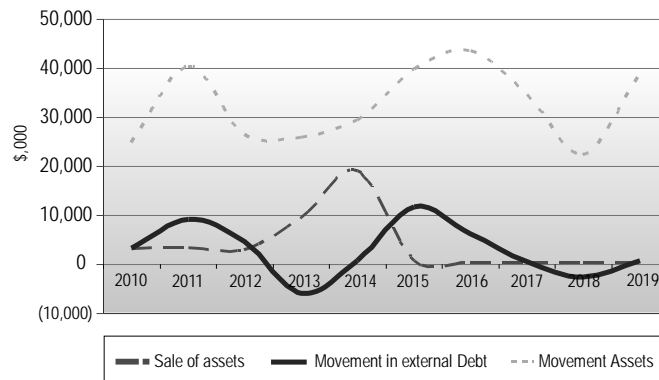


activities which have long service lives. Benefits from these activities and services can be expected to accrue over the entire life of the asset. Current ratepayers should not be expected to subsidise the benefits that future ratepayers receive. The main tool for ensuring intergenerational equity is the use of term debt, and then rating future ratepayers to service the debt.

### USE OF DEBT

The Council is using debt to spread the increased levels of service capital costs over the period that future ratepayers will benefit. As highlighted above the Council has increased its renewal expenditure. The Council recognised that the previous generation borrowed for the original expenditure, and repaid that debt, there are no accumulated cash surpluses available to fund the renewal expenditure. Therefore some of the deferred renewal works have short term borrowing against them. If the new borrowing was not to happen then the existing ratepayers would be expected to pay for that expenditure in one year. This clearly is not fair.

MOVEMENT IN ASSETS DEBT AND SALE OF ASSETS





## RATING INFORMATION

This section provides information about the Council's estimated income from rates and shows indicative rates for various properties in the District.

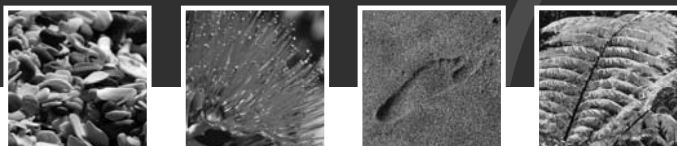
RATING INFORMATION AS AT 30 JUNE 2009		
	Rateable Capital Value (\$)	Number of Rateable Rating Units
Whakatane Urban	1,903,553,000	5,581
Whakatane Commercial	383,467,500	486
Edgecumbe	151,222,000	645
Matata	96,838,000	333
Murupara	54,986,000	777
Te Teko	36,928,000	277
Otarawairere	30,485,000	37
Ohope	1,130,375,000	1,824
Taneatua	29,155,000	278
Rural	3,328,858,300	5,070
District wide \$10m plus	460,792,000	14
<b>Total</b>	<b>7,606,659,800</b>	<b>15,322</b>

### NOTES

1. District wide \$10m plus excludes farming, forestry, horticultural properties which are included in each area above.

2. There are some property owners who own and use two or more rating units as a single property. Legislation requires the Council to treat these as a single rating unit for rating purposes.

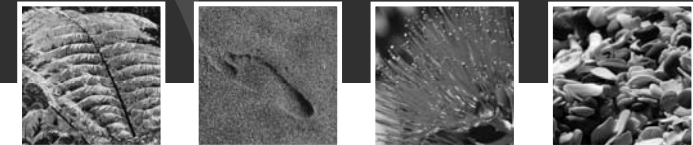
3. Properties are valued every three years. The properties in Whakatane were revalued in September 2007.



The following table sets out rates as adopted in 2008/09 through the Annual Plan. These are included for comparison purposes only.

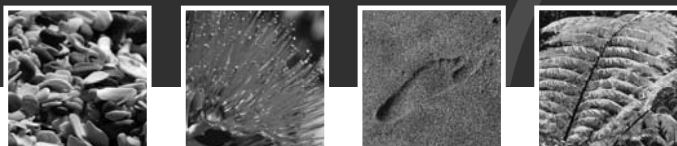
	Whakatane Urban Low	Whakatane Urban Average	Whakatane Urban high	Whakatane Commercial (less than \$10m) Low	Whakatane Commercial (less than \$10m) average	Whakatane Commercial (less than \$10m) High	Edgecumbe Average	Matata	Murupara Urban	Murupara Lifestyle	Te Teko	Otarawairere	Ohope average	Taneatua	Rural Low	Rural average	Rural high	District Wide - Commercial/Industrial \$10m Plus
<b>2008/2009</b>																		
<b>LAND VALUE</b>									8,189	185,000								
<b>CAPITAL VALUE</b>	125,000	338,779	1,675,000	360,000	794,361	5,200,000	227,526	287,751	62,968	237,375	129,755	831,528	612,084	96,621	73,000	659,570	2,600,000	16,845,152
General Rate CV	35.58	96.42	476.75	102.47	226.09	1,480.05	64.76	81.90	17.92	67.56	36.93	236.67	174.21	27.50	20.78	187.73	740.03	2,880.52
Uniform Annual General Charge	325.00	325.00	325.00	325.00	325.00	325.00	325.00	325.00	325.00	325.00	325.00	325.00	325.00	325.00	325.00	325.00	325.00	325.00
Roading rate	117.28	317.86	1,571.57	337.77	745.31	4,878.90	213.48	269.98	59.08	222.72	121.74	780.18	574.29	90.65	68.49	618.84	2,439.45	9,475.40
Roading UAC	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
District Wide Parks Rate	51.12	51.12	51.12	51.12	51.12	51.12	51.12	51.12	51.12	51.12	51.12	51.12	51.12	51.12	51.12	51.12	51.12	51.12
Community Boards	31.47	31.47	31.47	31.47	31.47	31.47	24.82	24.82	30.94	30.94	24.82	25.21	25.21	22.09	24.82	24.82	24.82	31.47
<b>WORKS AND FACILITIES RATES</b>																		
Uniform Annual Charge	25.00	25.00	25.00	25.00	25.00	25.00	50.00	50.00	150.00	150.00	50.00	100.00	100.00	150.00	50.00	50.00	50.00	25.00
Capital value	182.73	495.23	2,448.52	1,157.75	2,554.64	16,723.02	234.47	49.62	211.30	238.68	22.38	267.47	196.88	185.00	12.59	113.75	448.39	24,624.29
Promotion & Economic Development Rate				366.98	366.98	366.98												366.98
Refuse Removal Rate	149.96	149.96	149.96	105.71	105.71	105.71	149.96	149.96	149.96	105.71	149.96	149.96	149.96	149.96	105.71	105.71	105.71	105.71
Swimming Pool Rates										75.41					21.99	21.99	21.99	
District Wide D.M.	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22
Community D.M.	5.42	5.42	5.42	5.42	5.42	5.42	73.17	210.73				43.41	43.41					5.42
Otarawairere/Cliff/BrownWest End D.M.												557.45						
Water based on unmetered	371.75	371.75	371.75	371.75	371.75	371.75	262.62	456.05	146.91			279.07	279.07	310.00	109.58	109.58	109.58	371.75
Wastewater	171.59	171.59	171.59	171.59	514.77	1,029.54	422.46		140.06			253.11	253.11	312.55				2,059.08
<b>Total Rates</b>	<b>\$1,533.12</b>	<b>\$2,107.05</b>	<b>\$5,694.38</b>	<b>\$3,118.25</b>	<b>\$5,389.49</b>	<b>\$25,460.19</b>	<b>\$1,938.08</b>	<b>\$1,735.41</b>	<b>\$1,348.52</b>	<b>\$1,333.36</b>	<b>\$848.18</b>	<b>\$3,134.88</b>	<b>\$2,238.50</b>	<b>\$1,690.09</b>	<b>\$856.31</b>	<b>\$1,674.77</b>	<b>\$4,382.31</b>	<b>\$40,387.97</b>

# RATING INFORMATION



The following table shows the impact on the 2008/09 rates of the Council's rating policy changes.

	Whakatane Urban Low	Whakatane Urban Average	Whakatane Urban high	Whakatane Commercial (less than \$10m) Low	Whakatane Commercial (less than \$10m) average	Whakatane Commercial (less than \$10m) High	Edgcumbe Average	Matata	Murupara Urban	Murupara Lifestyle	Te Teko	Otarawairere	Ohope average	Taneatua	Rural Low	Rural average	Rural high	District Wide - Commercial/ Industrial \$10m Plus
<b>CHANGES BASED ON 2008/09</b>																		
<b>LAND VALUE</b>									8,189	185,000								
<b>CAPITAL VALUE</b>	125,000	338,779	1,675,000	360,000	794,361	5,200,000	227,526	287,751	62,968	237,375	129,755	831,528	612,084	96,621	73,000	659,570	2,600,000	16,845,152
General Rate CV	66.06	179.03	885.19	190.25	419.80	2,748.05	120.24	152.07	33.28	125.45	68.57	439.44	323.47	51.06	38.58	348.56	1,374.02	8,902.17
Capital value \$10 plus																		
Uniform Annual General Charge	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00
Roading rate	112.70	305.45	1,510.21	324.58	716.21	4,688.42	205.14	259.44	56.77	214.02	116.99	749.72	551.87	87.12	65.82	594.68	2,344.21	15,187.90
Capital value \$10 plus																		
Roading UAC	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
Community Boards	31.47	31.47	31.47	31.47	31.47	31.47	24.82	24.82	30.94	30.94	24.82	25.21	25.21	22.09	24.82	24.82	24.82	31.47
Stormwater UAC	45.83	45.83	45.83	45.83	45.83	45.83	28.77		10.92			13.49	13.49	12.75				45.83
Stormwater rate CV	43.34	117.47	580.78	274.61	605.95	3,966.62	55.98		30.79			53.78	39.59	37.48				12,849.69
Library	122.48	122.48	122.48	122.48	122.48	122.48	85.74	42.87	91.86	42.87	42.87	122.48	122.48	42.87	42.87	42.87	42.87	122.48
Swimming Pool Rates	71.53	71.53	71.53	71.53	71.53	71.53	35.77	35.77	75.88	37.94	35.77	71.53	71.53	35.77	35.77	35.77	35.77	71.53
District Wide Parks Rate	151.37	151.37	151.37	151.37	151.37	151.37	151.37	151.37	151.37	151.37	151.37	151.37	151.37	151.37	151.37	151.37	151.37	151.37
Promotion & Economic Development Rate				366.98	366.98	366.98												366.98
Refuse Removal Rate	193.12	193.12	193.12	148.87	148.87	148.87	193.12	193.12	193.12	148.87	193.12	193.12	193.12	193.12	148.87	148.87	148.87	148.87
District Wide D.M.	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22
Community D.M.	5.42	5.42	5.42	5.42	5.42	5.42	73.17	210.73				43.41	43.41					5.42
Water based on unmetered	371.75	371.75	371.75	371.75	371.75	371.75	262.62	456.05	146.91			279.07	279.07	310.00	130.00	130.00	130.00	371.75
Waste water	171.59	171.59	171.59	171.59	514.77	1,029.54	422.46		140.06			253.11	253.11	312.55				2,059.08
<b>TOTAL RATES</b>	<b>\$ 1,652.90</b>	<b>\$ 2,032.74</b>	<b>\$ 4,406.97</b>	<b>\$ 2,542.97</b>	<b>\$ 3,838.66</b>	<b>\$14,014.56</b>	<b>\$ 1,925.41</b>	<b>\$ 1,792.46</b>	<b>\$ 1,228.12</b>	<b>\$ 1,017.68</b>	<b>\$ 899.73</b>	<b>\$ 3,219.41</b>	<b>\$ 2,333.95</b>	<b>\$ 1,522.39</b>	<b>\$ 904.32</b>	<b>\$ 1,743.16</b>	<b>\$ 4,518.15</b>	<b>\$40,580.77</b>

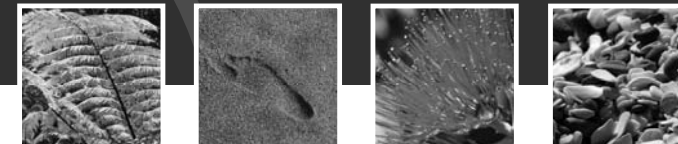


The following table shows the rates for 2009/10 including the impact of the Council's rating changes.

	Whakatane Urban Low	Whakatane Urban Average	Whakatane Urban high	Whakatane Commercial (less than \$10m) Low	Whakatane Commercial (less than \$10m) average	Whakatane Commercial (less than \$10m) High	Edgumbe Average	Matata	Murupara Urban	Murupara Lifestyle	Te Teko	Otarawairere	Ohope average	Taneatua	Rural Low	Rural average	Rural high	District Wide - Commercial/Industrial \$10m Plus
<b>2009/10</b>																		
<b>LAND VALUE</b>									-	-								
<b>CAPITAL VALUE</b>	<b>125,000</b>	<b>338,779</b>	<b>1,675,000</b>	<b>360,000</b>	<b>794,361</b>	<b>5,200,000</b>	<b>227,526</b>	<b>287,751</b>	<b>62,968</b>	<b>237,375</b>	<b>129,755</b>	<b>831,528</b>	<b>612,084</b>	<b>96,621</b>	<b>73,000</b>	<b>659,570</b>	<b>2,600,000</b>	<b>16,845,152</b>
General Rate CV	59.38	160.94	795.70	171.02	377.36	2,470.24	108.09	136.69	29.91	112.76	61.64	395.01	290.77	45.90	34.68	313.33	1,235.12	8,002.22
Uniform Annual General Charge	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00
Roading rate CV	118.29	320.60	1,585.11	340.68	751.73	4,920.95	215.32	272.31	59.59	224.64	122.79	786.90	579.24	91.44	69.08	624.17	2,460.47	15,941.17
Roading UAC	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
Community Boards	32.33	32.33	32.33	32.33	32.33	32.33	23.07	23.07	31.96	31.96	23.07	35.31	35.31	27.70	23.07	23.07	23.07	32.33
Stormwater UAC	41.98	41.98	41.98	41.98	41.98	41.98	37.49	15.92	27.01		11.32	13.12	13.12	7.55				41.98
Stormwater rate CV	31.99	86.69	428.60	202.66	447.18	2,927.29	71.17	46.26	26.61		56.92	51.98	38.26	20.05				9,482.83
Library	149.50	149.50	149.50	149.50	149.50	149.50	104.65	52.32	104.65	52.32	52.32	149.50	149.50	52.32	52.32	52.32	52.32	149.50
Swimming Pool Rates	76.62	76.62	76.62	76.62	76.62	76.62	38.31	38.31	75.88	37.94	38.31	76.62	76.62	38.31	38.31	38.31	38.31	76.62
District Wide Parks Rate	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84	202.84
Promotion & Economic Development Rates				363.91	525.18	2,160.87												6,484.41
Waste UAC	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00
Refuse Removal Rate	287.39	287.39	287.39	243.37	243.37	243.37	287.39	287.39	287.39	243.37	287.39	287.39	287.39	287.39	243.37	243.37	243.37	243.37
District Wide D.M.	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82
Community D.M.	6.77	6.77	6.77	6.77	6.77	6.77	109.75	274.59				43.41	43.41					6.77
Otarawairere/Cliff/BrownWest End D.M.												557.45						
Water based on unmetered	378.36	378.36	378.36	378.36	378.36	378.36	283.55	471.04	167.69			378.36	378.36	419.17	130.00	130.00	130.00	378.36
Waste Water	164.39	164.39	164.39	164.39	493.16	986.32	409.86		149.54			258.93	258.93	327.06				1,972.64
<b>TOTAL RATES</b>	<b>\$1,842.67</b>	<b>\$2,201.23</b>	<b>\$4,442.43</b>	<b>\$2,667.26</b>	<b>\$4,019.21</b>	<b>\$14,890.28</b>	<b>\$2,184.30</b>	<b>\$2,113.57</b>	<b>\$1,455.90</b>	<b>\$1,198.66</b>	<b>\$1,149.44</b>	<b>\$ 3,529.66</b>	<b>\$2,646.58</b>	<b>\$1,812.56</b>	<b>\$1,086.50</b>	<b>\$1,920.24</b>	<b>\$4,678.33</b>	<b>\$43,307.88</b>

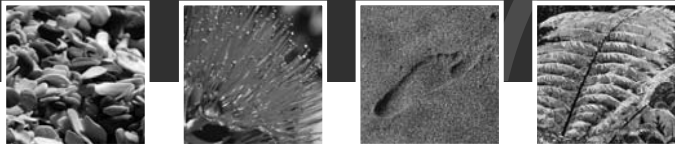


# RATING INFORMATION



The following table shows the changes in rates for 2008/09 between 2009/10.

	Whakatane Urban Low	Whakatane Urban Average	Whakatane Urban high	Whakatane Commercial (less than \$10m) Low	Whakatane Commercial (less than \$10m) average	Whakatane Commercial (less than \$10m) High	Edgecumbe Average	Matata	Murupara Urban	Murupara Lifestyle	Te Teko	Otarawairere	Ohope average	Taneatua	Rural Low	Rural average	Rural high	District Wide - Commercial/ Industrial \$10m Plus
Total rates 2008/09	1,533.12	2,107.05	5,694.38	3,118.25	5,389.49	25,460.19	1,938.08	1,735.41	1,348.52	1,333.36	848.18	3,134.88	2,238.50	1,690.09	856.31	1,674.77	4,382.31	40,387.97
Total rates 2008/09 policy change	1,652.90	2,032.74	4,406.97	2,542.97	3,838.66	14,014.56	1,925.41	1,792.46	1,228.12	1,017.68	899.73	3,219.41	2,333.95	1,522.39	904.32	1,743.16	4,518.15	40,580.77
Total rates 2009/10	1,842.67	2,201.23	4,442.43	2,667.26	4,019.21	14,890.28	2,184.30	2,113.57	1,455.90	1,198.66	1,149.44	3,529.66	2,646.58	1,812.56	1,086.50	1,920.24	4,678.33	43,307.88
Policy only Change \$	119.77	-74.31	-1,287.41	-575.29	-1,550.83	-11,445.63	-12.67	57.05	-120.40	-315.68	51.55	84.53	95.45	-167.70	48.01	68.40	135.84	192.80
Percentage Change	7.81%	-3.53%	-22.61%	-18.45%	-28.78%	-44.96%	-0.65%	3.29%	-8.93%	-23.68%	6.08%	2.70%	4.26%	-9.92%	5.61%	4.08%	3.10%	0.48%
Total Change 2008/09 to 2009/10 \$	309.54	94.18	-1,251.95	-451.00	-1,370.28	-10,569.92	246.22	378.16	107.38	-134.69	301.26	394.77	408.08	122.46	230.20	245.48	296.03	2,919.91
Percentage Change	20.19%	4.47%	-21.99%	-14.46%	-25.43%	-41.52%	12.70%	21.79%	7.96%	-10.10%	35.52%	12.59%	18.23%	7.25%	26.88%	14.66%	6.76%	7.23%

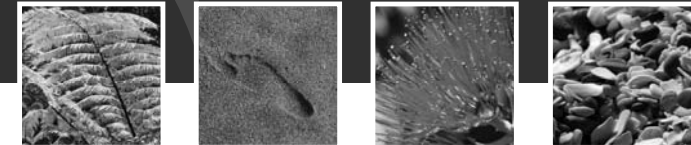


## INTRODUCTION

This section outlines the activities the Council provides, issues facing these activities, what the Council is planning for each activity over the period 2009-2019 and how this will be funded. Section Four Corporate Information provides details on internal support activities such as human resources or information technology.

Information on Council activities is presented in the following groups:

NAME OF THE GROUP OF ACTIVITIES:	THE GROUP INCLUDES INFORMATION ON THE FOLLOWING ACTIVITIES:
Leadership	Governance, Strategy and policy, Community support
Transport networks and safety	Transport networks, Parking enforcement, Road safety
Water-related services	Stormwater, Water, Wastewater, Trade waste
Waste	Waste reprocessing, Waste recycling, Waste disposal
Environmental sustainability	Resource management – consents, Resource management - Policy
Community safety	Licensing (liquor and gambling), Environmental Health, Regulation monitoring, Safer communities, Building, Animal control
Arts and culture	Library, Museum and Gallery
Community property	Pensioner housing, Halls, Commercial property
Recreation and community facilities	Parks and reserves, Cemeteries and crematorium, Public conveniences, Aquatic centres, Ports and harbour, Sports fields, Recreation
Hazard management	Emergency management, Disaster mitigation



## GUIDE TO THE LAYOUT AND CONTENT OF THE GROUPS OF ACTIVITIES SECTION

**LEADERSHIP**

**LEADERSHIP CONTRIBUTION TO COMMUNITY OUTCOMES**

**WHAT WE DO AND WHY**

**Governance**

**Community Support**

work to support the social and cultural well-being of the citizens of the District. It also includes civic ceremonies such as ANZAC Day.

**Strategy and Policy**

This activity delivers quality strategy and policy advice for elected members and staff to enable effective decision-making and long-term planning. The Council makes decisions and sets direction to promote the social, cultural, environmental and economic wellbeing of the District's communities, and contribute to the good governance of these communities. Making good decisions and effectively setting direction requires a framework to provide long-term stability and consistency of approach. This activity also includes developing and reviewing strategic and accountability mechanisms as required under the Local Government Act 2002, such as the Long Term Council Community Plan and the Annual Plan.

**RELEVANT ISSUES**

- Representation – the Council has started the process to review its governance arrangements as required under the Local Electoral Act (LEA) 2001. The 2009 representation review will consider the number of elected members and the method by which they are elected in 2015. When a separate consultation process will take place for the representation review the Council has signalled the following for preliminary consultation through the Draft LTCCP:
  - The number of Councillors be reduced to eight, elected from a two ward system (two Councillors elected from each ward)
  - The boundaries and the names of those wards are proposed to be:
- Whakatane Urban – consisting of the Whakatane – Oropi Ward
- Whakatane Rural – consisting of the Turakina – Haurua, Okaiawa – Maripuru and Edgemoor – Turakau Wards

All five Community Boards be abolished and representation be by the way of regional associations or similar organisations, funded by a fund from the Council.

The proposed governance structure outlined above is expected to result in cost savings (in the vicinity of \$500,000), a better level of decision-making, higher levels of Councillors and accountable relations in population, all leading to better outcomes for the community.

- Participation – enabling participation in decision-making to be an ongoing challenge for all councils in New Zealand. The Council's 2008 Resident's Survey indicated that the Council needs to look at ways of improving the community's ability to input into decision-making (with a score of 55.5 "Needs Significant Improvement"). Copies of the 2008 Resident's Survey are available from the Council's website at [www.whakatane.govt.nz](http://www.whakatane.govt.nz).
- Openness – also growing for information to be promoted electronically.
- Community funding – the Council has a number of community funding mechanisms, from direct funding support to provision of subsidised leisure. Currently there is a lack of integration between these mechanisms and effectively serving different applications is difficult. In addition as the Council seeks to keep rates at an affordable level

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**LEADERSHIP**

**WHO WE WORK WITH**

**ADDRESSING ISSUES**

It will increasingly struggle to make discretionary funding available. Accordingly, the Council is aware of challenges facing community groups such as a declining volunteer base and reduced central government funding for community activities.

**Mitigation framework** – while the Council does adhere to the provisions of the Local Government Act 2002, it also has a need to develop a robust policy framework that ensures that the decisions made by Council comply with relevant policies and legislation.

**Monitoring and reporting** – the Council has a number of performance measures and levels of service set out in this document and in its Asset Management Plans. Each area of the Council has monitoring mechanisms, however there is a need for an integrated framework to manage the monitoring, reporting and improvement of non-financial performance measures and levels of service across the Council.

**Comments on the proposed governance structure** set out under "Relevant Issues" above are welcomed through this Draft LTCCP. However representation and participation issues will be addressed through the Representation Review, as well as through continued improvements to the Council's communication mechanisms, especially with regard to its website. All agendas and minutes are made publicly available and Council meetings are open to the public.

The Council will continue to encourage participation in decision-making processes and provide sufficient resources to deal with increased participation. This involves providing the community with opportunities to take part in decision-making as well as providing staff and systems to effectively manage increased expectations of improved levels of consultation.

The Council has recently developed and consulted on a Community Funding Policy. This policy provides increased transparency around community funding mechanisms and makes some major changes to the funding regime, with the phasing out of subsidised leisure. While there will be some uncertainty for community groups through the transition period, this policy will ensure fair and equitable access to the Council's discretionary funding. The need to provide funding will need to be balanced with the affordability of providing funding mechanisms.

To support good decision-making and governance, the Council is working on strategic and policy frameworks that will ensure consistency of direction and adherence to policy and legislative requirements. In addition the Council will start work on a Sustainability Framework to ensure that it is able to effectively and efficiently continue to deliver the services required by the community in an affordable and sustainable manner.

In 2011 the Council will work with other local authorities in the Bay of Plenty to review Community Outcomes. This will be an important process in valuing the resources owned by the community and reviewing the District's approach to working towards those outcomes.

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**LEADERSHIP**

**MITIGATING SIGNIFICANT NEGATIVE EFFECTS TO ENSURE SUSTAINABILITY**

SIGNIFICANT NEGATIVE EFFECT	SUSTAINABLE SOLUTION				
	CULTURAL	SOCIAL	ECONOMIC	ENVIRONMENTAL	
Unsustainability in levels of representation across the District	✓	✓	✓	✓	Provision of community involvement in the representation review as well as an explicit consideration of non-geographical influences on effective representation such as the ability of citizens to participate
Community disengagement from the decision-making processes of Council	✓	✓	✓	✓	Maximised opportunities for participation in decision-making through provision of information and improved accessibility of Council governance processes
Lack of adequate community input mechanisms	✓	✓	✓	✓	Integrated management of community building mechanisms combined with effective advisory on behalf of the community at central government level
Lack of opportunities resulting from poor decision-making	✓	✓	✓	✓	Development of strategic and policy frameworks to support provision of advice based on robust information and analysis

This is the tables above include when wellbeing areas may be negatively affected.

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### Contribution to community outcomes

The activities undertaken by the Council contribute towards the achievement of the nine community outcomes of the Whakatane District. The community outcomes listed are contributed by this Group of Activities.

### What we do and why

This describes the activities provided to the community and why they are provided.

### Relevant issues

This section details the main issues faced by the activities in the group, including information on how population trends and any legislation alterations are likely to impact on the activities.

### Addressing issues

In many instances the Council has work underway at the time of preparing this LTCCP to address the issues facing an activity. Where a project is already underway to address these issues, the project is described in this section.

### Who we work with

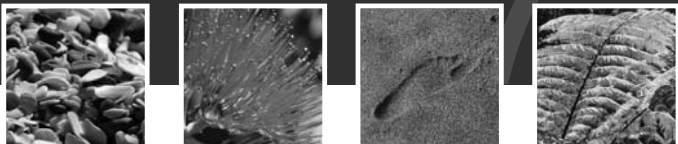
The partnerships that have been developed, and those that will be developed, to provide any of the activities are outlined.

### Mitigating significant negative effects to ensure sustainability

Any significant negative effects from providing the activity are listed along with strategies to mitigate the negative effects and ensure sustainability. Ticks in the columns in these tables indicate the wellbeing areas that maybe negatively affected.

### What we own

Provides information on the assets the Council owns in relation to the group of activities, and how those assets are managed.



LEADERSHIP		MEASURING OUR PERFORMANCE				
COMMUNITY OUTCOME	ACTIVITY STRATEGIC OBJECTIVE (LEVEL OF SERVICE)	MEASURE	CURRENT PERFORMANCE	PROPOSED TARGET		
			YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
Strong transparent and open leadership	The Council makes decisions in an open and transparent manner.	Meetings are publicly notified and agendas of the Council, its committees and community boards are available.	100% of meetings notified and agendas available.	100%	100%	100%
Strong transparent and open leadership	Mayor have the capacity and the opportunity to contribute to Council decision making.	Number of no quorum Committee meetings held per year.	Eight meetings per year.	Eight meetings per year.	Eight meetings per year.	Eight meetings per year.
Strong transparent and open leadership	Electoral and representation matters are conducted in accordance with the Local Electoral Act 2001 and participation in knowledge.	Minor contribution with the representative Council provides for community involvement in decision making.	2009 CIP score 58.4 (needs significant improvement).	CIP score 59.4 or higher (needs significant improvement).	CIP score 59.4 or higher (needs significant improvement).	CIP score 59.4 or higher (needs significant improvement).

LEADERSHIP		WHAT WE ARE GOING TO DO										
DESCRIPTION	START YEAR	END YEAR	DELEGATION	LCMS	DEVELOPMENT CONTRIBUTION	SUBSIDIES	OTHER RESERVE	RES & CHARGES	GENERAL RATE	TARGETED RATE	TOTAL COST (\$)	
Net Labour Committee discretionary fund (\$15,000 per)	2010	2010									15,000	
Annual Grants 2010/2011 per unit and includes the cost of a road reserve in community groups	2010	2010									1,310,000	
Hydrex enhanced Network	2010	2010									7,000	
Review of the and Public Health System	2010	2010									14,000	
Developed public plans going	2010	2010									Internal cost	
Decision-making framework	2010	2010									8,000	
Policy framework	2010	2010									5,000	
Leadership framework	2010	2010									20,000	
Community framework	2010	2010									8,000	
Community framework	2010	2010									8,000 for each network	
Representation Review	2010	2010									16,000	
Electoral 2011, 2014, and 2017	2010	2010									60,000	
Review of the Electoral Policy	2011	2011									Internal cost	
Community referendum review	2011	2011									16,000	
Community referendum spending	2010	2010									8,000	
Media and program on LTCCP (2011/12, 2014/15, and 2016/17)	2010	2010									50,000 (per year)	

LEADERSHIP		SUMMARY OF COST OF SERVICES										
GENERAL PLAN 2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010	
(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	
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Measuring our performance

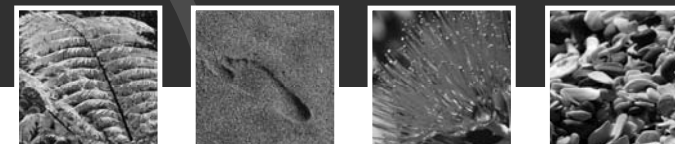
Outlines the service the Council aims to provide the community and information on how the Council intends to measure whether these services are provided. Measures include both perception and factual measures. Perception measures are based on a survey undertaken in November 2008. Copies of the perception survey are available on the Council website: [www.whakatane.govt.nz](http://www.whakatane.govt.nz).

What we are going to do

Major work/projects the Council is planning over the term of the plan are summarised in this section. Note this section only includes high profile/major projects rather than all projects that the Council is planning.

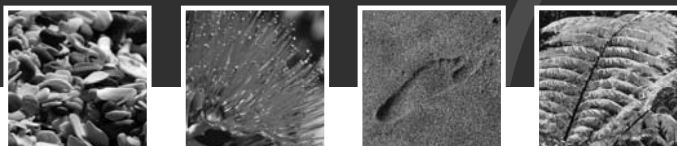
Summary of cost of services

This sets out the budgeted cost for Council activities over the term of the LTCCP. An explanation of the categories used in these statements is included on the following page.



## EXPLANATION OF CATEGORIES IN SUMMARY OF ESTIMATED EXPENSES

CATEGORY	EXPLANATION
<b>EXPENDITURE</b>	
Depreciation	The wearing-out, consumption, or loss of value of an asset over its useful life e.g. motor vehicles.
Interest paid	Interest on funds borrowed.
Operations	The day to day cost of running this activity e.g. salaries and wages, materials and services, overheads and any overheads recoveries.
Total Expenditure	Total costs of activity excluding capital expenditure.
<b>REVENUE</b>	
Development Contributions	Money paid by developers towards providing assets or extending existing assets to cater for increased demand due to growth e.g extending sewerage systems.
User Fees and Charges	Includes admission charges for Council facilities, parking fines and regulatory fees e.g. permits, dog registration.
General Rates	Income from general rates charged on the capital value of all properties within the District and the Uniform Annual General Charge (UAGC).
Interest Income	Interest earned on funds invested.
Sundry Income	Miscellaneous income from other sources generally not of a significant nature e.g. local authority petrol tax.
Subsidies and Grants	Money received from other organisation that contributes to the cost of the service.
Targeted Rates	Rates where the benefit or use of a service can be assigned to specific households or communities, such as water supply or disaster mitigation.
Total Revenue	Total revenue for this activity.
<b>NET COST (SURPLUS) OF OPERATIONS</b>	Total expenditure less total revenue.
Capex	Capital Expenditure creating a completely new asset or extending or renewing an existing asset to provide the same or greater service than it currently provides e.g. extending a sewer pipe to increase capacity.
Loan Repayments	Repaying of loans raised for capital expenditure.
Payments to Reserves	Transferring money into a Reserve account held for special purpose. This includes transfers from Development Contribution revenue to Development Contribution Reserves.
Depreciation not funded	The portion of depreciation that the Council does not intend to fund from revenue.
<b>TOTAL SERVICE FUNDING</b>	Net cost of operations plus Capex, loan repayments and payments to reserves.
<b>FUNDED BY</b>	
Depreciation Reserve	Using funds from depreciation reserves.
Development Contribution Reserve	Using funds from Development Contribution Reserves to provide new assets or extension of existing assets to cater for increased demand due to growth.
Loans Raised	Borrowing money to pay for new assets, parts of assets, or to fund temporary deficits.
Operational Reserve	Using funds from operational reserves to provide an asset or to assist with maintaining existing assets or services e.g. using reserve funds to pay for capital expenditure or operational projects.
Sales of Assets	Revenue to be raised from the sale of assets belonging to this activity.
<b>TOTAL FUNDING APPLIED</b>	The balance of funds required to operate this activity.
<b>CAPITAL EXPENDITURE</b>	This shows how the capital expenditure is split to fund level of service improvements, versus population growth and/or renewal works.

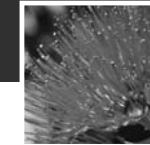


**LINK OF COUNCIL ACTIVITIES TO COMMUNITY**

The following table sets out how the Council’s activities relate to community outcomes for the Whakatane District. This Group of Activities section provides details on key projects that the Council intends to complete to further the community outcomes.

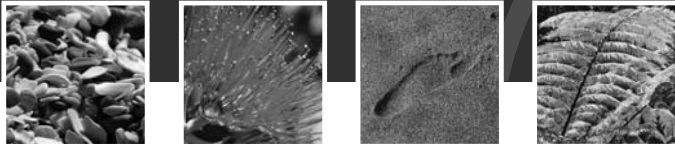
COUNCIL ACTIVITIES	COMMUNITY OUTCOMES WHICH THESE ACTIVITIES PRIMARILY RELATE								
	CLEAN PROTECTED ENVIRONMENT	ENVIRONMENTALLY RESPONSIBLE DEVELOPMENT	PROSPEROUS ECONOMY	HIGH-QUALITY AFFORDABLE INFRASTRUCTURE	STRONG, TRANSPARENT AND OPEN LEADERSHIP	EDUCATION AND TRAINING OPPORTUNITIES FOR ALL	SAFE CARING COMMUNITY	HEALTHY PEOPLE AND QUALITY HOUSING	DIVERSE, CREATIVE AND ACTIVE COMMUNITIES
<b>Leadership</b>					✓				
Governance					✓				
Community Support					✓				
Strategy and Policy					✓				
<b>Transport Networks and Safety</b>				✓					
Transport Networks			✓	✓					
Road Safety				✓			✓		
Parking Enforcement			✓	✓					
<b>Water-related Services</b>	✓			✓					
Stormwater	✓			✓					
Water	✓			✓					
Wastewater	✓			✓					
Trade Waste	✓			✓					
<b>Waste</b>	✓			✓					
Waste Reprocessing	✓			✓					
Waste Disposal	✓			✓					
Waste Recycling	✓			✓					
<b>Environmental Sustainability</b>	✓	✓	✓						
Resource management - Consents		✓	✓						
Resource management – Policy	✓	✓	✓						
<b>Community Safety</b>							✓	✓	
Licensing (Liquor and gambling)							✓	✓	
Environmental Health	✓						✓	✓	
Regulation Monitoring	✓						✓		

# INTRODUCTION



## COMMUNITY OUTCOMES WHICH THESE ACTIVITIES PRIMARILY RELATE

COUNCIL ACTIVITIES	CLEAN PROTECTED ENVIRONMENT	ENVIRONMENTALLY RESPONSIBLE DEVELOPMENT	PROSPEROUS ECONOMY	HIGH-QUALITY AFFORDABLE INFRASTRUCTURE	STRONG, TRANSPARENT AND OPEN LEADERSHIP	EDUCATION AND TRAINING OPPORTUNITIES FOR ALL	SAFE CARING COMMUNITY	HEALTHY PEOPLE AND QUALITY HOUSING	DIVERSE, CREATIVE AND ACTIVE COMMUNITIES
Safer Communities							✓		
Building							✓	✓	
Animal Control							✓		
<b>Arts and Culture</b>						✓			✓
Library						✓			✓
Museum and Gallery						✓			✓
<b>Community Property</b>			✓					✓	✓
Pensioner Housing								✓	✓
Halls								✓	✓
Commercial Property			✓						✓
<b>Recreation &amp; Community Facilities</b>	✓	✓						✓	✓
Parks and Reserves	✓	✓							✓
Cemeteries and Crematorium	✓								
Public Conveniences	✓							✓	
Aquatic Centres								✓	✓
Ports and Harbour			✓	✓					✓
Sports Fields	✓	✓							✓
Recreation								✓	✓
<b>Hazard Management</b>				✓			✓		
Emergency Management							✓		
Disaster Mitigation				✓	✓		✓		
<b>Corporate Activities</b>					✓				
Human Resources					✓				
Communications					✓				
Finance					✓				
Customer Services					✓				
Corporate Information					✓				
Corporate Property					✓				



## LEADERSHIP

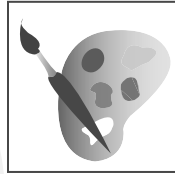
### CONTRIBUTION TO COMMUNITY OUTCOMES



STRONG,  
TRANSPARENT AND  
OPEN LEADERSHIP



SAFE CARING  
COMMUNITY



DIVERSE, CREATIVE AND  
ACTIVE COMMUNITY

### WHAT WE DO AND WHY

#### Governance

Governance of the Council is a key activity, supporting and guiding everything else that the Council does. The elected members of the Council provide direction to the Council, ensuring that it is able to offer value for money and prudent management contributing to community outcomes. The elected members are the community's representatives, making decisions on behalf of and in the interests of the community. The Council is required by the Local Government Act 2002 to be open, transparent and democratically accountable. This means the Council must conduct its business in public in a way that is easily understood and contributed to by the community.

#### Community Support

The Council provides community support by providing funding for community projects; recognising voluntary organisations' contributions to the community; supporting and encouraging interaction and exchange with other cultures and recognising elderly people's contribution to the District. This activity is a key part of the Council's

work to support the social and cultural well being of the citizens of this District. It also includes civic ceremonies such as ANZAC Day.

#### Strategy and Policy

This activity delivers quality strategy and policy advice for elected members and staff to enable effective decision making and long-term planning. The Council makes decisions and sets direction to promote the social, cultural, environmental and economic wellbeing of the District's communities, and contribute to the good governance of these communities. Making good decisions and effectively setting direction requires a framework to provide long-term stability and consistency of approach. This activity also includes developing and consulting on planning and accountability mechanisms as required under the Local Government Act 2002, such as the LTCCP and the Annual Plan.

#### RELEVANT ISSUES

- **Representation** – the Council is required by the Local Electoral Act 2001 to review its governance arrangements and will complete its review by September 2009. Although the timing is similar, the process is a separate one to the special consultation process required for the adoption of the LTCCP.

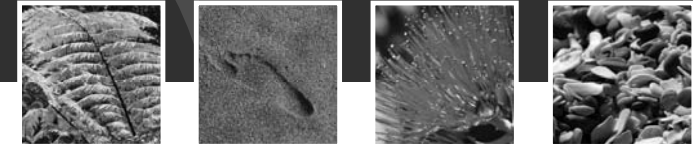
The Council has based the LTCCP budgets on the current representation model including 10 Councillors and five Community Boards. This budget will be in place until the results of the representation review are known.

- **Participation** – enabling participation in decision making is an ongoing challenge for all councils in New Zealand. The Council's 2008 Resident's Survey indicated that the Council needs to look

at ways of improving the community's ability to input into decision making (with a score of 58.5 – "Needs Significant Improvement"). Copies of the 2008 Resident's Survey are available from the Council's website at [www.whakatane.govt.nz](http://www.whakatane.govt.nz). Demand is also growing for information to be provided electronically.

- **Community funding** – the Council has a number of community funding mechanisms, from direct funding support to provision of subsidised leases. Currently there is a lack of integration between these mechanisms and effectively ranking different applications is difficult. In addition as the Council seeks to keep rates at an affordable level it will increasingly struggle to make discretionary funding available. Alongside this, the Council is aware of challenges facing community groups such as a declining volunteer base and reduced central government funding for community activities.
- **Strategic framework** – while the Council does adhere to the provisions of the Local Government Act 2002, it also has a need to develop a robust policy framework that assures that the decisions made by Council comply with relevant policies and legislation.
- **Monitoring and reporting** – the Council has a number of performance measures and levels of service set out in this document and in its Asset Management Plans. Each area of the Council has monitoring mechanisms, however there is a need for an integrated framework to manage the monitoring, reporting and improvement of non-financial performance measures and levels of service across the Council.





## ADDRESSING ISSUES

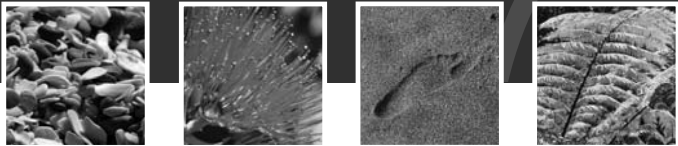
- Representation and participation issues will be addressed through the Representation Review, as well as through continued improvements to the Council's communication mechanisms, especially with regard to its website. All agendas and minutes are made publicly available and Council meetings are open to the public.
- The Council will continue to encourage participation in decision-making processes and provide sufficient resources to deal with increased participation. This involves providing the community with opportunities to take part in decision-making as well as providing staff and systems to effectively manage increased expectations of improved levels of consultation.
- The Council has recently developed and consulted on a Community Funding Policy. This policy provides increased transparency around community funding mechanisms and makes some major changes to the funding regime, with the phasing out of subsidised leases. While there will be some uncertainty for community groups through the transition period, this policy will ensure fair and equitable access to the Council's discretionary funding. The need to provide funding will need to be balanced with the affordability of providing funding mechanisms.
- To support good decision making and governance, the Council is working on strategic and policy frameworks that will ensure consistency of direction and adherence to policy and legislative requirements. In addition the Council will start work on a Sustainability

Framework to ensure that it is able to effectively and efficiently continue to deliver the services required by the community in an affordable and sustainable manner.

- In 2010/11 the Council will work with other local authorities in the Bay of Plenty to review Community Outcomes. This will be an important process in updating the outcomes desired by the community and reviewing the District's approach to working towards those outcomes.
- As part of the review of levels of service in the context of rates affordability, the Council proposed to discontinue the Young Achievers Awards in the draft LTCCP. However the Council has now received sponsorship for these awards which will see them continue.

## WHO WE WORK WITH

- Neighbouring district councils and Environment Bay of Plenty
- Central Government departments
- Community and sporting groups and organisations
- Iwi organisations



**MITIGATING SIGNIFICANT NEGATIVE EFFECTS TO ENSURE SUSTAINABILITY**

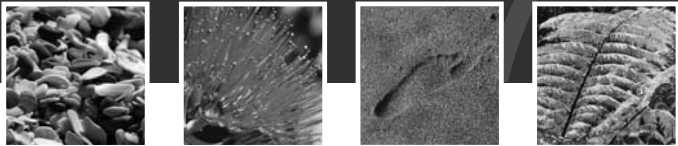
SIGNIFICANT NEGATIVE EFFECT	CULTURAL	SOCIAL	ECONOMIC	ENVIRONMENTAL	SUSTAINABLE SOLUTION
Inconsistency in levels of representation across the District.	✓	✓	✓	✓	Promotion of community involvement in the representation review as well as explicit consideration of non-geographical influences on effective representation such as the ability of Māori to participate.
Community disengagement from the decision making processes of Council.	✓	✓	✓	✓	Maximise opportunities for participation in decision making through provision of information and improved accessibility of Council governance processes.
Lack of adequate community support mechanisms.	✓	✓	✓		Integrated management of community funding mechanisms combined with effective advocacy on behalf of the community at central government level.
Loss of opportunities resulting from poor decision making.	✓	✓	✓	✓	Development of strategic and policy frameworks to support provision of advice based on robust information and analysis.

Ticks in the columns above indicate which wellbeing area may be negatively affected.

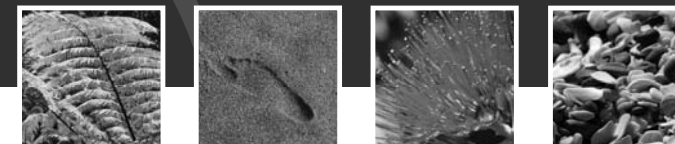


MEASURING OUR PERFORMANCE

COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET			
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
Strong transparent and open leadership	The Council makes decisions in an open and transparent manner.	Meetings are publicly notified and agendas of the Council, its committees and community boards are available.	100% of meetings notified and agendas made available.	100%	100%	100%	100%
		Satisfaction with the opportunities Council provides for community involvement in decision making.	2008 Customer Satisfaction Index (CSI) score 58.5  (Needs significant improvement).	CSI score 58.5 or higher  (Needs significant improvement).	CSI score 58.5 or higher  (Needs significant improvement).	CSI score 58.5 or higher  (Needs significant improvement).	CSI score progressively increasing to 68 or higher by 2019.  (Good service, but with potential for improvement).
Strong transparent and open leadership	Māori have the capacity and the opportunity to contribute to Council decision making.	Number of Iwi Liaison Committee meetings held per year.	Eight meetings per year.	Eight meetings per year.	Eight meetings per year.	Eight meetings per year.	Eight meetings per year.
		Māori satisfaction with the opportunities Council provides for community involvement in decision making.	2008 CSI score 58.4  (Needs significant improvement).	CSI score 58.4 or higher  (Needs significant improvement).	CSI score 58.4 or higher  (Needs significant improvement).	CSI score 58.4 or higher  (Needs significant improvement).	CSI score progressively increasing to 68 or higher by 2019.
Strong transparent and open leadership	Elections and representation reviews are conducted in accordance with the Local Electoral Act 2001 and participation is encouraged.	Compliance with the Local Electoral Act 2001 for triennial elections (in 2010, 2013, 2016) and representation reviews (in 2009 and 2015).	2007 elections conducted in accordance with Local Electoral Act.	Representation review and any by-elections conducted in accordance with Local Electoral Act.	2010 triennial elections conducted in accordance with Local Electoral Act.	Any by-elections conducted in accordance with Local Electoral Act.	Triennial elections, by-elections and representation reviews conducted in accordance with Local Electoral Act.



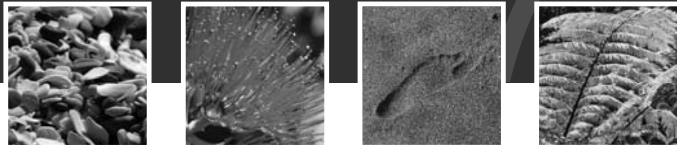
COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET			
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
Strong transparent and open leadership  Safe caring community	Community groups, voluntary organisations and landowners are supported in contributing to the social, environmental, cultural and economic wellbeing of the Whakatane District.	Availability and distribution of community funding in accordance with Council policy.	\$295,000 distributed in 2008/09 through:  Community Boards discretionary funds.  Iwi Liaison Committee discretionary fund.  Annual Grants.  Lease subsidies.	\$295,000 distributed through:  Community Boards discretionary funds.  Iwi Liaison Committee discretionary fund.  Annual Grants.  Multiple Year Funds  Lease subsidies.	\$305,000 distributed through:  Community Boards discretionary funds.  Iwi Liaison Committee discretionary fund.  Annual Grants.  Multiple Year Funds.  Lease subsidies.	\$305,000 distributed through:  Community Boards discretionary funds.  Iwi Liaison Committee discretionary fund.  Annual Grants.  Multiple Year Funds.  Lease subsidies.	\$340,000 distributed through: - Community Boards discretionary funds. - Iwi Liaison Committee discretionary fund. - Annual Grants. - Multiple Year Funds. - Preservation Incentive Fund.
Strong transparent and open leadership	The Council will develop and maintain strategies, policies and plans that support sustainable development and the needs of the community.	Perception that the Council makes good long term decisions.	2008 Customer Satisfaction Index (CSI) score 47.4  (Needs significant improvement).	CSI score 47.4 or higher  (Needs significant improvement).	CSI score 47.4 or higher  (Needs significant improvement).	CSI score 47.4 or higher  (Needs significant improvement).	CSI score progressively increasing to 68 or higher by 2019. (Good service, but with potential for improvement).
		Status of the Council's policy framework.	Stocktake of existing policies compiled by June 2009.	Policy framework drafted and review schedule completed.  A third of policies reviewed as per schedule.	Two thirds of policies reviewed as per schedule.	All policies reviewed as per schedule.	Ongoing maintenance of framework to ensure it is up-to-date.



## WHAT WE ARE GOING TO DO

DESCRIPTION	START YEAR	END YEAR	FUNDING (\$)								TOTAL COST (\$)	
			DEPRECIATION	LOANS	DEVELOPMENT CONTRIBUTIONS	SUBSIDIES	OTHER RESERVES	FEES & CHARGES	GENERAL RATES	TARGETED RATES		
Iwi Liaison Committee discretionary fund (\$10,000 pa)	2010	2019								100,000		100,000
Annual Grants (\$131,000 pa and includes the cost of in kind rebates to community groups)	2010	2019								1,310,000		1,310,000
Bylaws enforcement framework	2010	2010								7,000		7,000
Review of Fire and Public Health Bylaws	2010	2010								14,000		14,000
Smoke-free public places policy	2010	2010										Internal cost
Review of the Disaster Mitigation Funding Policy	2010	2010										Internal cost
Decision-making framework	2010	2010								8,000		8,000
Policy framework	2010	2010								5,000		5,000
Sustainability framework	2010	2012								20,000		20,000
Develop Annual Plans (intervening years between LTCCPs)	2010	2019								8,500		8,500 for each Annual Plan
Representation Review	2015	2016								15,000		15,000
Elections (2011, 2014, and 2017)	2010	2019				56,000				69,000		125,000 (every three years)
Review of the Alcohol Policy	2011	2011										Internal cost
Community outcomes review	2011	2011								10,000		10,000
Community outcomes reporting	2012	2012								8,000		8,000
Review and prepare an LTCCP (2011/12, 2014/15, and 2018/19)	2012	2019										50,000 (every three years)

Note: The figures in this table are not adjusted for inflation.

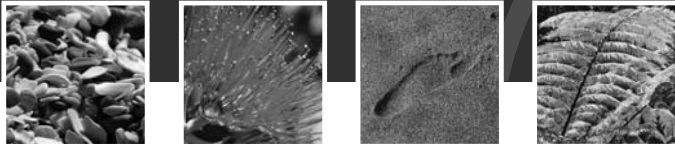


**SUMMARY OF COST OF SERVICES**

ANNUAL PLAN 2009 \$,000		FORECAST FOR THE YEARS ENDED 30TH JUNE									
		2010 \$,000	2011 \$,000	2012 \$,000	2013 \$,000	2014 \$,000	2015 \$,000	2016 \$,000	2017 \$,000	2018 \$,000	2019 \$,000
	<b>EXPENDITURE</b>										
125	Depreciation	0	0	0	0	0	0	0	0	0	0
44	Interest Paid	7	7	8	8	8	0	0	0	0	0
3,106	Operations	2,724	2,852	2,917	2,991	3,122	3,125	3,161	3,341	3,473	3,417
<b>3,274</b>	<b>Total Expenditure</b>	<b>2,731</b>	<b>2,860</b>	<b>2,925</b>	<b>2,999</b>	<b>3,130</b>	<b>3,125</b>	<b>3,161</b>	<b>3,341</b>	<b>3,473</b>	<b>3,417</b>
	<b>REVENUE</b>										
0	Development Contributions	0	0	0	0	0	0	0	0	0	0
1	User Fees & Charges	0	0	0	0	0	0	0	0	0	0
2,921	General Rates	2,345	2,403	2,531	2,582	2,615	2,690	2,700	2,806	3,008	2,932
0	Interest Income	0	0	0	0	0	0	0	0	0	0
2	Sundry Income	0	58	0	0	62	0	0	67	0	0
0	Subsidies & Grants	0	0	0	0	0	0	0	0	0	0
356	Targeted Rates	380	406	409	422	437	440	448	471	476	484
<b>3,280</b>	<b>Total Revenue</b>	<b>2,725</b>	<b>2,867</b>	<b>2,940</b>	<b>3,004</b>	<b>3,115</b>	<b>3,130</b>	<b>3,148</b>	<b>3,344</b>	<b>3,484</b>	<b>3,416</b>
<b>(6)</b>	<b>Net Cost (Surplus) of Operations</b>	<b>5</b>	<b>(8)</b>	<b>(15)</b>	<b>(5)</b>	<b>15</b>	<b>(5)</b>	<b>13</b>	<b>(2)</b>	<b>(11)</b>	<b>1</b>
(6)	Transfer from (surplus)/deficit	5	(8)	(15)	(5)	15	(5)	13	(2)	(11)	1
0	Capex *	0	0	0	0	0	0	0	0	0	0
6	Loan Repayments	6	6	6	6	105	0	0	0	0	0
0	Payments to Reserves	0	2	10	0	0	5	0	2	11	0
0	Less Depreciation not Funded	0	0	0	0	0	0	0	0	0	0
<b>0</b>	<b>Total Funding Requirement</b>	<b>11</b>	<b>(0)</b>	<b>(0)</b>	<b>1</b>	<b>120</b>	<b>0</b>	<b>13</b>	<b>0</b>	<b>(0)</b>	<b>1</b>
	<b>FUNDED BY:</b>										
0	Depreciation Reserve	0	0	0	0	0	0	0	0	0	0
0	Development Contribution Reserve	0	0	0	0	0	0	0	0	0	0
0	Loans Raised	0	0	0	0	0	0	0	0	0	0
0	Operational Reserve	11	0	0	1	120	0	13	0	0	1
0	Sale of Assets	0	0	0	0	0	0	0	0	0	0
<b>0</b>	<b>Total Funding Applied</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>120</b>	<b>0</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>1</b>

For more information about the selection of revenue mechanisms for this activity see the Council's Revenue and Financing Policy in Volume two of this LTCCP.

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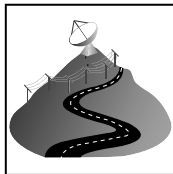


## TRANSPORT NETWORKS AND SAFETY

### CONTRIBUTION TO THE COMMUNITY OUTCOMES



SAFE CARING COMMUNITY



HIGH-QUALITY AFFORDABLE INFRASTRUCTURE



PROSPEROUS ECONOMY

### WHAT WE DO AND WHY

#### Transport Networks

The Council provides roading, airports, pedestrian and parking facilities and public transport infrastructure for the sustainable, safe, convenient, comfortable and cost effective movement of people and goods throughout the District, as well as to destinations outside the District. It benefits residents, businesses and the District as a whole. There are a number of legislative requirements that the Council needs to comply with in this activity including the Land Transport Management Act 2003, Local Government Acts 1974 and 2002 and the Resource Management Act 1991.

The transportation network mainly consists of roads, footpaths and car parking along with associated services such as street lighting, road markings, bridges and cycleways. The roading network consists of approximately 902 km of predominantly rural roads (82%). Over 76% of the network is sealed, which is well above the national average of 60%. Currently there are approximately 175 million vehicle kilometres travelled on the network each year with approximately 72% of this traffic being on the arterial and collector roads.

There are approximately 160km of footpaths in the District including public access ways. Most urban areas have footpaths on both sides of the street, although where topographical restraints exist or there is insufficient need these are only provided on one side. Street lighting is provided to increase the safety and convenience for both motorists and pedestrians and includes carriageway lighting (except rural state highways); amenity lighting (car parks, right-of-ways, footpaths and amenity areas) and under veranda or display lighting. The Council maintains over 2,300 street signs comprising a mix of regulatory and information signs.

The Council is responsible for the management of two airports in the District, the Whakatane Airport and Galatea Airstrip. Whakatane Airport has been established as a Council-Controlled Organisation in partnership with the Ministry of Transport. All commercial passenger services are currently provided by Air New Zealand. See the section entitled "Council Controlled Organisations" for more information about the Whakatane Airport. Galatea airstrip has little infrastructural development.

#### Road Safety

The Council is the lead agency in the Eastern Bay cluster (Whakatane, Kawerau and Opotiki District Councils) for road safety education, advertising and co-ordination. Police and the Accident Compensation Corporation (ACC) are key stakeholders along with local agencies who belong to the Road Safety Committee. The activities are provided in response to central government requirements identified in the Land Transport Amendment Act 2008, Government Policy Statement targets, and community aspirations. The cost of the road safety activity is spread across the three Eastern Bay of Plenty district councils and Environment Bay of Plenty.

ACC are key contributors financially in their identified target areas. Financial and in kind support is also received from business and local communities.

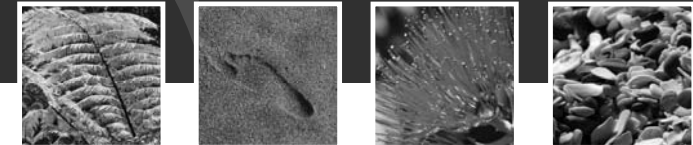


Road safety speed campaign

The main activity is the co-ordination of education programmes and advertising to address the causes of serious and fatal crashes in the Eastern Bay. There are key partners in the community such as the Probation Service and Community Drug and Alcohol Services that deliver ongoing projects. The Annual Road Safety Action Plan is brought into effect through the Eastern Bay of Plenty Road Safety Committee and employment of Road Safety/Sustainable Transport personnel.

An active transport function is planned under the Road Safety activity as a joint venture between Environment Bay of Plenty, Kawerau District Council, Opotiki District Council and Whakatane District Council. Community support by way of in kind and financial support is also key to effecting a comprehensive active transport program.





## Parking Enforcement

The Council provides parking enforcement services in response to community needs and aspirations for safety and convenience. The parking provisions are governed by the Traffic and Speed chapter of the Consolidated District Council Bylaw as well as relevant sections of the Land Transport Act 1998 and traffic regulations. Monitoring is focused on the central business districts of Whakatane and Kopeopeo. Enforcement activities are aimed at motorists overstaying their parking time but also include the issuing of infringement notices for expired warrants and registrations, damaged/smooth tyres and illegal parking within defined areas.

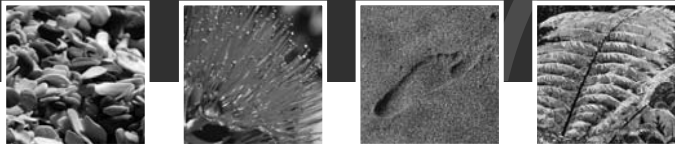


Parking warden issuing a notice

This activity supports safety on the road by identifying vehicles that do not comply with regulations around road worthiness. Associated processes include prosecutions and court appearances as well as responding to complaints. The Council is proactive in promoting Whakatane's parking regulations and promotes the message of responsible driver behaviour towards parking requirements. This service ensures a turnover of vehicles in key areas to manage traffic flow.

## RELEVANT ISSUES

- **Population growth and demand** – the trend of population growth in urban and coastal areas puts pressure on the Council's transport network assets in these areas. The key consequences of population growth on the Council's roading infrastructure include:
  - An increase in housing may require new roads (and associated assets) to be developed and vested to Council
  - Existing roads may need to be upgraded to service the shift toward urbanisation and the associated increased use of areas of the current network. This could involve realignments or the sealing of existing metal roads
  - Requirement to provide for additional commercial car parks and service lanes to accommodate growth in areas such as Whakatane, Piripai and Ohope. This will mean an increase in the assets vested in Council
  - Increase in associated operational and maintenance costs
  - Increase in costs to residents
  - Decrease standard of living (i.e. through delays in traffic, increased pollution etc)
  - The knock on effect of increased traffic volumes in these growth areas, generated by employees, delivery trucks or other vehicles associated with commercial and industrial business may increase the rate of deterioration of existing roads due to heavy commercial vehicles. This also applies to the primary industries in place particularly the harvesting of exotic forests
- Potential new routes may need to be investigated as existing routes become congested around the newly populated urban areas
- New infrastructure may be needed to provide improved links or establish new links between communities such as between Whakatane and Piripai, and Whakatane and Ohope
- An increase in pressure on the existing public transport services with the need to provide an improved level of service
- An increase in the demand for pedestrian and cyclist facilities throughout the District.
- **Climate change** – increases exposure to road closures and damage to the roading infrastructure.
- **Car parking** - car parking in Whakatane is under increasing pressure, with additional facilities required during the term of this LTCCP.
- **Alternative forms of transport** – there is increasing pressure on the Council, both through legislation and from the community, to facilitate alternative forms of transport such as walking and cycling. The Council has developed and is implementing the Walking and Cycling Strategy 2007.
- **Safety** - the Eastern Bay has long standing issues of repeat drink driving, inattentive driving, disregard for restraint wearing and general lack of driving to the conditions responsibly.



- **Affordability/levels of service** – transport networks is one of the Council's most expensive activities. A balance must be struck between extending and improving the network and ensuring that rates are kept at an affordable level. The Council is in a large catch up programme to ensure long term sustainability of assets. Projects that increase levels of service and would have been loan funded have been deferred until such time as high risk projects in other activities have been undertaken.

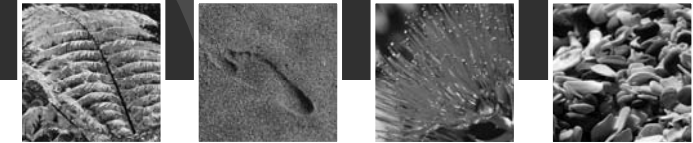
## ADDRESSING ISSUES

- The Council monitors the ongoing shift in population distribution so that it can better plan for infrastructure requirements moving forward. As the population centres develop and change within the District the Council has the opportunity to reassess the existing levels of service placed upon the existing network. The shift in population may necessitate an increase in the levels of services in some areas while allowing a decrease in others. Any changes in levels of service will be fully consulted on with the community.
- The Council ensures it is compliant with the relevant legislative requirements related to the transport activity. This includes managing environmental performance and governance through the implementation and continuous improvement of the roading asset management plan (AMP). External funding is sought and maximised. Forward planning is undertaken with external parties to identify future requirements for funding. Investigation and consultation with the community is done to identify needs, such as alternative transport or new routes that may

be eligible for funding. While the Council will seek to maximise funding available from central government, the willingness of the community to pay will always be taken into account with regard to future planning.

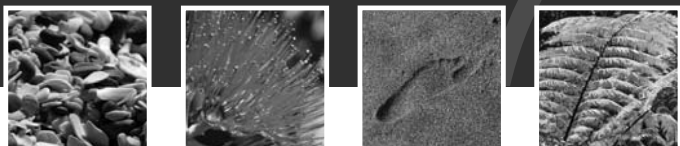
- Climate change and its related impacts must be factored in with regard determining infrastructure requirements. For example, the Council has included provision in the LTCCP for route security projects.
- In order to ensure parking facilities are available to meet the needs of the community the Council is currently actively managing available facilities (through enforcement activities) as well as planning for the development of a multi-story parking building.
- The use of alternative routes and bypasses is one way to mitigate traffic congestion in built up areas. The Council is developing a transportation network model which will support it in investigating, amongst other aspects, alternative routes for the District.
- Road safety is an integral part of Council's activities that revolves around all forms of transportation, from walking through to driving. In this context the Council will continue to enforce the three E's ('engineering', 'enforcement' and 'education') as part of its campaign to increase road safety and reduce the number of injuries and fatalities that occur on the network. Road Safety outcomes are achieved through the work of a road safety coordinator, and the Eastern Bay of Plenty Road Safety Committee, which was established 16 years ago to undertake practical road safety projects.

- The Active Transport Programme planned under the Road Safety activity is a joint venture between Environment Bay of Plenty, Kawerau District Council, Opotiki District Council and Whakatane District Council. This programme aims to promote alternative means of transport that will reduce road travel demand. Each Council will provide a similar funding framework to that already in place for road safety.
- The Council have adopted a policy whereby depreciation is funded to the extent that is needed to fund its share of renewals capital projects. As many roading projects attract subsidies, a substantial portion of depreciation is not required to be funded in this activity.
- To address affordability issues in the transport networks area:
  - Approximately \$3.2m worth of works and projects have been deferred to later years or excluded from the programme altogether. In many cases projects have been deferred for one year including seal extensions, sealed road re-surfacing, Matahi Valley Road realignment, Thornton Road pavement rehabilitation, Taneatua Road pavement rehabilitation, footpath renewals, Tarawera River access upgrade and Matata Lagoon causeway upgrade.
  - A number of projects have been have ongoing reduced budgets or be removed from the capital plan including general kerb and channel repairs, maintenance of Christmas lights and power undergrounding.



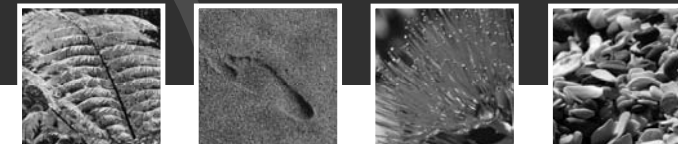
### WHO WE WILL WORK WITH

- New Zealand Transport Agency
- New Zealand Police
- New Zealand Fire Service and Emergency Services
- Neighbouring district councils and Environment Bay of Plenty
- Civil Aviation Authority
- Air New Zealand Link
- Whakatane Airport Users Group
- Galatea Aero Club
- Iwi organisations
- Utility companies – power (generation, transmission, distribution), communication, gas
- Environmental groups
- Central Government agencies
- Accident Compensation Commission
- Eastern Bay of Plenty Road Safety Committee
- Child Restraint Action Group
- Disabled Persons Assembly
- Eastbay Rural Education and Activities Programme (REAP)
- Schools
- Road safety instructors and providers
- Health promoters and institutions



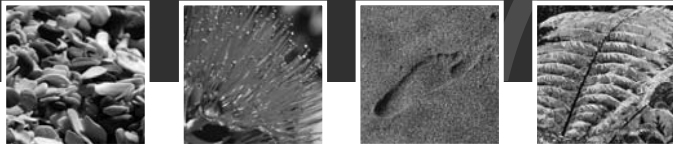
**MITIGATION OF SIGNIFICANT NEGATIVE EFFECTS TO ENSURE SUSTAINABILITY**

SIGNIFICANT NEGATIVE EFFECT	CULTURAL	SOCIAL	ECONOMIC	ENVIRONMENTAL	SUSTAINABLE SOLUTION
Changing weather patterns may result in extreme events causing damage to critical assets (weather bombs).	✓	✓	✓	✓	Liaise with central and regional government with regard to trends and any monitoring that is being undertaken and develop appropriate responses to changing trends. The Council is also planning route security projects during the term of this LTCCP.
Economically, the cost of desired infrastructure improvements may exceed the community's ability to pay.		✓	✓		Consult with the community on all costs and options for levels of service through the LTCCP process.
Transportation development may impinge on culturally significant lands.	✓	✓		✓	Track and record all the consultation procedures and results for each affected Māori /iwi organisation for all projects outside the existing road reserve.
Road and environment factors can contribute to crashes, particularly those that involve loss of control.	✓	✓	✓	✓	<p>New Zealand Transport Agency (NZTA) monitors and records through the Crash Analysis System (CAS) the % of accidents caused by loss of control.</p> <p>Undertake crash reduction studies. Liaise with the Eastern Bay of Plenty Road Safety Committee.</p> <p>Undertake route security projects.</p> <p>Maximise funding for minor safety works.</p>
The particular needs of cyclists and pedestrians and their conflicts with other forms of traffic.		✓			Implement the recommendations of the Walking and Cycling Strategy 2007.
The number of people killed or injured on roads each year.	✓	✓	✓		<p>NZTA monitors and records through the CAS % all road related deaths and injuries.</p> <p>Liaise with the Eastern Bay of Plenty Road Safety Committee.</p>



SIGNIFICANT NEGATIVE EFFECT	CULTURAL	SOCIAL	ECONOMIC	ENVIRONMENTAL	SUSTAINABLE SOLUTION
The quality of surface runoff from roads that discharges into adjacent coastal or other waters.	✓	✓	✓	✓	Compliance with resource consents and Council's engineering standards and guidelines. Environmental controls.
Dust nuisance.		✓		✓	Track and record complaints and comply with resource consent conditions during construction activities.
New roads or upgrades to existing roads may encourage vehicle use which may have environmental impacts.				✓	The Council and other agencies are investing in alternative modes of transport such as cycling, walking and public transport.
The impacts of forestry harvesting on local roads.		✓	✓		Monitor and report annually the deterioration of pavements effected by heavy forestry.
Potential impacts on customer satisfaction due to service failure / delays /responsiveness.		✓	✓		Monitor and report on levels of service and in service provider contracts. Seek to resolve customer complaints "close the loop".
Health and safety risks associated with the operation, maintenance, or construction of Transport infrastructure.		✓	✓		Ensure compliance with legislation and Health & Safety Management Plans. Maintain an incidents register.
Issuing of infringement notices and the burden of payment.		✓	✓		These have been adopted as a practical means to manage parking availability in commercial areas. Payment overtime is available to reduce financial burden.
Possible walking/cycling infrastructure-public transport cost increases – both for local government and citizens.			✓		Relevant information to decision makers with future possibilities being grounded in practical applications and best information around the impact on transport with less reliance on fossil fuel.

Ticks in the columns above indicate which wellbeing area may be negatively affected.



## WHAT WE OWN

The Council owns significant assets that contribute to the wellbeing of the community by providing safe and efficient transportation networks for vehicles, pedestrians, travellers and tourists. The asset base is worth more than \$284 million and requires annual maintenance and repair work to keep it in a safe and efficient working order.

ASSET	GROSS REPLACEMENT COST (AS AT 1 JULY 2008)
Drainage	\$18,389,894
Footpaths	\$12,855,202
Island (traffic controls)	\$4,229,843
Railings	\$774,451
Storm Water Channel	\$9,664,305
Signage	\$303,718
Bridges	\$36,342,555
Carparks	\$2,436,755
Street Lights	\$4,564,784
Carriageway	\$192,804,966
Whakatane Airport	\$2,081,713
<b>TOTAL</b>	<b>\$284,448,186</b>

The Council uses an Asset Management Plan and strategies to determine how the transport network will be operated and maintained on a day-to-day basis.

The Asset Management Plan sets out:

- The levels of service (at an operational level) which the Council aims to achieve.
- The assets and the strategies used to manage the assets.
- The lifecycle management plan used to provide the levels of service (covering maintenance, renewal and capital works).
- How changes to growth and demand are considered to ensure that future requirements are identified and planned for.

The Asset Management Plan will be reviewed every year with a major update every three years to align with the LTCCP process.

The Council has two key service provider relationships for Transport Networks:

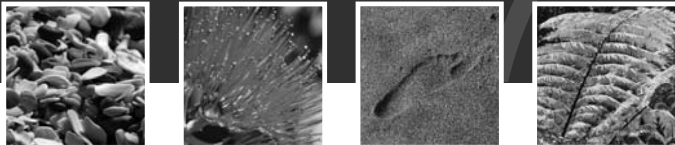
- Opus International Consultants provide the majority of the professional services. This contract includes: developing and updating work programmes, management of works contracts and reporting on road issues.
- Downer EDI Works LTD is the Council's Roading Maintenance Contractor responsible for the day-to-day maintenance of the road network and associated assets including routine and reactive maintenance.



## MEASURING OUR PERFORMANCE

COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET			
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
Prosperous economy	Provide a reliable, safe and maintained transport network.	Satisfaction with the surface of the roads being maintained (e.g. lack of potholes, cracks, bumps etc).	2008 Customer Service Index (CSI) score 64.1  (Fair: Needs improvement).	CSI score 65.4 or higher  (Fair: Needs improvement).	CSI score 66.7 or higher  (Fair: Needs improvement).	CSI score 68 or higher  (Good service but with potential for improvement).	CSI score progressively increasing to 73 or higher by 2019.  (Very good service).
		Percentage of customer service requests responded to appropriately and within timeframes in maintenance contract.	95%	95%	95%	95%	95%
		Percentage of road network compliant with New Zealand Transport Agency average road roughness limits.	95%	95%	95%	95%	95%
		Percentage of road crashes where the road is a contributing factor (5 year average).	14%	Less than 14%	Less than 12%	Less than 10%	Less than 10%
High-quality affordable infrastructure	Provide a quality roading network compliant with all statutory and regulatory requirements.	Compliance with transport related statutory and regulatory requirements according to NZTA procedural audits (3 yearly).	100% compliance	100% compliance	100% compliance	100% compliance	100% compliance
	Route security is maintained.	Percentage of emergency road closure incidents where access is restored within timeframes in maintenance contract.	100%	100%	100%	100%	100%
		Number of bridges spanning the Whakatane River providing access to Whakatane urban area.	1	1	1	1	2 (from 2017)

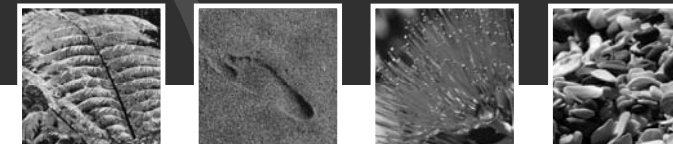
A number of capital projects that sought to increase the service level provided to the community by this group of activities have been deferred. More information can be found under "affordability and catching up" in the key issues section of this LTCCP.



COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET			
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
High quality affordable infrastructure Safe caring community	Provide programmes that help reduce the incidence and severity of crashes in the District and help to reduce road travel demand.	Satisfaction with the safety of our roads.	2008 CSI score 68.4 (Good service but with potential for improvement).	CSI score 68.4 or higher (Good service but with potential for improvement).	CSI score 68.4 or higher (Good service but with potential for improvement).	CSI score 68.4 or higher (Good service but with potential for improvement).	CSI score progressively increasing to 73 or higher by 2019. (Very good service).
		Number of annual road safety and travel demand programmes. For example: Driving to the conditions. Driver licensing. Alcohol and drugs. Safety belts and restraints. Community education. Active transport.	39 programmes delivered in 2008/09.	At least 30 programmes delivered annually.	At least 30 programmes delivered annually.	At least 30 programmes delivered annually.	At least 30 programmes delivered annually.
Prosperous economy High quality affordable infrastructure	Parking enforcement maximises the availability of parking and ensures that vehicles are safe.	Satisfaction with Council parking in Whakatane.	2008 CSI score 69.9 (Good service but with potential for improvement).	CSI score 69.9 or higher (Good service but with potential for improvement).	CSI score 69.9 or higher (Good service but with potential for improvement).	CSI score 69.9 or higher (Good service but with potential for improvement).	CSI score progressively increasing to 73 or higher by 2019. (Very good service).
		Number of regular patrols that are carried out in Whakatane and Kopeopeo for parking and road worthiness.	Whakatane; 3 patrols per day. Kopeopeo; 5 patrols per week.	Whakatane; 3 patrols per day. Kopeopeo; 5 patrols per week.	Whakatane; 3 patrols per day. Kopeopeo; 5 patrols per week.	Whakatane; 3 patrols per day. Kopeopeo; 5 patrols per week.	Whakatane; 3 patrols per day. Kopeopeo; 5 patrols per week.

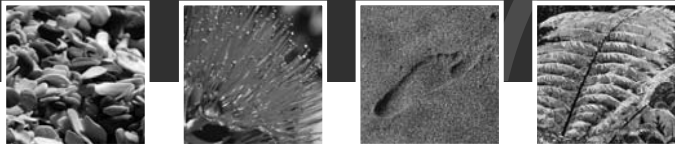
A number of capital projects that sought to increase the service level provided to the community by this group of activities have been deferred. More information can be found under “affordability and catching up” in the key issues section of this LTCCP.





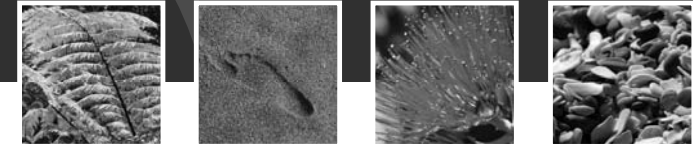
## WHAT WE ARE GOING TO DO

DESCRIPTION	START YEAR	END YEAR	FUNDING (\$)								TOTAL COST (\$)	
			DEPRECIATION	LOANS	DEVELOPMENT CONTRIBUTIONS	SUBSIDIES	OTHER RESERVES	FEES & CHARGES	GENERAL RATES	TARGETED RATES		
Landing Road roundabout improvements. Design 2009/10 and construction 2010/11	2010	2011	310,000		93,000	372,000						775,000
Gorge Road widening and cycleway improvements. Design 2009/10 and construction 2010/11	2010	2011		518,400		633,600						1,152,000
Assorted minor safety improvement works over ten year period	2010	2019	2,515,410			3,074,391						5,589,801
Road Safety programmes:	2010	2019										
Driving to the conditions - speed, inattention, bends, fatigue, weather (\$1.08m)												
Driver licensing - motorcycle, learner, restricted (\$702,000)												
Alcohol and drugs - youth, repeat, attitudes (\$567,000)												
Safety belts and restraints - adult and child restraints (\$386,000)												
Community education - advertising, events, resources, intersections (\$911,600)												
Road Safety funding	2010	2019				3,443,400					200,000	3,643,400



DESCRIPTION	START YEAR	END YEAR	FUNDING (\$)								
			DEPRECIATION	LOANS	DEVELOPMENT CONTRIBUTIONS	SUBSIDIES	OTHER RESERVES	FEES & CHARGES	GENERAL RATES	TARGETED RATES	TOTAL COST (\$)
Active transport programmes - walking, cycling, travel planning - alternative sustainable transport. Council funding is 20,000 pa from walking and cycling	2010	2019				2,673,000				200,000	2,873,000
Widening of Wainui Road to 10m seal width	2011	2019	1,405,350			1,717,650					3,123,000
Thornton Road curves realignment (Blueberry Corner) design 2011/12 and construction 2012/13	2012	2013	1,305,000			1,595,000					2,900,000
Widening of Thornton Road to 10m seal	2012	2019	1,080,000			1,320,000					2,400,000
Route security projects (provision funding indication only - project feasibility still to be developed)	2013	2019		3,494,400		3,225,600					6,720,000
Multi- storey car park building	2013	2015		1,914,000	286,000						2,200,000
Second bridge over the Whakatane River (provisional funding indication only - project feasibility still to be developed)	2015	2017		10,200,000	3,060,000	12,240,000					25,500,000

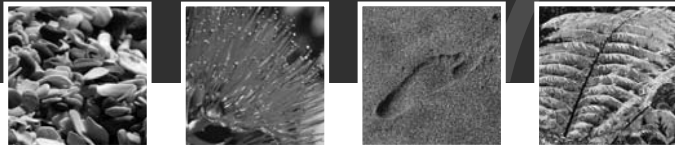
Note: The figures in this table are not adjusted for inflation.



## SUMMARY OF COST OF SERVICES

ANNUAL PLAN 2009 \$,'000		FORECAST FOR THE YEARS ENDED 30TH JUNE									
		2010 \$,'000	2011 \$,'000	2012 \$,'000	2013 \$,'000	2014 \$,'000	2015 \$,'000	2016 \$,'000	2017 \$,'000	2018 \$,'000	2019 \$,'000
	<b>EXPENDITURE</b>										
4,775	Depreciation	5,147	5,316	5,648	5,854	6,056	6,380	6,702	6,907	7,153	7,353
311	Interest Paid	292	357	519	603	523	482	788	1,077	1,252	1,325
6,165	Operations	7,131	7,508	7,800	8,113	8,261	8,472	8,643	8,889	9,177	9,320
<b>11,250</b>	<b>Total Expenditure</b>	<b>12,570</b>	<b>13,181</b>	<b>13,967</b>	<b>14,571</b>	<b>14,840</b>	<b>15,335</b>	<b>16,132</b>	<b>16,873</b>	<b>17,582</b>	<b>17,999</b>
	<b>REVENUE</b>										
314	Development Contributions	355	364	374	383	392	402	411	422	432	441
378	User Fees & Charges	395	405	417	427	437	447	458	470	481	491
0	General Rates	0	0	0	0	0	0	0	0	0	0
0	Interest Income	0	0	0	0	0	0	0	0	0	0
220	Sundry Income	294	302	310	318	325	333	341	349	358	366
6,813	Subsidies & Grants	5,869	8,167	6,658	9,423	7,976	8,605	16,635	14,236	8,767	15,844
6,704	Targeted Rates	7,039	8,134	9,058	10,015	10,268	10,713	11,248	11,352	11,901	12,966
<b>14,429</b>	<b>Total Revenue</b>	<b>13,952</b>	<b>17,372</b>	<b>16,818</b>	<b>20,565</b>	<b>19,399</b>	<b>20,500</b>	<b>29,094</b>	<b>26,829</b>	<b>21,939</b>	<b>30,108</b>
<b>(3,179)</b>	<b>Net Cost (Surplus) of Operations</b>	<b>(1,382)</b>	<b>(4,192)</b>	<b>(2,851)</b>	<b>(5,994)</b>	<b>(4,560)</b>	<b>(5,166)</b>	<b>(12,961)</b>	<b>(9,956)</b>	<b>(4,357)</b>	<b>(12,109)</b>
(3,179)	Transfer from (surplus)/deficit	(1,382)	(4,192)	(2,851)	(5,994)	(4,560)	(5,166)	(12,961)	(9,956)	(4,357)	(12,109)
7,835	Capex *	6,296	11,599	8,642	13,107	10,501	14,224	28,252	23,093	11,500	24,059
324	Loan Repayments	889	268	411	2,314	2,188	316	373	475	552	596
344	Payments to Reserves	410	523	393	394	408	427	430	439	440	458
(1,416)	Less Depreciation not Funded	(2,689)	(2,666)	(2,423)	(1,625)	(1,527)	(1,749)	(2,019)	(2,641)	(2,783)	(2,115)
3,907	Total Funding Requirement	3,524	5,533	4,172	8,196	7,011	8,051	14,075	11,410	5,351	10,889
	<b>FUNDED BY:</b>										
3,022	Depreciation Reserve	2,464	2,659	3,228	4,391	4,031	4,315	4,124	4,287	4,388	9,938
88	Development Contribution Reserve	78	153	63	57	71	590	4,240	2,934	82	50
610	Loans Raised	224	2,695	854	1,511	773	3,118	5,681	4,159	851	870
187	Operational Reserve	733	0	0	2,209	2,109	0	0	0	0	0
0	Sale of Assets	25	26	26	27	28	28	29	30	30	31
<b>3,907</b>	<b>Total Funding Applied</b>	<b>3,524</b>	<b>5,532</b>	<b>4,172</b>	<b>8,196</b>	<b>7,011</b>	<b>8,051</b>	<b>14,074</b>	<b>11,410</b>	<b>5,351</b>	<b>10,889</b>
<b>* CAPITAL EXPENDITURE</b>											
	Level of Service	1,338	3,126	1,827	3,445	1,979	4,519	2,192	2,128	2,179	8,447
	Growth	91	361	389	333	356	489	2,450	1,815	397	365
	Renewals	4,867	8,113	6,426	9,329	8,165	9,216	23,609	19,150	8,923	15,247

For more information about the selection of revenue mechanisms for this activity see the Council's Revenue and Financing Policy in Volume Two of this LTCCP.

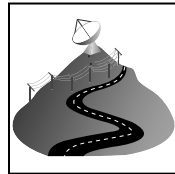


## WATER-RELATED SERVICES

### CONTRIBUTION TO COMMUNITY OUTCOMES



CLEAN PROTECTED ENVIRONMENT



HIGH-QUALITY AFFORDABLE INFRASTRUCTURE

### WHAT WE DO AND WHY

#### Stormwater

The Council manages stormwater systems in Whakatane, Taneatua, Otarawairere, Matata, Te Mahoe, Edgecumbe, Te Teko, Ohope, Murupara and Taiwhakaea. Each of these locations has its own issues and geographical challenges to ensure stormwater is effectively and efficiently managed and causes little disruption in the communities. The Council provides stormwater systems because of statutory obligations and public demand.

The design standard for Whakatane's urban stormwater reticulation system is to cope with a one in 10 year event with no surface flooding and a one in 50 year event with surface flooding drained away using overland flow paths. Low-lying parts of the Whakatane urban area have stop-banks as protection from the Whakatane River. The river and stopbanks are managed by Environment Bay of Plenty. Through the town there are canals and open drains that link to pumps. The higher parts of the urban area affect high volumes of stormwater to the lower areas of town.

#### Water

Water is an essential resource in our community and the Council is charged with ensuring water is of a high standard, is safe to drink and that supply is adequate for all the community. In response to this the Council manages a number of water supply assets for the District and is required to adhere to a number of statutory requirements, standards and policies. Under section 130(2) of the Local Government Act 2002, the Council must continue to provide water services to those communities that have been serviced.



Whakatane water treatment plant

The Council manages the Whakatane treatment plant which has a capacity of 12,000 cubic metres per day. Water is pumped into three supply reservoirs and then reticulated or pumped to a further eight reservoirs for the higher areas of the scheme. Ohope is also serviced by Whakatane water.

With no direct water source, Edgecumbe water is purchased from the Plains scheme, and services approximately 1,730 residents whilst at Matata the water obtained from a spring in the Manawahe Hills has

been undergoing continual chlorination since the 1987 earthquake to maintain a high quality.

Taneatua's water is sourced from a bore located on the banks of the Waimana River, it is chlorinated and reticulated to 790 residents and in Murupara the water is sourced from two artesian wells where two pumps lift the water to four reservoirs. The supply is untreated.

Ruatoki's water supply consists of an extraction bore, treatment plant, pump station, reservoir and distribution network. The Rangitaiki Plains water is drawn from an artesian spring near the Tarawera River and supplies around 8,400 residents and the Te Mahoe water supply was transferred from Mighty River Power in 2003, this supply is chlorinated and unmetered.

In Waimana the water is treated by chlorine gas at the extraction bore and supplies approximately 160 residents.

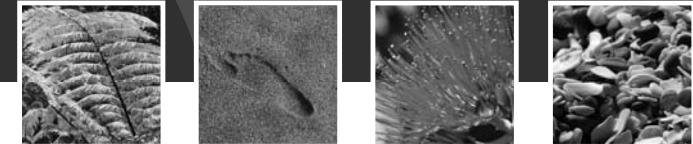
#### Wastewater

The Council is responsible for the provision and management of six wastewater schemes situated at Whakatane, Ohope, Edgecumbe, Taneatua, Murupara, and Te Mahoe. The Council's key focus is to ensure wastewater is managed in an appropriate way.

These schemes contain a mix of treatment plants, pump stations, trunk mains, mains and service lines.

#### Tradewaste

Tradewaste refers to waste discharged into the Council's wastewater system from industrial and commercial premises. The Council undertakes this activity because of statutory obligations. The main objectives are to protect the environment, people and community assets required for essential services.



## RELEVANT ISSUES

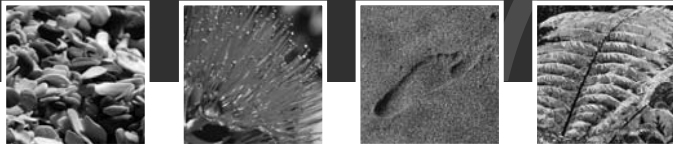
- **Population growth and demand** – growth and demand effects are expected to be felt in Whakatane and Ohope which is likely to mean upgrades to infrastructure. The main impacts are likely to include:
  - Increased pressure on existing infrastructure and water sources
  - Increase in impermeable areas such as carparks, large roofs which collect runoff therefore increasing the amount and speed at which runoff enters man-made or natural stormwater systems
  - Increase in water consumption
  - Increase in wastewater discharges to the environment
  - Increased trade waste and therefore impact on treatment processes and efficiency
  - Requirement for robust asset data and network modelling to assist in decision making
  - Increase in assets vested in the Council
  - Increase in maintenance, operations and depreciation costs to residents
  - Increase in the generation of other contaminants e.g. industrial discharges in the stormwater
- **Stormwater system inadequacies** - the July 2004 and May 2005 flood and landslip events highlighted stormwater inadequacies in some locations. For example, in the 2004 floods

water from the Wainui Te Whara catchment into the Awatapu area was a significant problem and Edgumbe south is prone to flooding (Edgumbe flooding issues are being addressed through a joint project with Environment Bay of Plenty).

- **Climate change** - climate change and its related impacts must be factored in when determining infrastructure requirements. For example, the Council will monitor trends in climate change and review the engineering standards and guidelines for drought scenarios and flooding events. With several recent dry summers, salinity in Whakatane water has become an issue. There is a project in this LTCCP to address this issue.
- **Water metering** - with water metering being planned for Edgumbe and Matata, demand for water is expected to reduce as residents realise the direct cost of the service and start to conserve water.
- **Whakatane water treatment plant costs** - Whakatane and Ohope are supplied from the same source of water and supplied through an interconnected network of pump stations, reservoirs and pipes. However in the past Whakatane residents has been paying all costs of the treatment plant, including depreciation. The Council has rectified this anomaly.
- **Drinking Water Standards and Health (Drinking Water) Amendment Act** - new drinking-water standards for New Zealand came into effect on 31 December 2005. The objective of the standard was “to ensure all New Zealanders have access to good quality drinking water.” The

objectives included: Identifying requirements and potential options (updating sanitary assessments), securing funding for capital upgrades for treatment schemes, increasing security of water catchment and groundwater supplies through purchase of land or land use restrictions in water catchment areas, or potentially additional treatment e.g. chlorine disinfection, and monitoring groundwater and surface water quality and liaising with landowners to improve water quality. The Drinking Water Standards and Health (Drinking Water) Amendment Act requires the Council to take “all reasonable steps” to comply with the New Zealand Drinking Water Standards.

- **Plains water supply** - the arsenic content which naturally occurs in the Plains water supply exceeds the Drinking Water Standards (DWSNZ2005). A project has been included in this LTCCP to investigate and rectify this issue. The Plains Water Supply Sub-committee has been integrally involved with this long standing issue with various investigations been conducted over the years. The majority of the water is used for stock and other non-domestic purposes. The issue is one of affordability of treatment options for scheme users.
- **Edgumbe wastewater** - as a result of 1987 earthquake, the Edgumbe reticulation system was badly damaged. The inflow and infiltration was very high for a number of years after the earthquake and still higher than the desired level. As a result there are overflows in different locations in the township during heavy rains. Edgumbe oxidation ponds also overtopped in a number of occasions. This poses a health



risk to the community and environmental risk. In 2008 a closed circuit TV inspection of the entire gravity pipe network was carried out in Edgecumbe together with other investigations to identify the inflow and infiltration locations. The Council also developed a network model to analyse and understand the system and to use it as a tool to develop the best solution to the problems. A programme of capital works have been developed to address the wastewater issues in Edgecumbe and to bring the wastewater system up to the Council's Engineering Code of Practice standards. The total cost estimate for the capital works is \$3.27m is planned from 2011 to 2016. The Council is working to secure funds from Government subsidy schemes or from the Local Authority Protection Programme. The timing of this project largely depends on the availability of funds from these sources.

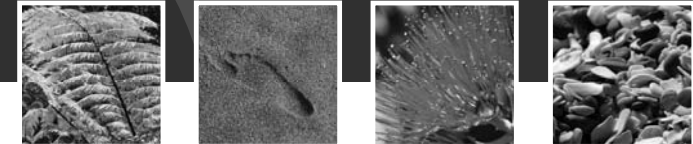
- **Matata wastewater** - Matata relies on septic tanks for domestic waste water treatment and disposal. Stream monitoring carried out in 2003/04 indicated increased contamination in stream water. Therefore, the Council carried out investigations and prepared preliminary designs and cost estimates for a reticulated system in Matata. The preliminary cost for the system was \$4.48m and the Ministry of Health approved a subsidy of \$2.24m, which was later increased to \$3.72m. Following the debris flow in May 2005 the proposal did not proceed due to the fact that disaster mitigation works were given high priority. In the 2008/09 Annual Plan a sum of \$2.37m was allocated to the project. However a new estimate prepared for the scheme was \$8.97m

and the project was not carried out. Negotiations are underway to increase the subsidy amount for the scheme to reflect the increased cost. The timing and scope of the project will depend on the subsidy amount and future public consultation.

- **Te Teko wastewater** - Te Teko relies on septic tanks for wastewater disposal. There was a proposal in 2003/04 to install a reticulated wastewater system. At the time the Council prepared preliminary design and cost estimates for a reticulated system and applied for central government subsidy on the project. When consultation was carried out, the community indicated that they could not afford the system and it did not proceed. Since then the government has increased the subsidy amount that may be available. The cost estimate for the proposal is now \$7.39m and the Council is preparing a proposal to secure government subsidies. The timing of the implementation and the scope of the project will depend on the subsidy amount and the outcome of further community consultation.
- **Ohope wastewater** - wastewater from Ohope is currently discharged into the Ocean via a sea outfall pipe after treatment in an oxidation pond system. The coastal permit to discharge treated effluent from the treatment facility to the Ocean expires on 31 July 2010. To ensure statutory protection under the Resource Management Act 1991 the Council needs to lodge an application for resource consent renewal six months prior to the expiry date of the present resource consent. The conditions of the current consent require Council to investigate alternative treatment and disposal

options. An investigation report on the options has been completed and these options will be consulted with iwi, the Ohope Beach Community Board and residents and ratepayers in Ohope. Following the outcome of this consultation, a resource consent application will be submitted. Capital works have been included in the LTCCP during the period from 2012 - 2015 for a staged upgrade of the Ohope wastewater treatment plant to meet the future resource consent conditions and to meet the future demand. The total cost of the upgrades is \$2.0m. However timing and scope of this project will largely depend on the future resource consent conditions and outcome of the public consultations during the resource consent application process.

- **Affordability/levels of service** - the Council is in a large catch up programme to ensure long term sustainability of assets. Key drivers such as community health and legislative responsibilities have been used to assess the order in which projects will be undertaken. Projects that increase levels of service and would have been loan funded have been deferred until such time as high risk projects have been undertaken.



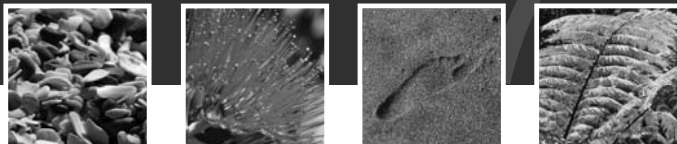
## ADDRESSING ISSUES

- Growth and demand issues are being addressed through demand management planning and network modelling. For example, two modelling projects have recently been completed for Whakatane/Ohope and Plains/Awakeri water supplies and the Council is also working to improve the condition assessment data held on water-related services infrastructure. With water metering being implemented in two more schemes, demand for water is expected to reduce as residents realise the direct cost of the service and start to conserve water.
- In regard to climate change, the Council will:
  - Monitor trends in climate change and review the engineering standards and guidelines to cater for drought scenarios and flooding events
  - Liaise with central and regional government
  - Redefine hazard zones (i.e. boundaries with waterways and the coastal boundary);
  - Provide long-term planning for low-lying communities (coastal, inner harbour, river, stream etc) and infrastructure requirements as a result of increased rainfall.
- Stormwater system inadequacies are being addressed through projects in this LTCCP.
- The Council has agreed to introduce quarterly water billing and peak flow pricing for the Whakatane and Ohope Water Scheme to ensure a fairer share of the cost of providing water is

passed to the high users during the summer months (December to February). The proposal is to change the water billing system in recognition of the increased infrastructure costs caused by the high usage in those months (larger pipes, more maintenance, pumping capacity and treatment). A major principle is to ensure that those who use a consistent amount of water throughout the year would not be penalised by the new billing system. These changes will come into effect from 1 July 2010.

- The Council has agreed to combine the Whakatane and Ohope water supply networks. These two schemes can be combined and create a number of bulk zones within the same scheme. These bulk zones will help to manage the water supply better (e.g. leak monitoring, pressure management etc). The level of service in both schemes will be the same and the total expenditure on the scheme can be equally distributed amongst the users.
- Water metering is planned in Matata and Edgecumbe. Water metering in more communities will also be investigated and progressed in the next three years to encourage residents to fix leaks inside their properties, to use water sparingly and to improve general management of the water supplies. Leaks inside people's properties can also be identified easier. Water leaks can allow potential containments to enter the water system e.g. cross contamination with sewer. The Council is expecting to secure 95% of the funds for the capital works from Government subsidies. Therefore, the impact on rates is expected to be negligible.

- Projects have been included in this LTCCP to upgrade the Plains water supply to meet the drinking-water standards and to meet the required levels of service. At present, investigations and studies are underway to prepare a master plan for Plains water supply taking into account the demand for water in the Plains area for the next 50 years. Following the preparation of the master plan, the present fees and charges in the LTCCP will be reviewed, including the introduction of development contributions for water and water availability charges in the Plains area. The master plan for Plains water and the review of fees and charges will be completed in 2009/10. Public consultations will be carried out through the 2010/11 Annual Plan process.
- Affordability issues in the water-related services area have resulted in the following changes:
  - **Stormwater** – in general the stormwater activity is driven by an increase in the levels of service to meet current planning and regulation conditions. Approximately \$10m worth of capital projects (over 40 projects) have been deferred for three or more years. Deferred works include: reticulation upgrades in the Ohope and a delay in the channel upgrade for Wainui Te Whara stream.
  - **Water** – water is recognised as an area where intensive work is needed to maintain the network. Projects to do so are contained in the LTCCP. However there are also a number of projects that would have increased levels of service (totalling \$8m) that have been deferred



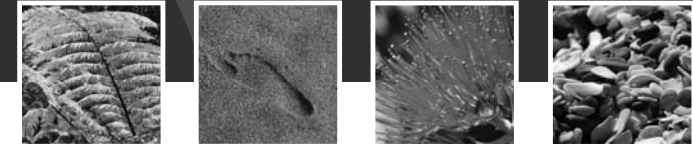
between one and three years. Deferred projects include: water treatment plant upgrades, reticulation upgrades in Coastlands, and upgrades in Awakeri/Whakatane West.

- **Wastewater** – wastewater is also considered to be one of the critical activities that is a high risk area and requires urgent attention. There are a small number of projects that have been delayed to reflect the urgency in other areas.

## WHO WE WORK WITH

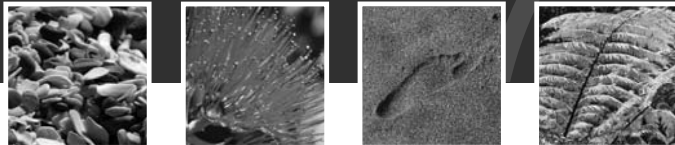
- Neighbouring district councils and Environment Bay of Plenty
- Community groups
- Toi Te Ora - Public Health Service and Ministry of Health
- Schools, Ministry of Education
- Department of Conservation
- Ratepayers associations
- Iwi
- Emergency service providers (Police, Ambulance, Fire, Civil Defence)
- Utility companies – power (generation, transmission, distribution), communication, gas
- Environmental groups
- Other government agencies
- Contractors
- Professional service providers
- Housing Corporation New Zealand
- Environmental and recreation interest groups.





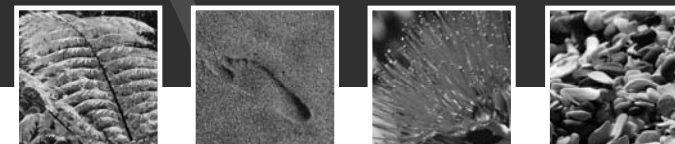
## MITIGATION OF SIGNIFICANT NEGATIVE EFFECTS TO ENSURE SUSTAINABILITY

SIGNIFICANT NEGATIVE EFFECT	CULTURAL	SOCIAL	ECONOMIC	ENVIRONMENTAL	SUSTAINABLE SOLUTION
Changing weather patterns may result in extreme events causing damage to valuable assets (weather bombs).	✓	✓	✓	✓	Liaise with central and regional government with regard to trends and any monitoring that is being undertaken.
Economically, the cost of desired infrastructure improvements may exceed the community's ability to pay.		✓	✓		Consult with the community on all costs and options for levels of service through the LTCCP process.
Discharge of polluted stormwater impacting on public health, environmental and aesthetic values.	✓	✓	✓	✓	Compliance with Resource Consents and Council's Engineering Code of Practice and Guidelines. Environmental controls.
Inadequacy of existing stormwater assets to cope with large rainfall events causing flooding, which could result in social and economic hardship.		✓	✓	✓	Compliance with Council's Engineering Code of Practice and Guidelines.
Discharges of chlorinated water from maintenance activities or pipe failures.	✓	✓	✓	✓	Compliance with resource consents, Council's engineering standards and guidelines and maintenance programme.
Potential contamination of the raw water supply.	✓	✓	✓	✓	Emergency response plans, operational procedures and monitoring of the raw water supply Public Health Risk Management Plan.
Depletion of aquifer resources.	✓		✓	✓	Compliance with resource consents.
Potential impacts on customer satisfaction due to service failure /delays /responsiveness.		✓	✓		Monitor and report on levels of service and in service provider contracts. Seek to resolve customer complaints "close the loop".
Health and safety risks associated with the operation, maintenance, or construction of infrastructure.		✓	✓		Ensure compliance with legislation and Health and Safety Management Plans. Maintain an incidents register.



SIGNIFICANT NEGATIVE EFFECT	CULTURAL	SOCIAL	ECONOMIC	ENVIRONMENTAL	SUSTAINABLE SOLUTION
Effects on river ecology caused by river water extraction during low flows.	✓			✓	Compliance with resource consents.
Insufficient water supplies during times of drought or emergency.		✓	✓		Ensure water sources security and identify potential new sources and back up supplies Public Health Risk Management Plan.
Drinking water not meeting the Drinking Water Standards 2005.	✓	✓			Continue to monitor water quality and improve process if necessary Public Health Risk Management Plan.
Inadequate pressure and flow to fight fires.		✓	✓		Carry out modelling/pressure testing and implement remedial works.
Overflows of untreated wastewater from the wastewater network due to blockages, pump station or other plant malfunction, inflow/infiltration of stormwater into the wastewater network and/ or insufficient design capacity.	✓	✓	✓	✓	Compliance with resource consents and Council's engineering code of practice and guidelines. Maintenance programme and environmental controls.
Discharge of partially treated wastewater effluent through the ocean outfalls at Whakatane and Ohope.	✓	✓	✓	✓	Compliance with resource consents and maintenance of assets, including condition assessments.
Inappropriate or poorly maintained septic tanks in non-reticulated (rural) areas.	✓	✓	✓	✓	Monitor non-reticulated communities and review the Water and Sanitary Service Assessments.
Adequate land for treatment of wastewater treatment pond sludge.	✓	✓	✓	✓	Monitor available land and or options for disposal of sludge (i.e. forest).

Ticks in the columns above indicate which wellbeing area may be negatively affected.



## WHAT WE OWN

The following tables summarise the Council's water-related service assets and the value of these assets:

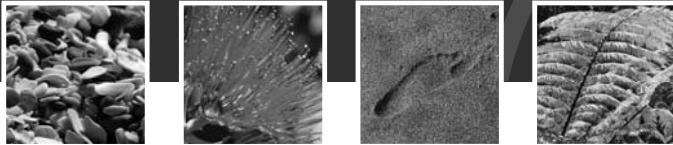
### Stormwater

ASSETS	
Pipes (km)	74.2
Pump stations	15
Open drains (km)	12.1
Stream (km)	9.4
Manholes	1.263
Floodgates	6
Stop banks (km)	6.4
Storage ponds/retention dams	4
Cesspits	160

SCHEME	GROSS REPLACEMENT VALUE (AS AT 1 JULY 2008)
Whakatane	\$39,219,000
Ohope	\$5,570,000
Edgecumbe	\$3,711,000
Taneatua	\$1,183,000
Matata	\$557,000
Murupara	\$3,587,000
Te Teko	\$149,000
Otarawairere	\$26,000
Te Mahoe	\$981,000
Taiwhakaea	\$24,000
Total	\$55,006,000

### Water

CONNECTIONS	
Population served	30,340
Number of connections	12,235
Source	
Water source	Various
Assets	
Water pipes	519.5 km
Pipe valves	2,402
Hydrants	1,086
Service lines	11,708
Meters	9,925
Clarifying tanks	4
Header tanks	6
Pump stations	13
Treatment plant	7
Reservoirs	32



SCHEME	GROSS REPLACEMENT VALUE (AS AT 1 JULY 2008)
Whakatane	\$45,119,000
Ohope	\$8,449,000
Edgecumbe	\$2,864,000
Matata	\$3,211,000
Murupara	\$4,907,000
Taneatua	\$2,253,000
Ruatoki	\$4,799,000
Waimana	\$673,000
Plains	\$30,412,000
Te Mahoe	\$851,000
Total	\$103,538,000

## Wastewater

CONNECTIONS	
Population served	22,590
Number of connections	8,284
Assets	
Rising main pipes	33,980,
Gravity main pipes	143,605m
Manholes	2,360
Pump stations	46
Wastewater treatment plants	13
Valves	215
Diffusers	2
Connections	8,284

SCHEME	GROSS REPLACEMENT VALUE (AS AT 1 JULY 2008)
Whakatane	\$42,901,000
Ohope	\$16,000,000
Edgecumbe	\$6,872,000
Taneatua	\$2,956,000
Murupara	\$4,143,000
Te Mahoe	\$449,000
Total	\$73,321,000

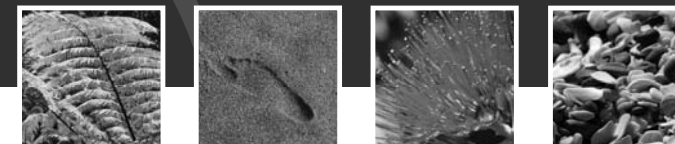
The Council maintains Asset Management Plans covering water, wastewater and stormwater assets. The plan sets out:

- The levels of service (at an operational level) which the Council aims to achieve
- The assets and the strategies used to manage the assets
- The lifecycle management plan used to provide the levels of service (covering maintenance, renewal and capital works)
- How changes to growth and demand are considered to ensure that future requirements are identified and planned for.

The Asset Management Plan will be reviewed every year with a major update every three years to align with the LTCCP process.

The Council has three key service provider relationships for water-related services:

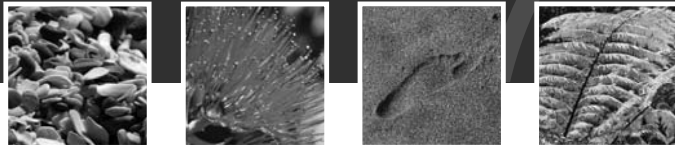
- The Council's Operations Business Unit provides services including: operation and maintenance of the Council's assets and undertaking inspections and monitoring.
- A private contractor is responsible for managing and operating the electrical and telemetry components of the water and wastewater networks.
- Opus International Consultants provide the bulk of the professional services to the Council.



## MEASURING OUR PERFORMANCE

COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET			
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
Clean protected environment  High quality affordable infrastructure	Provide a quality continuous, safe, uninterrupted, and cost effective urban stormwater system accessible throughout Whakatane (including Otara-wairere), Ohope, Edgecumbe, Matata Murupara, Taneatua, Te Mahoe and Te Teko.	Satisfaction with the overall effectiveness of the stormwater systems.	2008 Customer Service Index (CSI) score 64.0  (Fair: needs improvement).	CSI score 64.0 or higher  (Fair: needs improvement).	CSI score 64.0 or higher  (Fair: needs improvement).	CSI score 64.0 or higher  (Fair: needs improvement).	CSI score progressively increasing to 73 or higher by 2019.  (Very good service).
		Initial response time to blockages affecting the system.  (Note: Actual works required to remedy blockages will vary according to the extent of fault).	Whakatane; Response initiated within 1 hour for 100% of blockages.  All other urban areas; Response initiated within 3 hours for 100% of blockages.	Whakatane; Response initiated within 1 hour for 100% of blockages.  All other urban areas; Response initiated within 3 hours for 100% of blockages.	Whakatane; Response initiated within 1 hour for 100% of blockages.  All other urban areas; Response initiated within 3 hours for 100% of blockages.	Whakatane; Response initiated within 1 hour for 100% of blockages.  All other urban areas; Response initiated within 3 hours for 100% of blockages.	Whakatane; Response initiated within 1 hour for 100% of blockages.  All other urban areas; Response initiated within 3 hours for 100% of blockages.
		Capacity of stormwater systems to deal with rainfall events.	75% of systems built to meet one in ten year rainfall event.	75% of systems built to meet one in ten year rainfall event.	75% of systems built to meet one in ten year rainfall event.	75% of systems built to meet one in ten year rainfall event.	Increasing to 85% by 2019.

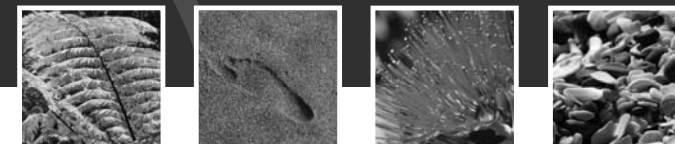
A number of capital projects that sought to increase the service level provided to the community by this group of activities have been deferred. More information can be found under “affordability and catching up” in the key issues section of this LTCCP.



COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET								
				YEAR 1 (2009/10)		YEAR 2 (2010/11)		YEAR 3 (2011/12)		YEARS 4-10		
Clean protected environment.  High quality affordable infrastructure.	Provide a continuous, safe, uninterrupted, and cost effective water system throughout the District's urban, residential and commercial areas that complies with drinking water and fire standards.	Satisfaction with the overall quality and reliability of the mains water.	2008 CSI score 73.7 (Very good service).	CSI score 73.7 or higher (Very good service).		CSI score 73.7 or higher (Very good service).		CSI score 73.7 or higher (Very good service).		CSI score 77 or higher (Excellent service).		
		Number of incidences leading to complaints regarding taste and odour of water.	50 complaints	50 complaints		40 complaints		30 complaints		Progressively reducing to 5 complaints annually by 2019.		
		Percentage of water supply systems with adequate pressure to fill a 15 litre bucket per minute.	90%	90%		95%		95%		100%		
		Number and level of water supply gradings received  (The Ministry of Health grades water quality between A & E for water source and water reticulation between a & e. A indicates the highest standard and e lowest. U stands for ungraded.)	Whakatane	Ee	Whakatane	Bb	Whakatane	Aa	Whakatane	Aa	Whakatane	Aa
			Ohope	Ed	Ohope	Bb	Ohope	Aa	Ohope	Aa	Ohope	Aa
			Edgecumbe	Ee	Edgecumbe	Dc	Edgecumbe	Db	Edgecumbe	Db	Edgecumbe	Db
			Matata	Ee	Matata	Bb	Matata	Ab	Matata	Ab	Matata	Ab
			Murupara	Ed	Murupara	Bb	Murupara	Ab	Murupara	Ab	Murupara	Ab
			Taneatua	Ee	Taneatua	Bb	Taneatua	Ab	Taneatua	Ab	Taneatua	Ab
			Ruatoki	Ee	Ruatoki	Dc	Ruatoki	Bb	Ruatoki	Aa	Ruatoki	Aa
Waimana	Ee		Waimana	Bb	Waimana	Ab	Waimana	Aa	Waimana	Aa		
Plains	Ee	Plains	Dc	Plains	Db	Plains	Db	Plains	Db			
Te Mahoe	Ec	Te Mahoe	Bb	Te Mahoe	Ab	Te Mahoe	Aa	Te Mahoe	Aa			

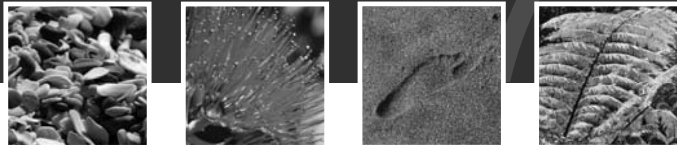
A number of capital projects that sought to increase the service level provided to the community by this group of activities have been deferred. More information can be found under "affordability and catching up" in the key issues section of this LTCCP.

# WATER-RELATED SERVICES



COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET				
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10	
Clean protected environment.  High quality affordable infrastructure. Environmentally responsible development	To provide high quality, efficient and reliable wastewater systems that are affordable and meet the reasonable needs of the urban and commercial communities	Satisfaction with having a reliable disposal of waste water and sewerage.	2008 CSI score 76.9  (Very good service).	CSI score of 77 or higher  (Excellent service).	CSI score of 77 or higher  (Excellent service).	CSI score of 79 or higher  (Exceptional performance).	CSI score of 79 or higher  (Exceptional performance).	
		Initial response time to breakages and blockages affecting the system.  (Note: Actual works required to remedy breakages and blockages will vary according to the extent of fault).	Whakatane; Response initiated within 1 hour for 95% of blockages and breakages.	Whakatane; Response initiated within 1 hour for 90% of blockages and breakages.	Whakatane; Response initiated within 1 hour for 90% of blockages and breakages.	Whakatane; Response initiated within 1 hour for 90% of blockages and breakages.	Whakatane; Response initiated within 1 hour for 90% of blockages and breakages.	Whakatane; Response initiated within 1 hour for 90% of blockages and breakages.
			All other urban areas; Response initiated within 3 hours for 95% of blockages and breakages.	All other urban areas; Response initiated within 3 hours for 90% of blockages and breakages.	All other urban areas; Response initiated within 3 hours for 90% of blockages and breakages.	All other urban areas; Response initiated within 3 hours for 90% of blockages and breakages.	All other urban areas; Response initiated within 3 hours for 90% of blockages and breakages.	
		Location of high quality and effective reticulated waste water systems.	Whakatane. Ohope. Edgecumbe. Murupara. Taneatua. Te Mahoe	Whakatane. Ohope. Edgecumbe. Murupara. Taneatua. Te Mahoe	Whakatane. Ohope. Edgecumbe. Murupara. Taneatua. Te Mahoe	Whakatane. Ohope. Edgecumbe. Murupara. Taneatua. Te Mahoe Matata.	Whakatane. Ohope. Edgecumbe. Murupara. Taneatua. Te Mahoe. Matata. TeTeko.	
		Number of wastewater related resource consent infringement and abatement notices received from the regional council	0	0	0	0	0	

A number of capital projects that sought to increase the service level provided to the community by this group of activities have been deferred. More information can be found under "affordability and catching up" in the key issues section of this LTCCP.



**WHAT WE ARE GOING TO DO**

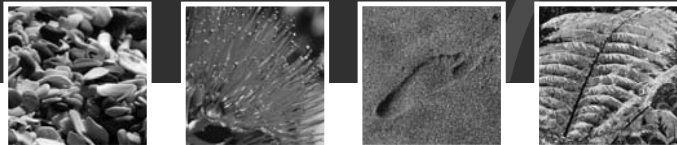
DESCRIPTION	START YEAR	END YEAR	FUNDING (\$)								TOTAL COST (\$)	
			DEPRECIATION	LOANS	DEVELOPMENT CONTRIBUTIONS	SUBSIDIES	OTHER RESERVES	FEES & CHARGES	GENERAL RATES	TARGETED RATES		
<b>Water</b>												
Water treatment plant install duty standby UV treatment (Whakatane)	2010	2010		441,000								441,000
Water treatment plant alternative abstraction points (Whakatane)	2010	2011		1,500,000								1,500,000
Connection replacement and meter installation (Edgecumbe)	2010	2011		30,000			570,000					600,000
Replacement of water connections (Matata)	2010	2011		15,000			285,000					300,000
Extension of water supply (Ruatoki)	2010	2011		22,500			427,500					450,000
Water treatment plant filter media replacement (Whakatane)	2010	2012	773,000									773,000
Mains renewals (Whakatane)	2010	2019	3,590,000									3,590,000
Connection replacement and meter replacement (Whakatane)	2010	2019	1,000,000									1,000,000
Murupara reticulation renewal	2010	2019	300,000									300,000
Water main replacements (Edgecumbe)	2010	2019	400,000									400,000
Stage 2 - General reticulation upgrade (Ohope)	2012	2012		357,739	139,121							496,860
Paul Road bore site and reticulation (Plains)	2013	2015		3,165,352			1,055,117					4,220,469



## WATER-RELATED SERVICES



DESCRIPTION	START YEAR	END YEAR	FUNDING (\$)								TOTAL COST (\$)	
			DEPRECIATION	LOANS	DEVELOPMENT CONTRIBUTIONS	SUBSIDIES	OTHER RESERVES	FEES & CHARGES	GENERAL RATES	TARGETED RATES		
Coastlands stage 3 reticulation upgrade (Whakatane)	2014	2015			1,880,000							1,880,000
Installation of Ozone treatment or Biologically Activated Carbon treatment in Whakatane water treatment plant to address Cynabacteria issue (when need arises)	2017	2019		2,300,000								2,300,000
Rangitaiki Plains Community Irrigation Strategy	2010	2011		35,000		94,000						129,000
<b>Wastewater</b>												
Wastewater upgrade (Coastlands)	2010	2010			950,000							950,000
Ponds desludging (Murupara)	2010	2011		345,000								345,000
Wastewater treatment plant and reticulation construction (Matata)	2010	2012		1,524,450		7,442,901						8,967,350
Sewer reticulation renewal (Whakatane)	2010	2014	1,250,000									1,250,000
Reticulation investigation and replacement (Murupara)	2010	2019	1,050,000									1,050,000
Reticulation upgrades (Edgecumbe)	2011	2016		350,200		1,709,800						2,060,000
Wastewater treatment plant upgrade (Ohope)	2011	2017		1,763,000	287,000							2,050,000
Off line McAlister pump station tank - 500m <sup>3</sup> (Whakatane)	2013	2015		1,100,880	150,120							1,251,000
Wastewater treatment plant upgrade (Edgecumbe)	2013	2015		710,000								710,000



DESCRIPTION	START YEAR	END YEAR	FUNDING (\$)								TOTAL COST (\$)	
			DEPRECIATION	LOANS	DEVELOPMENT CONTRIBUTIONS	SUBSIDIES	OTHER RESERVES	FEES & CHARGES	GENERAL RATES	TARGETED RATES		
Wastewater reticulation construction (Te Teko)	2013	2017		1,256,980		6,137,020						7,394,000
Reticulation joint repairs, reticulation pipe replacements (dips) and rising mains (Ohope)	2013	2019	260,100	606,900								867,000
Pump Station upgrades and additional storage (Ohope)	2014	2019		160,480		783,520						944,000
Ponds desludging (Taneatua)	2016	2017		525,000								525,000
<b>Stormwater</b>												
Ohope Outfall improvements	2010	2010		250,000								250,000
McAlister pump station upgrades	2012	2013	369,000	861,000								1,230,000
The Strand - Canal upgrade	2013	2014	210,000	490,000								700,000
Douglas and Alexander Streets - Reticulation upgrade	2013	2014	153,932	359,174								513,106
Wainui Te Whara - Urban Channel Upgrade	2013	2016	0	1,661,212								1,661,212
Stormwater improvements (Ohope)	2013	2016	195,000	455,000								650,000
Pohutu Street - reticulation upgrade	2018	2019	225,389	525,907								751,296

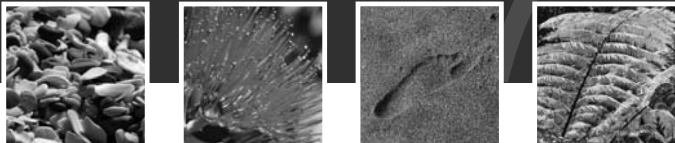
**Note:** The figures in this table are not adjusted for inflation.



## SUMMARY OF COST OF SERVICES

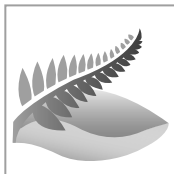
ANNUAL PLAN 2009 \$,000		FORECAST FOR THE YEARS ENDED 30TH JUNE									
		2010 \$,000	2011 \$,000	2012 \$,000	2013 \$,000	2014 \$,000	2015 \$,000	2016 \$,000	2017 \$,000	2018 \$,000	2019 \$,000
	<b>EXPENDITURE</b>										
2,782	Depreciation	3,677	3,851	4,148	4,614	4,806	5,169	5,553	5,969	6,483	6,840
621	Interest Paid	569	796	1,109	1,350	1,680	2,111	2,496	2,536	2,698	2,912
4,868	Operations	5,388	5,892	6,213	6,413	6,649	6,781	6,963	7,343	7,558	7,641
<b>8,271</b>	<b>Total Expenditure</b>	<b>9,635</b>	<b>10,540</b>	<b>11,470</b>	<b>12,377</b>	<b>13,135</b>	<b>14,060</b>	<b>15,011</b>	<b>15,848</b>	<b>16,739</b>	<b>17,393</b>
	<b>REVENUE</b>										
564	Development Contributions	232	237	245	337	348	359	388	401	415	429
150	User Fees & Charges	94	96	99	102	105	109	112	116	120	124
0	General Rates	25	27	29	29	29	30	31	32	33	34
0	Interest Income	0	0	0	0	0	0	0	0	0	0
70	Sundry Income	0	0	0	0	0	0	0	0	0	0
2,013	Subsidies & Grants	1,508	6,491	3,184	866	3,439	4,688	892	904	0	0
7,410	Targeted Rates	7,448	8,442	9,802	10,970	12,102	13,296	14,511	15,329	16,004	16,628
<b>10,207</b>	<b>Total Revenue</b>	<b>9,306</b>	<b>15,292</b>	<b>13,359</b>	<b>12,305</b>	<b>16,023</b>	<b>18,482</b>	<b>15,935</b>	<b>16,782</b>	<b>16,572</b>	<b>17,215</b>
<b>(1,936)</b>	<b>Net Cost (Surplus) of Operations</b>	<b>329</b>	<b>(4,752)</b>	<b>(1,889)</b>	<b>72</b>	<b>(2,888)</b>	<b>(4,421)</b>	<b>(924)</b>	<b>(934)</b>	<b>167</b>	<b>178</b>
(1,936)	Transfer from (surplus)/deficit	329	(4,752)	(1,889)	72	(2,888)	(4,421)	(924)	(934)	167	178
5,975	Capex *	6,340	11,635	7,428	6,799	13,817	17,408	4,944	7,069	3,853	8,375
607	Loan Repayments	756	726	715	672	695	1,010	1,117	1,118	1,162	1,201
564	Payments to Reserves	232	237	245	365	379	389	419	433	415	429
(993)	Less Depreciation not Funded	(2,146)	(2,105)	(1,917)	(1,748)	(1,617)	(1,657)	(1,495)	(1,511)	(1,733)	(1,797)
<b>4,218</b>	<b>Total Funding Requirement</b>	<b>5,510</b>	<b>5,742</b>	<b>4,582</b>	<b>6,161</b>	<b>10,387</b>	<b>12,729</b>	<b>4,062</b>	<b>6,174</b>	<b>3,863</b>	<b>8,385</b>
	<b>FUNDED BY:</b>										
915	Depreciation Reserve	1,447	1,638	1,235	2,545	3,040	1,772	2,026	2,623	2,504	4,217
200	Development Contribution Reserve	1,243	60	225	105	734	2,205	327	67	52	370
2,999	Loans Raised	2,792	3,940	3,115	3,500	6,605	8,745	1,701	3,475	1,296	3,788
103	Operational Reserve	28	104	8	11	9	9	9	9	10	10
0	Sale of Assets	0	0	0	0	0	0	0	0	0	0
<b>4,218</b>	<b>Total Funding Applied</b>	<b>5,510</b>	<b>5,742</b>	<b>4,582</b>	<b>6,161</b>	<b>10,387</b>	<b>12,731</b>	<b>4,062</b>	<b>6,174</b>	<b>3,863</b>	<b>8,385</b>
<b>* CAPITAL EXPENDITURE</b>											
	Level of Service	3,679	9,446	5,290	3,778	9,434	13,377	1,823	4,921	2,396	3,930
	Growth	1,290	79	402	294	1,614	2,522	418	126	63	272
	Renewals	1,371	2,110	1,736	2,727	2,769	1,510	2,704	2,021	1,393	4,172

For more information about the selection of revenue mechanisms for this activity see the Council's Revenue and Financing Policy in Volume Two of this LTCCP.

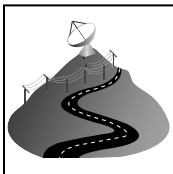


# WASTE

## CONTRIBUTION TO COMMUNITY OUTCOMES



CLEAN PROTECTED ENVIRONMENT



HIGH-QUALITY AFFORDABLE INFRASTRUCUTRE

## WHAT WE DO AND WHY

### Waste Reprocessing

This activity covers functions such as concrete crushing for reusing on roads and diverting of greenwaste to other uses e.g. capping of closed landfills. While this activity is minor in nature at the time of adopting the LTCCP, the Council is planning to build a composting plant in 2009/10 which will divert as much as possible of the waste streams to reprocessing opportunities.

### Waste Disposal

The Council provides kerbside refuse collection services to approximately 12,700 households in the District, covering the following areas:

- Awakeri (Plains)
- Edgecumbe
- Galatea
- Matahi Valley
- Matata
- Murupara

- Nukuhou North
- Ohope
- Otarawairere
- Ruatoki
- Taneatua
- Te Mahoe
- Te Teko
- Thornton
- Waimana
- Waiohau
- Whakatane

Approximately 10,000 urban households utilise 240 litre bins for greenwaste, which are collected fortnightly. A controlled drop-off centre is provided at Whakatane and Murupara for certain types of household hazardous wastes such as paint, batteries and agricultural chemicals. The Council also supports the annual "Hazmobile" collection run by Environment Bay of Plenty. The Council's waste disposal and recycling services contribute to desired community outcomes by providing facilities and opportunities that enable the community to dispose of their waste so as to minimise harmful environmental effects. The Council undertakes this activity because effective management of refuse and recycling is necessary to protect public health and the environment.

The Council currently provides a landfill at Burma Road in Whakatane for the management and disposal of collection service refuse, bulk industrial/commercial waste and waste disposal from the recycling centre. This is due to close in December 2009. The landfill provides controlled management processes for the disposal of waste in accordance with resource consent requirements.

There are five closed landfills within the District. These are operated under resource consents and currently monitored for environmental effects.

### Waste Recycling

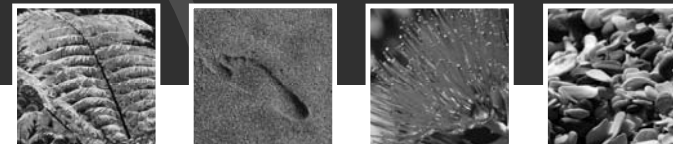
Recyclable's are collected in tandem with general refuse. The materials currently being recycled via the domestic crate service include paper, cardboard, plastics (grades 1 and 2), glass (clear, green, brown), tin cans and aluminium cans. Larger items such as household appliances, steel, cars, timber, tyres etc can be taken to either the Murupara Transfer Station or the Whakatane Recycling Centre, where they are sorted for shipping.



Weekly refuse and recycling service

## RELEVANT ISSUES

- **Population growth and demand** – the District's increasing population will lead not only to greater production of waste materials but also to a general increase in the demand for recycling and waste reduction services. This demand is likely to drive the need for more local resource recovery



infrastructure, such as transfer and recycling stations particularly in remote areas where it is not economically feasible for kerbside collections to be undertaken.

- **Closure of landfill** – the District’s one landfill, at Burma Road in Whakatane, will close in December 2009 due to expiry of its resource consent. There is currently no alternative landfill site within the District which will mean that all normal waste (excluding waste that can be recycled) will need to be shipped out of the District, which has major cost implications. An evaluation of the current weighbridge data reveals that in the calendar year from July 2006 to June 2007 approximately 14,000 – 16,000 tonnes of waste was delivered to the Burma Road Landfill and approximately 3950 tonnes was recyclable material shipped from the rubbish and refuse collection centre and a further 3500 tonnes of green waste was collected for compost.
- **Waste Minimisation Act** - the Waste Minimisation Act (2008) has several implications for the Council. From 1 July 2009 a \$10 per tonne waste levy will be introduced as an incentive for the diversion of waste and to provide a fund for waste minimisation initiatives. Proceeds from the levy will be split, with 50% going to local authorities based on population, and the rest being placed into a contestable fund. The Act also requires the Council to review its current Waste Management Plan by 1 July 2012 and then again at least every six years.
- **Contamination of greenwaste** - the trial and subsequent implementation of the green waste collection has shown to be successful, however

further education and enforcement is required to prevent green waste from being contaminated and going to the landfill. Information regarding the service is freely available from the Council and Waste Management NZ (collections contractor) provide a freephone number which is 0800 10 10 10. Clear rules are provided around the refuse service and residents are notified of non-compliance (i.e. toxic substances, liquid, construction materials) by way of a sticker on the bin indicating why the bin was not emptied.

- **Satellite transfer stations** - the Council will investigate the use of satellite transfer stations in other remote areas to maintain the push for recycling and to avoid the unwanted illegal dumping of waste.

## ADDRESSING ISSUES

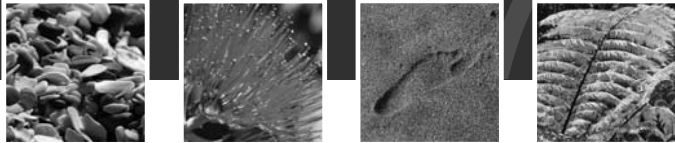
- The Council is working to mitigate the costs of refuse disposal with the closure of the Burma Road Landfill. The key cost mitigation measures will reduce the amount of waste transported outside the District. The following summarises the planned approach.

### Short term

- The development of a cost effective transfer station at Te Tahī Street
- The development of a plant to compost the organic material component in the waste stream to minimise the amount of waste (and therefore cost) of transporting waste outside the District.

### Medium to long term

- The long term position is to investigate an alternative landfill site within the District which is intended to also provide a regional waste solution. Discussions with Environment Bay of Plenty on this matter have been initiated.
- Although the Council is required by the Waste Minimisation Act to review its Waste Management Plan by 2012, this review process is already underway. A summary of the Council’s current Waste Management Plan is included in Volume Two of this LTCCP.
- The continuation of education and communication initiatives will help reduce waste levels over time. New households/apartments and commercial/ industrial businesses are regularly informed about collections and given education material to help reduce the amount of waste going to the landfill. In addition the Council will continue to work with organisations and regional and central government to assist in the successful implementation of the Waste Management Plan and the Zero Waste Strategy.
- The LTCCP includes provision for two satellite transfer stations, one in Ruatahuna planned for 2009-2011 at a cost of \$300,000 and one in Minginui planned in 2010/11 at a cost of \$100,000 at the ex-forest service compound at the invitation of the Ngāti Whare Trust. The Council has been working with the Ruatahuna community to come up with a solution for solid waste. The Council is happy to assist the Ruatahuna community to develop a solid waste facility but the siting of that facility is a community decision.



## WHO WE WORK WITH

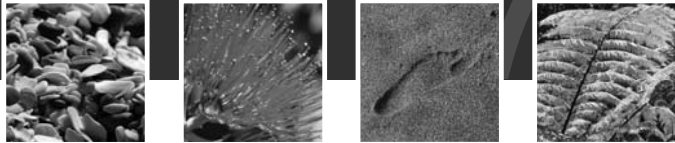
- Neighbouring district councils and Environment Bay of Plenty
- Community groups
- Toi Te Ora - Public Health Service and Ministry of Health
- Zero Waste New Zealand Trust
- Te Runanga o Ngāti Awa
- Central government
- Professional service providers
- Iwi organisations



**MITIGATION OF SIGNIFICANT NEGATIVE EFFECTS TO ENSURE SUSTAINABILITY**

SIGNIFICANT NEGATIVE EFFECT	CULTURAL	SOCIAL	ECONOMIC	ENVIRONMENTAL	SUSTAINABLE SOLUTION
Changing weather patterns may result in extreme events causing damage to existing closed and operational landfill sites. There is also potential for previously unrecorded sites to be unearthed due to erosion.	✓	✓	✓	✓	Monitor sites.
Economically, the cost of desired infrastructure improvements may exceed the community's ability to pay.		✓	✓		Consult with the community on all costs and options for Levels of Service through the LTCCP process.
Increase in the amount of refuse to be disposed as population increases over time.	✓	✓	✓	✓	The Council acts as the advocate for waste reduction through the adoption of the Zero Waste Strategy and Waste Management Plan. The Council also supports education initiatives and provides education material for its customers.
Environmental impacts caused by the discharge of contaminants to land and water from closed landfills.	✓	✓	✓	✓	Compliance with resource consent conditions that stipulate the frequency and parameters to be monitored.
Cultural impacts caused by the discharge of contaminants to land and water and odour to the air at the Burma Road Landfill.	✓	✓		✓	Compliance with resource consents and aftercare management.
Potential impacts on customer satisfaction due to service failure /delays /responsiveness.		✓	✓		Monitor and report on levels of service and in service provider contracts. Seek to resolve customer complaints "close the loop".
Health and safety risks associated with the operation, maintenance, or construction of solid waste infrastructure.		✓	✓		Ensure compliance with legislation and Health and Safety Management Plans. Maintain an incidents register.

Ticks in the columns above indicate which wellbeing area may be negatively affected.



**WHAT WE OWN**

ASSETS	
Whakatane Landfill	1
Murupara Transfer Station	1
Recycling Park	1
Closed Landfills	5
<b>Production</b>	
Total volume of residual waste produced (tonnes/yr)	14,000 – 16,000
Average daily residual waste production (tonnes/day)	4
Total volume of recycled material (tonnes/yr)	4317
Glass (tonnes/year)	1,532
Plastic (tonnes/year)	156
Cans (steel + aluminium) (tonnes/year)	86
Paper/cardboard (tonnes/year)	1,721

**Note:** The data collated above relates to measurements recorded from July 2006 to June 2007.

The Council uses an Asset Management Plan and strategies to determine how the waste assets will be operated and maintained on a day-to-day basis. The Asset Management Plan sets out:

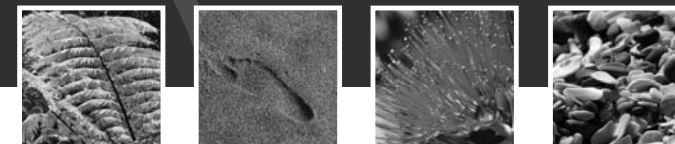
- The levels of service (at an operational level) which the Council aims to achieve
- The assets and the strategies used to manage the assets
- The lifecycle management plan used to provide the levels of service (covering maintenance, renewal and capital works)
- How changes to growth and demand are considered to ensure that future requirements are identified and planned for.

The Asset Management Plan will be reviewed every year with a major update every three years to align with the LTCCP process.

The Council has the following service provider relationships in regard to this group of activities:

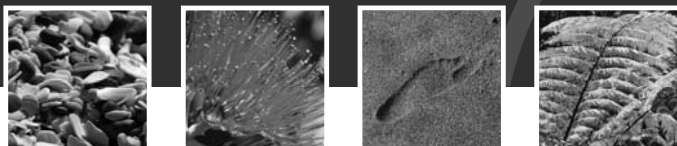
- Opus International Consultants provide the majority of the professional services. As part of the Professional Services Provider Contract, Opus are responsible for the day-to-day management of Council’s closed landfills.
- Doug Gerrand Ltd is responsible for the operation of the Burma Road Landfill through to its closure in December 2009. This also includes final capping.
- Waste Management New Zealand hold the contracts for the Kerbside Collection of refuse and recyclables and for the operation of the Te Tahī Street Resource Recycling Centre.
- Rex Merriman Ltd are responsible for the operation of the Murupara Transfer Station.





MEASURING OUR PERFORMANCE

COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET			
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
Clean protected environment High quality affordable infrastructure Environmentally responsible development	The community has access to kerbside collection, disposal and recycling facilities, including disposal of special waste, (hazardous waste).	Satisfaction with residential refuse collection.	2008 Customer Satisfaction Index score 83.6 (Exceptional performance).	CSI score of 83.6 or higher. (Exceptional performance).	CSI score of 83.6 or higher. (Exceptional performance).	CSI score of 83.6 or higher. (Exceptional performance).	CSI score of 83.6 or higher. (Exceptional performance).
		Satisfaction with kerbside recyclable collection.	2008 CSI score 81.2 (Exceptional performance).	CSI score of 81.2 or higher. (Exceptional performance).	CSI score of 81.2 or higher. (Exceptional performance).	CSI score of 81.2 or higher. (Exceptional performance).	CSI score of 81.2 or higher. (Exceptional performance).
		Satisfaction with Council run recycling facilities in Whakatane and Murupara.	2008 CSI score 82.4 (Exceptional performance).	CSI score of 82.4 or higher. (Exceptional performance).	CSI score of 82.4 or higher. (Exceptional performance).	CSI score of 82.4 or higher. (Exceptional performance).	CSI score of 82.4 or higher. (Exceptional performance).
		Proportion of waste to landfill.	2007 results: 65% to landfill	65% or less to landfill.	60% or less to landfill.	55% or less to landfill.	50% or less to landfill.
		Number and location of transfer stations in the District.	Murupara.	Murupara. Whakatane.	Murupara. Whakatane. Minginui.	Murupara. Whakatane. Minginui. Ruatahuna.	Murupara. Whakatane. Minginui. Ruatahuna.
		Provision of a landfill in the District.	1 (Burma Road site).	1 until 31 December 2009 (Burma Road site). 0 from 1 January 2010 (waste disposed of outside the district).	0 (Waste disposed of outside the District).	0 (Waste disposed of outside the District).	New landfill operative in 2014/15.



## WHAT WE ARE GOING TO DO

DESCRIPTION	START YEAR	END YEAR	FUNDING (\$)								
			DEPRECIATION	LOANS	DEVELOPMENT CONTRIBUTIONS	SUBSIDIES	OTHER RESERVES	FEES & CHARGES	GENERAL RATES	TARGETED RATES	TOTAL COST (\$)
Transfer station construction, Whakatane	2010	2010		330,188	36,687						366,875 (plus funding carried forward)
Construction of a transfer station at Minginui	2010	2010		90,000	10,000						100,000
Construction of a transfer station at Ruatahuna	2010	2011		270,000	30,000						300,000
Construction of an organic waste composting plant	2010	2011		1,413,980	446,520	500,000					2,360,500
Landfill retirement, Burma Road	2010	2011		606,250							606,250
Minor works - Whakatane Recycling Park	2010	2019								220,000	220,000
Landfill gas management, Burma Road	2011	2011	496,722								496,722
Resource consent for landfill	2011	2013		1,200,000	300,000	1,500,000					3,000,000
Construction of a landfill	2014	2014		3,120,000	780,000	3,900,000					7,800,000

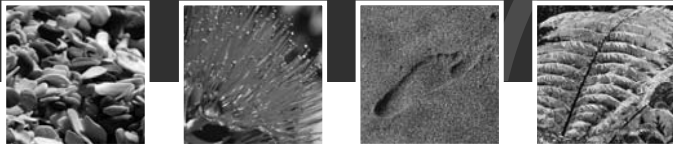
Note: The figures in this table are not adjusted for inflation.



## SUMMARY OF COST OF SERVICES

ANNUAL PLAN 2009 \$,000		FORECAST FOR THE YEARS ENDED 30TH JUNE									
		2010 \$,000	2011 \$,000	2012 \$,000	2013 \$,000	2014 \$,000	2015 \$,000	2016 \$,000	2017 \$,000	2018 \$,000	2019 \$,000
	<b>EXPENDITURE</b>										
122	Depreciation	580	739	885	1,043	1,215	2,024	2,074	2,127	2,184	2,242
240	Interest Paid	259	399	512	559	507	350	362	351	357	364
3,283	Operations	4,244	5,138	5,291	5,448	5,542	5,672	5,791	5,939	6,116	6,245
<b>3,645</b>	<b>Total Expenditure</b>	<b>5,083</b>	<b>6,276</b>	<b>6,688</b>	<b>7,050</b>	<b>7,263</b>	<b>8,046</b>	<b>8,228</b>	<b>8,417</b>	<b>8,656</b>	<b>8,851</b>
	<b>REVENUE</b>										
15	Development Contributions	146	151	155	159	162	166	170	174	179	183
1,048	User Fees & Charges	1,490	2,440	2,499	2,559	2,285	2,340	2,396	2,453	2,515	2,578
0	General Rates	189	199	212	203	126	15	16	16	16	17
0	Interest Income	0	0	0	0	0	0	0	0	0	0
212	Sundry Income	0	335	343	351	359	368	377	386	396	405
0	Subsidies & Grants	125	1,034	529	542	4,326	0	0	0	0	0
2,573	Targeted Rates	3,446	3,371	3,936	3,931	4,252	5,422	5,541	5,683	5,867	5,994
<b>3,848</b>	<b>Total Revenue</b>	<b>5,396</b>	<b>7,531</b>	<b>7,674</b>	<b>7,745</b>	<b>11,511</b>	<b>8,312</b>	<b>8,499</b>	<b>8,712</b>	<b>8,973</b>	<b>9,177</b>
<b>(203)</b>	<b>Net Cost (Surplus) of Operations</b>	<b>(313)</b>	<b>(1,255)</b>	<b>(987)</b>	<b>(695)</b>	<b>(4,247)</b>	<b>(266)</b>	<b>(271)</b>	<b>(295)</b>	<b>(316)</b>	<b>(326)</b>
(203)	Transfer from (surplus)/deficit	(313)	(1,255)	(987)	(695)	(4,247)	(266)	(271)	(295)	(316)	(326)
294	Capex *	1,909	3,630	1,515	1,388	8,685	23	23	36	49	50
188	Loan Repayments	216	261	281	2,208	2,920	76	78	86	89	93
15	Payments to Reserves	146	151	155	159	162	166	170	174	179	183
0	Less Depreciation not Funded	0	0	0	0	0	0	0	0	0	0
294	Total Funding Requirement	1,959	2,787	964	3,060	7,520	(0)	0	0	0	0
	<b>FUNDED BY:</b>										
122	Depreciation Reserve	0	514	0	0	0	0	0	0	0	0
77	Development Contribution Reserve	325	602	330	325	2,076	0	0	0	0	0
95	Loans Raised	1,434	1,465	633	488	2,249	0	0	0	0	0
0	Operational Reserve	200	207	0	2,247	3,194	0	0	0	0	0
0	Sale of Assets	0	0	0	0	0	0	0	0	0	0
<b>294</b>	<b>Total Funding Applied</b>	<b>1,959</b>	<b>2,787</b>	<b>964</b>	<b>3,060</b>	<b>7,520</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>* CAPITAL EXPENDITURE</b>											
	Level of Service	1,773	3,329	1,376	1,252	7,820	23	23	36	49	50
	Growth	135	302	138	136	865	0	0	0	0	0
	Renewals	0	0	0	0	0	0	0	0	0	0

For more information about the selection of revenue mechanisms for this activity see the Council's Revenue and Financing Policy in Volume Two of this LTCCP.



## ENVIRONMENTAL SUSTAINABILITY

### CONTRIBUTION TO COMMUNITY OUTCOMES



CLEAN PROTECTED ENVIRONMENT



ENVIRONMENTALLY RESPONSIBLE DEVELOPMENT



PROSPEROUS ECONOMY

### WHAT WE DO AND WHY

#### Resource Management – Consents

The Council has a statutory obligation to administer the Resource Management Act 1991 (RMA). The RMA requires all councils to be responsible for the provisions of the Act relating to the subdivision, use and development of land. In order to meet its obligations under the RMA, the Council processes and determines resource consent applications to use, develop and subdivide land and then monitors compliance with the conditions of consent to ensure negative effects on the environment are avoided, remedied or mitigated.

#### Resource Management – Policy

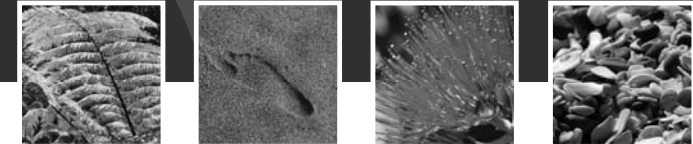
The RMA requires the Council to have a District Plan setting out objectives, policies and rules with regard to the subdivision, use and development of land. This activity involves preparing the plans and policies that implement the RMA, such as the District Plan, while also providing input to regional and national resource management frameworks. In addition there is a need to

ensure that resource management planning processes are firmly supported by long term objectives and direction. In support of this, the Council has combined its residential, industrial and retail investigations to form a Future Whakatane Strategy. This strategy along with the other planned work, will form the foundation for a full review of the Whakatane District Plan.

### RELEVANT ISSUES

- **Review of the RMA** – There are two phases proposed to the review of the RMA. The Council will need to be involved in these reviews through the submissions process.
- **District Plan** – the Whakatane District does not yet have a fully operative District Plan. This results in assessing consent applications against a number of different plan provisions, increasing the complexity, uncertainty and cost of consent applications.
- **Planning pressures** – long standing appeals to the District Plan and legislative changes have affected the ability of the Council to keep the District Plan up to date and to monitor the effects of plan rules. The current proposed Whakatane District Plan has taken so long to finalise that it requires extensive updating.
- **Support systems** – the Council is in the process of implementing improved systems to track and report on resource consent applications. The RMA specifies time-based performance targets for processing resource consent applications, meeting these targets without adequate support systems is difficult.

- **Enabling participation** - involving key stakeholders enhances effective administration of the RMA, however it is often difficult to ensure that the right parties are involved and that conflicting views are satisfactorily accounted for.
- **Professional development** – it is important that staff and decision makers who process and issue consents maintain high levels of professional expertise and training.
- **Administrative conflicts** – specific provisions of the RMA require Māori cultural and spiritual concerns to be understood and considered when processing resource consent applications. However, administrative conflicts arise between obtaining input from Māori, who prefer verbal over written responses, the manner in which decisions are made and compliance with the statutory timeframes prescribed in the RMA.
- **Natural hazard information** – there is a need for accurate, readily retrievable specialist information on the presence and location of natural hazards. Natural hazards need to be considered when processing resource consents for development.
- **Changes to legislation** - the Government is proposing changes to the Resource Management Act through the Resource Management (Simplifying and Streamlining) Amendment Bill.



## ADDRESSING ISSUES

- The Council will actively submit to proposed amendments to the RMA.
- The Council recognises that the lack of an approved District Plan is hindering development and is actively participating in Environment Court mediation of appeals to the Proposed Whakatane District Plan to resolve this issue. In addition the Council is planning to instigate a complete review of its District Plan over a three year timeframe commencing from July 2009.
- Ongoing investment in professional development programmes for staff is critical to the Council adequately fulfilling its statutory duties under the Resource Management Act and providing elected representatives and members of the public with confidence in the quality and levels of service provided.
- The Council organisation structure has been altered to provide a policy section, the key role of which is to provide information for strategic decision-making by the Council. This section is working to make planning documents more responsive to community needs and expectations. Collaborative working practices between staff working in the Policy and Consents teams provides opportunities for enhancement of desired policy outcomes.
- The Ministry for the Environment, through the Targeted Fund Assistance programme, works proactively with local authorities to disseminate best practice information on administration of the RMA. The Council was the recipient of Targeted Fund Assistance in 2007 and has implemented an

action plan to reflect national RMA best practices where these were not in place.

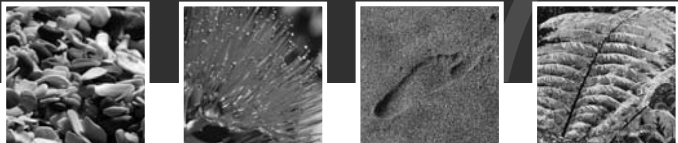
- The Council will monitor the legislative environment by maintaining close relationships with the Ministry for the Environment, Local Government New Zealand and the New Zealand Planning Institute, and will participate in national forums as opportunities arise.
- Additional staff appointments were made in 2008 to process resource consent applications and to respond to public enquiries. The increased organisational capacity will result in higher levels of service to resource consent applicants and members of the public.
- A stakeholder development relationship programme was initiated during 2008. The programme is aimed at raising levels of service delivery by working collaboratively with multiple stakeholders.
- The Council is implementing a new support system for resource consent administration that will enable accurate monitoring of resource consent applications and improved management reporting.
- Close working relationships with Māori are required in order to identify resource consents of interest to Māori and facilitate timely input. To assist with identification of which resource consent applications warrant formal input from Māori, several Iwi in the District are provided with a fortnightly summary of all resource consent applications lodged with the Council.
- Designated community board members are supplied with copies of resource consent

applications in their communities for comment prior to their notification and receive a summary of all resource consents lodged with the Council in their community board area.

- A programme to manage natural hazard information started in 2008. The programme is intended to reduce the Council's risk exposure by identifying the gaps in natural hazard information held by the Council and develop a programme to capture additional information, both initially and on an ongoing basis.

## WHO WE WORK WITH

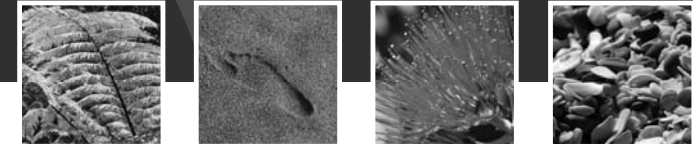
- Ministry for the Environment
- Neighbouring district councils and Environment Bay of Plenty
- Federated Farmers
- Royal Forest and Bird Society
- Major land owners
- Property developers and real estate agents
- Iwi



**MITIGATION OF SIGNIFICANT NEGATIVE EFFECTS TO ENSURE SUSTAINABILITY**

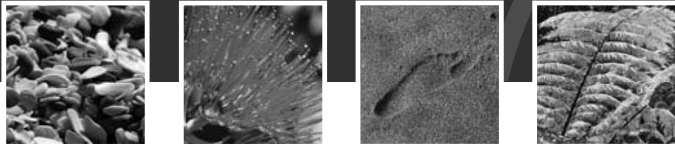
SIGNIFICANT NEGATIVE EFFECT	CULTURAL	SOCIAL	ECONOMIC	ENVIRONMENTAL	SUSTAINABLE SOLUTION
Reduced development and growth as a result of an unclear planning framework.	✓	✓	✓	✓	Resolution of outstanding appeals on the Proposed Whakatane District Plan. Immediate start on the next generation District Plan.
Dissatisfaction with the consent processing system due to delays.	✓	✓	✓	✓	Implementation of tracking and control system to support better management of processes. Adequate staff resourcing.

Ticks in the columns above indicate which wellbeing area may be negatively affected.



## MEASURING OUR PERFORMANCE

COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET			
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
Environmentally responsible development Clean protected environment	Resource Management Act (RMA) administrative services are provided to facilitate environmentally sustainable development within the Whakatane District.	Satisfaction with Council's resource consent process.	2008 Customer Service Index (CSI) score 45.2  (Needs significant improvement).	2008 CSI score 45.2 or higher  (Needs significant improvement).	2008 CSI score 57.0 or higher  (Needs significant improvement).	2008 CSI score 62 or higher  (Fair: Needs improvement).	CSI score progressively increasing to 68 or higher by 2019.  (Good service but with potential for improvement).
		Average working days for processing resource consents.	2007/08 results: 15.7 days for land-use consents. 26.7 for subdivision consents.	14.3 days for land use consents.  20 days for subdivision consents.	12.9 days for land use consents.  20 days for subdivision consents.	11.4 days for land use consents.  20 days for subdivision consents.	10 days for land use consents.  20 days for subdivision consents.
		Number of resource consent decisions overturned by the environment court	0	0	0	0	0
Clean protected environment Environmentally responsible development Prosperous economy	The proposed Whakatane District Plan is made operative.	Status of the Whakatane District Plan.	Proposed District Plan under appeal.	District Plan partially operative and review underway.	First generation District Plan fully operative and Second generation review underway.	Second generation District Plan notified.	Operative Plan by 2014/15.

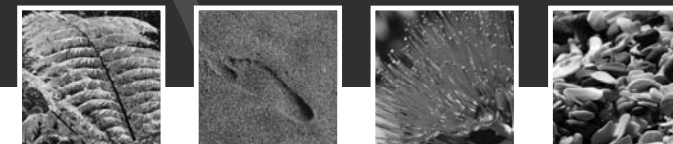


**WHAT WE ARE GOING TO DO**

DESCRIPTION	START YEAR	END YEAR	FUNDING (\$)								TOTAL COST (\$)	
			DEPRECIATION	LOANS	DEVELOPMENT CONTRIBUTIONS	SUBSIDIES	OTHER RESERVES	FEES & CHARGES	GENERAL RATES	TARGETED RATES		
Variation 4 to the Proposed Whakatane District Plan - indigenous biodiversity	2010	2010								60,000		60,000
Variation 6 - Coastal Hazard appeals	2010	2010								100,000		100,000
District Plan - Appeals process.	2010	2010								100,000		100,000
Ohiwa Harbour Strategy (Implementation)	2010	2012								60,000		60,000
Review of the Whakatane District Plan	2010	2012		1,877,000								1,877,000

Note: The figures in this table are not adjusted for inflation.

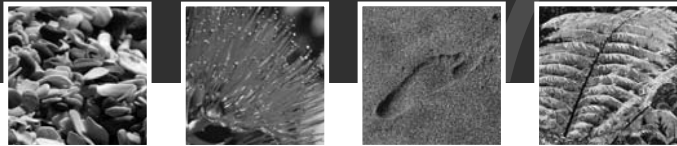




## SUMMARY OF COST OF SERVICES

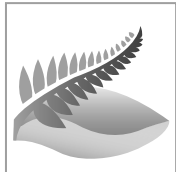
ANNUAL PLAN 2009 \$,'000		FORECAST FOR THE YEARS ENDED 30TH JUNE									
		2010 \$,'000	2011 \$,'000	2012 \$,'000	2013 \$,'000	2014 \$,'000	2015 \$,'000	2016 \$,'000	2017 \$,'000	2018 \$,'000	2019 \$,'000
	<b>EXPENDITURE</b>										
75	Depreciation	0	0	0	0	0	0	0	0	0	0
15	Interest Paid	14	49	64	36	4	0	0	0	0	0
1,668	Operations	2,206	2,317	2,443	2,355	2,468	2,427	2,376	2,460	2,551	2,605
<b>1,759</b>	<b>Total Expenditure</b>	<b>2,219</b>	<b>2,366</b>	<b>2,507</b>	<b>2,391</b>	<b>2,472</b>	<b>2,427</b>	<b>2,376</b>	<b>2,460</b>	<b>2,551</b>	<b>2,605</b>
	<b>REVENUE</b>										
0	Development Contributions	0	0	0	0	0	0	0	0	0	0
924	User Fees & Charges	1,012	1,047	1,072	1,097	1,123	1,150	1,177	1,205	1,236	1,267
732	General Rates	589	606	677	1,063	1,124	1,132	1,050	1,102	1,159	1,178
0	Interest Income	0	0	0	0	0	0	0	0	0	0
103	Sundry Income	103	107	109	112	114	146	149	153	157	161
0	Subsidies & Grants	0	0	0	0	0	0	0	0	0	0
0	Targeted Rates	0	0	0	0	0	0	0	0	0	0
<b>1,759</b>	<b>Total Revenue</b>	<b>1,704</b>	<b>1,759</b>	<b>1,857</b>	<b>2,272</b>	<b>2,361</b>	<b>2,427</b>	<b>2,376</b>	<b>2,460</b>	<b>2,551</b>	<b>2,605</b>
<b>0</b>	<b>Net Cost (Surplus) of Operations</b>	<b>515</b>	<b>607</b>	<b>649</b>	<b>119</b>	<b>111</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	Transfer from (surplus)/deficit	515	607	649	119	111	0	0	0	0	0
0	Capex *	0	0	0	0	0	0	0	0	0	0
0	Loan Repayments	0	515	801	532	111	0	0	0	0	0
0	Payments to Reserves	0	0	0	0	0	0	0	0	0	0
0	Less Depreciation not Funded	0	0	0	0	0	0	0	0	0	0
<b>0</b>	<b>Total Funding Requirement</b>	<b>515</b>	<b>1,122</b>	<b>1,451</b>	<b>651</b>	<b>222</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>FUNDED BY:</b>										
0	Depreciation Reserve	0	0	0	0	0	0	0	0	0	0
0	Development Contribution Reserve	0	0	0	0	0	0	0	0	0	0
0	Loans Raised	515	589	635	108	111	0	0	0	0	0
0	Operational Reserve	0	533	815	542	111	0	0	0	0	0
0	Sale of Assets	0	0	0	0	0	0	0	0	0	0
<b>0</b>	<b>Total Funding Applied</b>	<b>515</b>	<b>1,122</b>	<b>1,451</b>	<b>651</b>	<b>222</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

For more information about the selection of revenue mechanisms for this activity see the Council's Revenue and Financing Policy in Volume Two of this LTCCP.



## COMMUNITY SAFETY

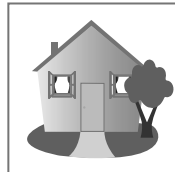
### CONTRIBUTION TO COMMUNITY OUTCOMES



CLEAN PROTECTED ENVIRONMENT



SAFE CARING COMMUNITY



HEALTHY PEOPLE AND QUALITY HOUSING

### WHAT WE DO AND WHY

#### Licensing (liquor and gambling)

The Council has a statutory obligation to undertake this activity. Under the provisions of the Sale of Liquor Act 1989 the Council takes on the role of a District Licensing Agency. The Gambling Act requires councils to develop and administer policies for class four venues (gaming machine venues excluding casinos) and for board venues (TABs).

#### Environmental Health

The Council has a statutory obligation to undertake this activity. The Council's authority comes from the Health Act 1956, the Food Act 1981 and associated regulations and bylaws. The Environmental Health activity includes the following: licensing of all registered premises (food, camping grounds, mortuaries, hairdressers, offensive trades), monitoring the state of the environment (includes public and private water supplies, environmental noise and contaminated land), and responding to nuisance complaints (excessive and unreasonable noise, unsanitary living conditions, refuse, odour from neighbouring properties).

#### Regulation Monitoring

Bylaws have been developed generally in response to public demand to deal with issues of nuisance, public health and safety and offensive behaviour. The Council also has statutory obligations under the provisions of the Local Government Acts 1974 and 2002 and the Litter Act 1979. The main duties include monitoring: public places (licensing of street stalls, the removal of obstructions in public places (e.g. overgrown trees on footpaths), and considering applications for parades), environmental nuisances (for example: accumulation of rubbish and urban rubbish fires, prevention of the spread of fires involving vegetation, responding to complaints about long grass in urban areas, barbecue permit conditions, prohibition of fires in urban areas during periods of high fire risk, and removing vehicles parked in the wrong place) and dealing with abandoned cars.

#### Safer Communities

The Council provides this service to offer support, coordination and direction to this community in order to enhance the safety and wellbeing of all. The Council also provides this service in response to community demand to reduce crime and increase safety as well as support social and cultural wellbeing.

#### Building

The Council has statutory responsibilities under the Building Act 2004 and its regulations to ensure that buildings are safe for users and that they have attributes that contribute appropriately to the health, physical independence, and wellbeing of people who use them. Buildings also need to be designed, constructed, and able to be used in ways that promote sustainable development. The building activity includes the following: processing of building consents and project information memoranda, inspections of building work, issuing of code of compliance certificates and

compliance schedules, and monitoring and enforcing of building warrants of fitness.

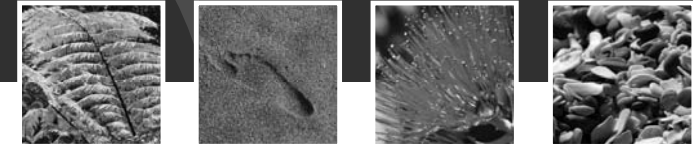
#### Animal Control

The Council has a statutory obligation to undertake this activity. The Council's authority comes from the Dog Control Act 1996, the Dog Control Amendment Act 2003 and the Stock Impounding Act 1955. This activity also implements the Dog Control and Control of Animals Bylaws and the Stock Control Bylaw. Animal control services are provided 24 hours, seven days a week.



Animal Control staff

Annual registration activity includes processing applications, annual inspections to check on animal welfare issues and registrations. Prosecutions are initiated against owners of unregistered dogs. Relevant records are maintained for the Council and Government in the National Dog Database. The District has about 6,000 dogs and 4,000 owners.



## RELEVANT ISSUES

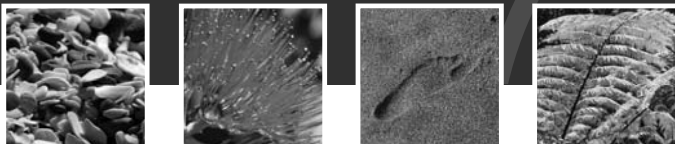
- **Legislation changes** - the review of legislation controlling the sale of liquor is underway. It may lead to changes for the Council in its role as the District Licensing Agency.
- **Contaminated sites** - several properties within the District are contaminated by timber treatment residues. Previously accepted land-use activities have resulted in above-normal levels of chemical contaminants persisting in the soil of some pastoral and horticultural land. Further work is required to quantify the scope of the problem and developing management plans for individual contaminated sites will be a significant task. While this task is being led by Environment Bay of Plenty, the Council is involved by holding land information.
- **Regulation monitoring** – there is a need to find a cost-effective enforcement mechanism for the new bylaws which balances education with enforcement. There are fluctuations in the level of resource for this area because of changes in the value of scrap metal (there are more abandoned vehicles when value is low) and increases in recycling fees leads to more illegal dumping.
- **New legal framework for building** - the Building Act 2004 introduced major changes for territorial authorities. The Council needs to respond to these changes over the nine years they are to be implemented. The first major change was achieved in April 2008 with the Council gaining accreditation and registration as a building consent authority. Accreditation audit reviews are required to be undertaken biennially with the next

review due in October 2010. Future accreditation requirements include implementation of a complying quality assurance programme by 1 December 2010, and the need for all building consent authority staff and contractors to have appropriate formal qualifications before 1 December 2013.

- **Weathertight homes resolution** – the Council has current outstanding claims lodged with this service. Complaints are expected to continue for some years.
- **Earthquake-prone buildings** – the objectives of the Council’s policy are to fulfil its statutory responsibility under the Building Act 2004 by: identifying earthquake-prone buildings within the District and implementing the Council’s Earthquake-Prone, Dangerous and Insanitary Buildings Policy, negotiating solutions with building owners that ensure their buildings are safe and sanitary for building users and visitors as well as protecting other property from physical damage, and seeking the protection of heritage buildings and their contents. The policy provides a five-stage implementation programme. As this is reliant on building owner redevelopment initiatives, the programme will take several years to achieve.

## ADDRESSING ISSUES

- The Council will continue to monitor the legislative review of the Sale of Liquor Act 1989 and respond proactively to the subsequent legislative amendments.
- The Council will continue to work with individual landowners in establishing a formal contaminated site management plan for each contaminated site, and will review the appropriateness of those plans on a cyclic basis as documented in each plan.
- Additional staff appointments were made in 2008 to address building consent authority accreditation requirements, to process building consent applications and respond to public enquiries. The increased organisational capacity will result in higher levels of service to building consent applicants and members of the public. The Council gained accreditation as a Building Consent Authority in April 2008 and is working towards satisfying future accreditation requirements well before the legislative deadlines.
- Funding to conduct further investigation into identifying earthquake prone buildings is in place for 2009/10.
- The Council will deal with individual weathertight home complaints as they arise. The Council has included budgetary provision of \$100,000 for the next three years, and \$70,000 thereafter to establish a reserve account to meet the Council’s ongoing costs associated with defending weathertightness claims.
- The Council is reviewing how it enforces Bylaws across the Council to rationalise its approach.



- The Council, through the Mayor, is involved in the Mayors Taskforce for Jobs which has the goal “that all young people under the age of 25 should be engaged in appropriate education, training, work or other options, which will lead to long-term economic independence and wellbeing”.
- In the area of Community Development (which includes the Safer Communities and Māori Liaison functions) the Council has reduced the budget provision. The initiatives that were being delivered under the Safer Communities Council will still continue to be delivered. The Council has indicated that it wants to access a greater funding level of central government funding to support this activity. Appropriate resources will also be put in place to fully support the work of the Iwi Liaison Committee and the wider organisation.
- The reduced expenditure in the area of community development would have resulted in the Young Achievers Awards being discontinued. However, the Council has received sponsorship for these awards. The Council will also seek sponsorship for the cost of operating the Youth Council.

## WHO WE WILL WORK WITH

- Police
- Bay of Plenty District Health Board
- Toi Te Ora - Public Health Service
- Environment Bay of Plenty
- New Zealand Food Safety Authority
- Ministry of Health
- Ministry for the Environment

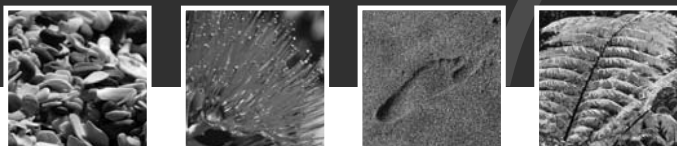
- Corrections Department
- Whakatane Family Court
- Child Youth and Family
- Whakatane Victim Support
- Family Works Northern
- Tauranga Living Without Violence
- Whakatane Women’s Refuge
- Ngāti Awa Social and Health Trust
- Whakatane Community Probation Services
- Relationship Services
- Rural Education and Activities Programme
- Youth Offending Team
- Department of Building and Housing
- Building Research Association of New Zealand
- Housing New Zealand
- Work and Income



**MITIGATION OF SIGNIFICANT NEGATIVE EFFECTS TO ENSURE SUSTAINABILITY**

SIGNIFICANT NEGATIVE EFFECT	CULTURAL	SOCIAL	ECONOMIC	ENVIRONMENTAL	MITIGATION OF NEGATIVE EFFECTS
The licensing, environmental health, building and animal control activities are being delivered because of statutory obligation. Negative effects ascribed to any of these activities generally relate to how the Council is delivering the activity or disputes over interpretation of its responsibilities as defined in the legislation.	✓	✓	✓	✓	The Council will monitor the impact of these activities. If any significant negative impacts are identified the Council will seek to address them.
Poor food hygiene causing danger to public health.		✓	✓	✓	Ensuring that the Council's Environmental Health obligations are met.
The quality of building information and decisions regarding building consents.	✓	✓	✓	✓	The Council has appointed additional staff in 2008 to address building consent authority accreditation requirements, to process building consent applications and respond to public enquiries. The increased organisational capacity will result in higher levels of service to building consent applicants and members of the public.
Perceptions of the District being unsafe.	✓	✓	✓	✓	The Council also provides the Safer Communities activity in response to community demand to reduce crime and increase safety.
Roaming or unsecured dangerous dogs - attacks, fouling, fines and impounding fees.		✓	✓	✓	Ensuring that the Council's obligations in response to dog control are met.
Issuing of infringement notices - burden of payment.	✓	✓			While the payment of infringement notices may be perceived negatively by the animal's owner, the cost is necessary to act as a deterrent for behaviour that can impact on the whole community's wellbeing.
Uncontrolled stock on District roads - high risk of accidents to motorists.		✓	✓	✓	Ensuring that the Council's obligations in response to dog control are met.

Ticks in the columns above indicate which wellbeing area may be negatively affected.

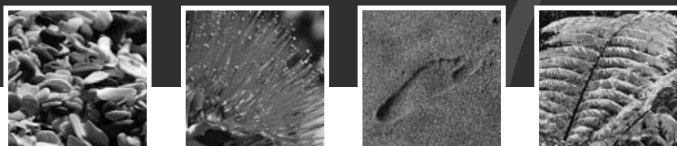


MEASURING OUR PERFORMANCE

COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET			
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
Safe caring community	Alcohol sales and gaming machines are available only at licensed premises managed by qualified people.	Inspection of all licensed premises for compliance with the Sale of Liquor Act, at least once per annum, with enforcement action initiated against any non complying premises.	2007/08: 100% of licensed premises inspected.	100%	100%	100%	100%
		Controlled purchase operations are undertaken in conjunction with Police and Toi Te Ora public health with enforcement action initiated against non-complying premises.	One operation undertaken in 2008/09.	At least one operation annually.	At least one operation annually.	At least one operation annually.	At least one operation annually.
Clean protected environment	The environmental health of the community is maintained or enhanced	Satisfaction with Environmental Health Services making the environment a healthier place to live (Environmental health includes; public health, food, noise, litter and liquor licensing).	2008 Customer Service Index (CSI) score 69.6  (Good service but potential for improvement).	2008 CSI score 69.6 or higher  (Good service but potential for improvement).	2008 CSI score 69.6 or higher  (Good service but potential for improvement).	2008 CSI score 69.6 or higher  (Good service but potential for improvement).	2008 CSI score 73 or higher  (Very good service).
Healthy people and quality housing	Food premises operating in the Whakatane District comply with relevant regulations/legislation.	Food premises are inspected at least once per annum and registrations are issued in accordance with regulations of relevant legislation. Enforcement action is initiated against non complying premises.	2007/08: 100% of premises either compliant or followed up with enforcement action.	100%	100%	100%	100%

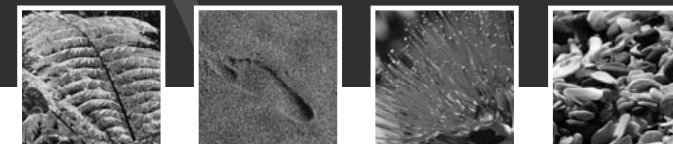


COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET			
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
Clean protected environment Safe caring community	The Council administers and enforces bylaws to deal with issues that create nuisance to the community.	Response times to complaints and infringements.	100% of complaints and infringements responded to within 24 hours.	100% of complaints and infringements responded to within 24 hours.	100% of urgent complaints and infringements responded to within 1 hour.	100% of urgent complaints and infringements responded to within 1 hour.	100% of urgent complaints and infringements responded to within 1 hour.
					100% of non urgent complaints and infringements responded to within 24 hours.	100% of non urgent complaints and infringements responded to within 24 hours.	100% of non urgent complaints and infringements responded to within 24 hours.
Safe caring community	Community safety is fostered through a range of subsidised programmes and coordinated projects.	Safer communities programmes and projects are developed and implemented according to local needs.	5 programmes and projects delivered in 2008/09 including:  Crossroads.  Tag-Off.  Crime Prevention Through Environmental Design.  Closed Circuit TV cameras.  Alcohol Policy.	At least 4 programmes and projects delivered annually.	At least 4 programmes and projects delivered annually.	At least 4 programmes and projects delivered annually.	At least 4 programmes and projects delivered annually.
			Number of Whakatane District Youth Council meetings held per year.	8 meetings held in 2008/09.	4 or more meetings per year.	4 or more meetings per year.	4 or more meetings per year.



COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET			
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
Healthy people and quality housing	New buildings and buildings with public access are healthy and safe.	New buildings and buildings with public access comply with the building code or enforcement action is taken.	100% either comply or followed up with enforcement action	100% either comply or followed up with enforcement action	100% either comply or followed up with enforcement action	100% either comply or followed up with enforcement action	100% either comply or followed up with enforcement action
	High quality outcomes for building consent and code compliance applications are provided in a timely and professional manner.	Satisfaction with the Council's building consent process.	2008 Customer Service Index (CSI) score 45.8  (Needs significant improvement).	2008 CSI score 51.2 or higher  (Needs significant improvement).	2008 CSI score 56.6 or higher  (Needs significant improvement).	2008 CSI score 62 or higher  (Fair: Needs improvement).	CSI score progressively increasing to 68 or higher by 2019.  (Good service but with potential for improvement).
		Average working days for processing building consents	2007/08 results: 18.7 days.	17.1 days	15.4 days	13.7 days	12 days
Safe caring community	Public safety and comfort is protected and the public are aware of their rights and responsibilities.	Response times for animal complaints.	Response initiated to aggressive dog complaints within 1 hour.	Response initiated to aggressive dog complaints within 1 hour.	Response initiated to aggressive dog complaints within 1 hour.	Response initiated to aggressive dog complaints within 1 hour.	Response initiated to aggressive dog complaints within 1 hour.
			Response initiated to roaming stock complaints within 1/2 hour.	Response initiated to roaming stock complaints within 1/2 hour.	Response initiated to roaming stock complaints within 1/2 hour.	Response initiated to roaming stock complaints within 1/2 hour.	Response initiated to roaming stock complaints within 1/2 hour.
			Response initiated for other complaints within 24 hours	Response initiated for other complaints within 24 hours	Response initiated for other complaints within 24 hours	Response initiated for other complaints within 24 hours	Response initiated for other complaints within 24 hours
		Satisfaction with Council's dog control service.	2008 CSI score 66.6  (Fair: Needs improvement).	CSI score 66.6 or higher  (Fair: Needs improvement).	CSI score 66.6 or higher  (Fair: Needs improvement).	CSI score 66.6 or higher  (Fair: Needs improvement).	CSI score progressively increasing to 73 or higher by 2019.  (Very good service).

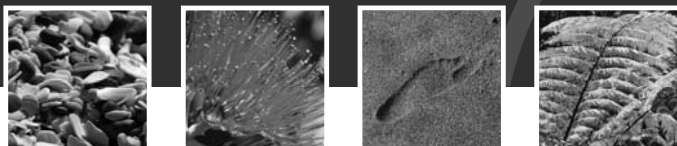




## WHAT WE ARE GOING TO DO

DESCRIPTION	START YEAR	END YEAR	FUNDING (\$)								TOTAL COST (\$)	
			DEPRECIATION	LOANS	DEVELOPMENT CONTRIBUTIONS	SUBSIDIES	OTHER RESERVES	FEES & CHARGES	GENERAL RATES	TARGETED RATES		
Tag off graffiti programme	2010	2011				36,800						36,800
Earthquake prone building assessment	2010	2011							50,000			50,000
CCTV maintenance	2010	2019	122,100					27,900				150,000
Crossroads programme	2010	2011				92,000						92,000

Note: The figures in this table are not adjusted for inflation.

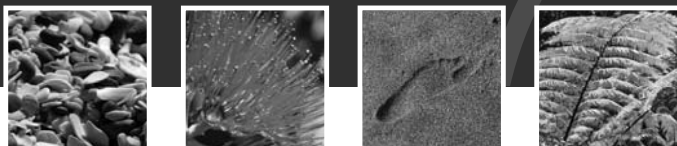


**SUMMARY OF COST OF SERVICES**

ANNUAL PLAN 2009 \$,000		FORECAST FOR THE YEARS ENDED 30TH JUNE									
		2010 \$,000	2011 \$,000	2012 \$,000	2013 \$,000	2014 \$,000	2015 \$,000	2016 \$,000	2017 \$,000	2018 \$,000	2019 \$,000
	<b>EXPENDITURE</b>										
179	Depreciation	0	3	6	10	13	17	17	18	18	19
29	Interest Paid	0	0	0	0	0	0	0	0	0	0
2,425	Operations	2,612	2,821	2,993	3,108	3,144	3,183	3,308	3,384	3,539	3,597
<b>2,632</b>	<b>Total Expenditure</b>	<b>2,612</b>	<b>2,824</b>	<b>2,999</b>	<b>3,118</b>	<b>3,157</b>	<b>3,200</b>	<b>3,325</b>	<b>3,402</b>	<b>3,557</b>	<b>3,616</b>
	<b>REVENUE</b>										
0	Development Contributions	0	0	0	0	0	0	0	0	0	0
1,791	User Fees & Charges	1,621	1,638	1,706	1,749	1,776	1,839	1,867	1,912	1,985	2,027
609	General Rates	667	851	948	1,016	1,020	991	1,079	1,102	1,175	1,182
0	Interest Income	0	0	0	0	0	0	0	0	0	0
168	Sundry Income	339	350	359	367	376	385	394	403	414	424
64	Subsidies & Grants	85	88	92	94	96	99	101	103	106	109
0	Targeted Rates	0	0	0	0	0	0	0	0	0	0
<b>2,632</b>	<b>Total Revenue</b>	<b>2,712</b>	<b>2,928</b>	<b>3,105</b>	<b>3,227</b>	<b>3,268</b>	<b>3,313</b>	<b>3,441</b>	<b>3,521</b>	<b>3,680</b>	<b>3,741</b>
<b>0</b>	<b>Net Cost (Surplus) of Operations</b>	<b>(100)</b>	<b>(103)</b>	<b>(106)</b>	<b>(108)</b>	<b>(111)</b>	<b>(114)</b>	<b>(116)</b>	<b>(119)</b>	<b>(122)</b>	<b>(125)</b>
0	Transfer from (surplus)/deficit	(100)	(103)	(106)	(108)	(111)	(114)	(116)	(119)	(122)	(125)
0	Capex *	15	16	16	16	17	17	17	18	18	19
0	Loan Repayments	0	0	0	0	0	0	0	0	0	0
0	Payments to Reserves	100	100	100	100	100	100	100	100	100	100
0	Less Depreciation not Funded	0	0	0	0	0	0	0	0	0	0
<b>0</b>	<b>Total Funding Requirement</b>	<b>15</b>	<b>12</b>	<b>10</b>	<b>8</b>	<b>6</b>	<b>3</b>	<b>1</b>	<b>(1)</b>	<b>(4)</b>	<b>(6)</b>
	<b>FUNDED BY:</b>										
0	Depreciation Reserve	6	6	6	16	17	17	17	18	18	19
0	Development Contribution Reserve	0	0	0	0	0	0	0	0	0	0
0	Loans Raised	0	0	0	0	0	0	0	0	0	0
0	Operational Reserve	9	6	4	(8)	(11)	(14)	(16)	(19)	(22)	(25)
0	Sale of Assets	0	0	0	0	0	0	0	0	0	0
<b>0</b>	<b>Total Funding Applied</b>	<b>15</b>	<b>12</b>	<b>10</b>	<b>8</b>	<b>6</b>	<b>3</b>	<b>1</b>	<b>(1)</b>	<b>(4)</b>	<b>(6)</b>
<b>* CAPITAL EXPENDITURE</b>											
	Level of Service	15	16	16	16	17	17	17	18	18	19
	Growth	0	0	0	0	0	0	0	0	0	0
	Renewals	0	0	0	0	0	0	0	0	0	0

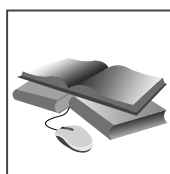
For more information about the selection of revenue mechanisms for this activity see the Council's Revenue and Financing Policy in Volume Two of this LTCCP. This activity is also guided by the Council's Alcohol Strategy and Policy and the Class 4 Board and Venue (Gambling) Policy.

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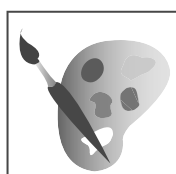


## ARTS AND CULTURE

### CONTRIBUTION TO COMMUNITY OUTCOMES



EDUCATION AND TRAINING OPPORTUNITIES FOR ALL



DIVERSE, CREATIVE AND ACTIVE COMMUNITY

### WHAT WE DO AND WHY

#### Libraries

There is one main library and three community libraries in the Whakatane District. These are located in:

- Whakatane
- Ohope
- Edgecumbe
- Murupara

The services provided in libraries allows access to print, audio and visual materials, online databases, access to the Internet and a social meeting space/place. In 2008 the library collection included 64,500 items available for issue. In 2008 there were 14,339 registered library users, this represented approximately 43% of the District's population. For the same year the total number of library issues was 230,730 equating to approximately 16 items issued per registered user.

The Council supports and endorses the value libraries provide for our District. Many individuals do not have access to high band Internet services, cannot afford to buy books nor the resources to access other sources of information for educational and recreational purposes. Nationally, the most widely used format is council ownership.

#### Museum & Gallery

The Museum & Gallery collects, preserves/conserves, records, researches and showcases our cultural heritage to our community and the world. The Council provides this activity in response to public advocacy and demand, and endorses the educational, leisure and community value of these facilities.

The Museum collection is estimated to hold 60,000 - 100,000 items including:

- Objects (social and natural history, taonga Māori, ethnology)
- Pictorial (fine arts and photography)
- Museum and community archives and research collections

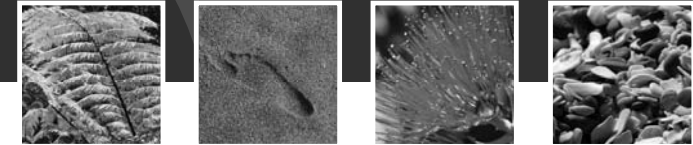


MMC Glass Exhibition August/September 2008

The Whakatane Museum and Art Gallery is a major repository for artefacts, museum and community archives in the Whakatane District. The artifacts and archives held within the museum have grown to become an important collection incorporating a wide variety of heritage material and reflects important aspects of Whakatane's cultural and social history. Significant work is ongoing to inventory the entire collection so that accurate information can be provided, an accurate valuation can be established, researchers have access to more digital material and items can be easily identified and located. Currently collections are being gifted to the Museum and Gallery faster than they can be considered into the collection.

### RELEVANT ISSUES

- **Growth and demand** - as the population increases, it is expected that the library will require additional items to service the growth in users. Population aging is also expected to increase demands on the Library. As a result the space in the current library is under pressure. This, along with issues with the current Museum and Gallery, has led the Council to plan for better library, museum and exhibition facilities..
- **Library building issues** - for example, inadequate air conditioning. A suitable system lengthens the lifespan of books. A lack of library space results in a compromised collection range and quantity, very limited wheelchair, mobility scooter and pram access which limits to the levels of service provided e.g. delivery of school holiday programme events.
- **Technology changes** - the Internet has opened the gateway to learning and the accessibility of information. The Council's online services are



rapidly expanding and the current trends indicate that this will continue. The trends in relation to technology include:

- Increased usage of the internet to access library and museum information, online catalogues, publications, photographs, history, educational material, magazines, entertainment
- Diversity of information to match demographic trends (i.e. age, ethnicity)
- Increase in the range of learning capabilities including interactive functions and sound
- Linkages to other networks, sites and functions.
- **Museum inventory** - there is a need for a complete and up-to-date digital record, item count, condition assessment etc of all collections, and to identify and locate loan items.
- **Museum & Gallery building issues** - for example, environmental controls, to ensure a stable environment for all collections within the recommended museum national standards, lack of storage for different collections, improved collection accessibility, rotation of museum items on display, insuring current and renewed displays are provided on a cyclical basis and increased access to digital media - usage of the internet to access museum information, online catalogues, publications, history and educational material

- **Museum policies** - a complete manual of museum and gallery policies is required.
- **Community partnerships** - community partnerships are very important for the delivery of the Arts and Culture services. With over 40% of the population being Māori, and the area holding much significance in terms of New Zealand's history, it is recognised that these relationships are critical to the successful delivery of services. The museum collection is largely drawn from the Eastern Bay of Plenty and the preservation of important taonga is passed on with great care and understanding, as is the passing on of the history to visitors and residents alike.
- **Friends** - both the Museum and Gallery and the Libraries operate "Friends" networks that assist with fundraising and events. It is important that key stakeholder relationships are fostered to increase the longevity and success of the services as a whole.

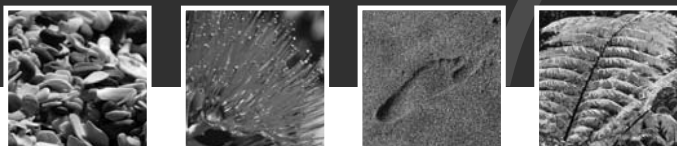
## ADDRESSING ISSUES

- There has been a decrease in recorded visitor numbers to the Museum & Gallery since 2004. This is related to an inadequate facility and staffing resource constraints that the museum has been operating under for some years. This has meant that displays remained static and that staff were not able to focus on increasing numbers. A new structure is in place and processes and plans are being put in place to enhance the services provided by the Museum & Gallery, which will seek to increase the patronage, research services and exhibition quality for the foreseeable future.

- The Council has agreed to fund \$3.25 million in 2009/10 to provide better library, museum and exhibition facilities. The Council has yet to make a definite decision as to where these facilities will be located. The development of a cultural, environmental and cultural centre (Whakatane centre) has been deferred until 2012-2015 so this can be reconsidered in the 2012-2022 LTCCP.

## WHO WE WORK WITH

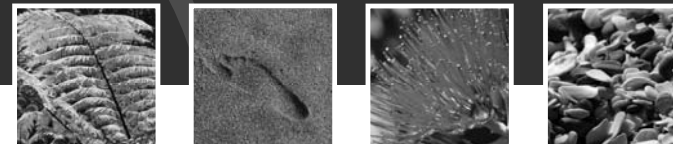
- Whakatane Museum and Gallery Board
- Whakatane and District Historical Society
- Friends of the Library and Friends of the Museum
- Local iwi
- Other regional museums and galleries
- Whakatane Genealogical Society
- Whakatane Art & Craft Society
- Community Arts Council
- Whakatane Chamber of Commerce
- Local education services and tertiary institutions
- Anamata
- Te Runanga o Ngāti Awa, Ngāti Awa Archives and Research Centre
- Te Whare Wananga Awanuiarangi
- Local schools
- Rural Education Assistance Provider (REAP)
- Whakatane Disability Resource Centre
- East Bay Adult Literacy
- Astronomical Society



**MITIGATION OF SIGNIFICANT NEGATIVE EFFECTS TO ENSURE SUSTAINABILITY**

SIGNIFICANT NEGATIVE EFFECT	CULTURAL	SOCIAL	ECONOMIC	ENVIRONMENTAL	SUSTAINABLE SOLUTION
Economically, the cost of desired infrastructure improvements may exceed the community's ability to pay.		✓	✓		Consult with the community on all costs and options for levels of service through the LTCCP process.
Damage to museum artefacts.	✓	✓	✓	✓	Appropriate storage and preservation of the collection/artefacts in accordance with National and International Standards. Building Maintenance and environmental controls (lighting, air conditioning, pest control etc).
Lost or stolen items.	✓	✓	✓		Accurate records and valuations of all collections owned and held by the Museum and Gallery. Appropriate security in place in relation to the value of the item, collection or exhibition. Accessioning process in place for museum items in accordance with the Collections Policy.
Damaged library items.	✓	✓	✓		Repaired as condition is assessed during the issuing or receipting process, or discarded in accordance with the Collections Policy. New Zealand material retained for historical purposes and local relevance for use by researchers and interested parties in accordance with the Collections Policy.
Inappropriate books/magazines/material in the collection (i.e. Adult material, or offensive to cultures, religion, or in general).	✓	✓	✓		Items are acquired in accordance with the Collections Policy and catalogued as per the nature of the material.

Ticks in the columns above indicate which wellbeing area may be negatively affected.



## WHAT WE OWN

The following tables summarise the Council's Arts and Culture assets and the value of these assets:

<b>LIBRARY ASSETS</b>	<b>GROSS REPLACEMENT VALUE (AS AT 1 JULY 2005)</b>
Audio	\$1,466
CD/DVD	\$3,160
Hardback	\$760,355
Large Paperback	\$64,887
Limp	\$122,218
Paperback	\$499,886
Publications	\$35,819
Puzzles	\$3,684
Talking Book	\$24,472
Video	\$24,472
<b>TOTAL</b>	<b>\$1,540,419</b>

<b>MUSEUM &amp; ART GALLERY ASSETS</b>	<b>COLLECTION VALUE (AS AT 1 JULY 2005)</b>
Taonga Māori - International	\$4,100,170
Taonga Māori - New Zealand	\$979,383
Archives & Library	\$251,450
Social History	\$155,055
Fine Arts	\$35,200
Photography	\$221,170
Ethnographic Objects	\$45,350
Natural History	\$47,025
Recent Acquisitions	\$25,477
<b>TOTAL</b>	<b>\$5,860,280</b>

The Council is currently developing an Arts and Culture Asset Management Plan to:

- Provide a document to convey the long-term strategy for the management of the Arts and Culture assets
- Improve understanding of service level standards and options, while improving customer satisfaction and organisational image
- Identify minimum lifecycle (long term) costs to provide agreed levels of service
- Provide the basis for improved understanding and forecasting asset related management options and costs to smooth peak funding demands

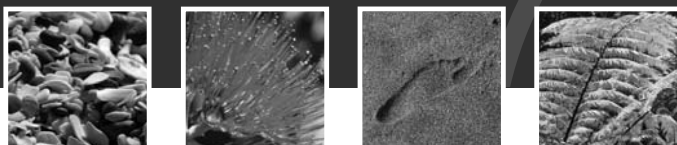
- Clearly justify the long term works programmes and justification of funding requirements
- Manage the environmental and financial risks of asset failure.

Routine maintenance is undertaken on library and museum assets.

Library assets may be disposed of for a variety of reasons including under utilisation or obsolescence. In relation to the Museum & Gallery, specimens/artefacts will be considered for deaccessioning, return or disposal once a complete inventory record is completed. A further concern with deaccessioning and/or disposal is determining the ownership of the asset, as the Museum is unable to dispose of assets that it doesn't own. At this time Whakatane has no plans to dispose of any of its Arts and Culture assets.

The Council has the following key service provider relationships for arts and culture:

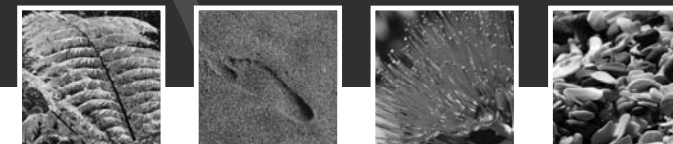
- The library and the museum and gallery rely on the support of volunteers.
- The museum and gallery maintains good working relationships with local iwi and various societies (Historical Society, Arts Society and Genealogical Society) who advise on the maintenance and care of the collections.



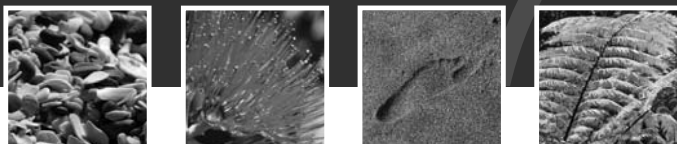
## MEASURING OUR PERFORMANCE

COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET			
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
Diverse, creative and active community.  Education and training opportunities for all.	The Council ensures that all members of the community have ready access to a wide range of resources for information, education, leisure and cultural enrichment.	Satisfaction with the library.	2008 Customer Service Index (CSI) score 79.4  (Exceptional performance).	CSI score of 79.4 or higher.  (Exceptional performance).	CSI score of 79.4 or higher.  (Exceptional performance).	CSI score of 79.4 or higher.  (Exceptional performance).	CSI score progressively increasing to 80 or higher by 2019.  (Exceptional performance).
		Percentage of population holding membership  (2004 national standard at least 35%).	2007/08: 43% of population are registered users.	44% of population are registered users.	45% of population are registered users.	46% of population are registered users.	50% of population are registered users by 2019.
		Number of issues per capita	2007/08: 7 issues per capita.	7.5 or more issues per capita.	8 or more issues per capita.	8.5 or more issues per capita.	Issues increasing to 10 or higher by 2019.
		Average age of lending collection.	2007/08  55% of lending collection is aged 0-5 Yrs.	56% of lending collection is aged 0-5 Yrs.	57% of lending collection is aged 0-5 Yrs.	58% of lending collection is aged 0-5 Yrs.	Progressively increasing to 65% of lending collection is aged between 0-5 yrs by 2019.





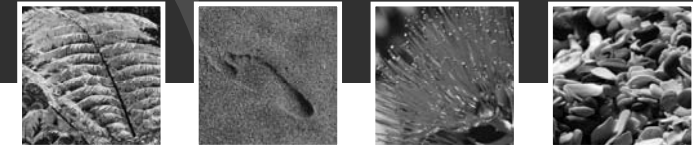
COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET			
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
Diverse, creative and active community. Education and training opportunities for all. Prosperous Economy.	The Council provides dynamic facilities and services that help create a strong sense of community pride and identity, reflecting the heritage and culture of our region.	Satisfaction with Museum and Gallery facility and amenities in Boon Street.	2008 CSI score 71.0 (Good service but with potential for improvement).	CSI score 71 or higher (Good service but with potential for improvement).	CSI score 71 or higher (Good service but with potential for improvement).	CSI score 71 or higher (Good service but with potential for improvement).	CSI score progressively increasing to 77 or higher by 2019. (Excellent service; dependant on Arts & Culture development project).
		Number of Museum & Gallery admissions.	2007/08 10,316 admissions to the Museum & Gallery.	Museum & Gallery admissions 10,316 or higher.	Museum & Gallery admissions 10,316 or higher.	Museum & Gallery admissions 10,316 or higher.	Museum & Gallery admissions increasing to 20,000 or higher by 2019.
		Status of the heritage collections, archives and research facility and dedicated library facility.	Investigations, feasibility study and options analysis undertaken.	Construction of a heritage collections, archives and research facility. Investigation/ retrofit of building for library facility.	Retrofit and refurbishment of a building for the dedicated library.	Refurbishment of a building for the dedicated library.	Consideration of cultural, environmental tourism centre (Whakatane centre).



## WHAT WE ARE GOING TO DO

DESCRIPTION	START YEAR	END YEAR	FUNDING (\$)									
			DEPRECIATION	LOANS	DEVELOPMENT CONTRIBUTIONS	SUBSIDIES	OTHER RESERVES	FEES & CHARGES	GENERAL RATES	TARGETED RATES	TOTAL COST (\$)	
Collection shelving - meeting museum national standards for collection care	2010	2010								25,000		25,000
Heritage collection, archives and research facility	2010	2010		2,250,000		1,000,000 (2010/11)						3,250,000
Library retrofit	2010	2011		1,000,000		500,000 (2010/11)						1,500,000
Library refurbishment	2010	2012		830,000								830,000
Renewal of library collection	2010	2019	1,184,500									1,184,500
Refit of current museum display cabinets including new exhibition furniture and interior lighting	2011	2011	40,000									40,000
Cultural, environmental and tourism centre (Whakatane Centre)	2013	2015		5,095,448	629,774	5,000,000						10,725,222

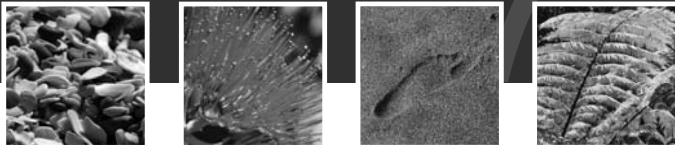
**Note:** The figures in this table are not adjusted for inflation.



## SUMMARY OF COST OF SERVICES

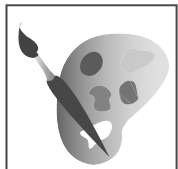
ANNUAL PLAN 2009 \$,000	FORECAST FOR THE YEARS ENDED 30TH JUNE										
	2010 \$,000	2011 \$,000	2012 \$,000	2013 \$,000	2014 \$,000	2015 \$,000	2016 \$,000	2017 \$,000	2018 \$,000	2019 \$,000	
	<b>EXPENDITURE</b>										
272	127	201	263	330	337	345	551	565	579	593	
44	90	227	284	308	432	615	723	700	713	726	
1,654	2,293	2,710	2,899	3,103	3,094	3,128	3,503	3,651	3,788	3,891	
<b>1,970</b>	<b>2,510</b>	<b>3,138</b>	<b>3,446</b>	<b>3,740</b>	<b>3,864</b>	<b>4,088</b>	<b>4,778</b>	<b>4,915</b>	<b>5,079</b>	<b>5,210</b>	
	<b>REVENUE</b>										
166	5	6	6	74	76	78	80	82	84	86	
32	34	35	125	130	135	140	1,207	1,261	1,319	1,381	
627	950	1,212	1,201	1,278	1,408	1,663	1,275	1,213	1,252	1,262	
0	0	0	0	0	0	0	0	0	0	0	
141	126	130	134	137	140	143	147	150	154	158	
22	13	1,653	69	71	3,400	2,346	76	78	80	82	
1,155	1,411	1,742	1,848	2,007	1,993	1,997	2,021	2,088	2,148	2,189	
<b>2,143</b>	<b>2,540</b>	<b>4,778</b>	<b>3,383</b>	<b>3,697</b>	<b>7,152</b>	<b>6,368</b>	<b>4,805</b>	<b>4,872</b>	<b>5,037</b>	<b>5,157</b>	
<b>(172)</b>	<b>(30)</b>	<b>(1,640)</b>	<b>63</b>	<b>43</b>	<b>(3,289)</b>	<b>(2,280)</b>	<b>(27)</b>	<b>44</b>	<b>43</b>	<b>53</b>	
(172)	(30)	(1,640)	63	43	(3,289)	(2,280)	(27)	44	43	53	
410	3,509	2,406	208	411	6,794	5,197	138	141	145	148	
233	0	61	67	69	76	126	160	175	182	190	
166	5	6	6	74	76	78	80	82	84	86	
0	0	(12)	(135)	(187)	(191)	(196)	(212)	(300)	(308)	(328)	
<b>637</b>	<b>3,484</b>	<b>822</b>	<b>208</b>	<b>411</b>	<b>3,466</b>	<b>2,926</b>	<b>138</b>	<b>141</b>	<b>145</b>	<b>149</b>	
	<b>FUNDED BY:</b>										
121	118	164	125	128	131	135	138	141	145	149	
283	0	0	0	31	367	307	0	0	0	0	
0	3,366	659	83	252	2,968	2,484	0	0	0	0	
233	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
<b>637</b>	<b>3,484</b>	<b>822</b>	<b>208</b>	<b>411</b>	<b>3,466</b>	<b>2,926</b>	<b>138</b>	<b>141</b>	<b>145</b>	<b>149</b>	
<b>* CAPITAL EXPENDITURE</b>											
	3,379	2,284	83	252	6,296	4,756	0	0	0	0	
	13	0	0	31	367	307	0	0	0	0	
	118	122	125	128	131	135	138	141	145	148	

For more information about the selection of revenue mechanisms for this activity see the Council's Revenue and Financing Policy in Volume Two of this LTCCP.

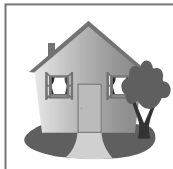


## COMMUNITY PROPERTY

### CONTRIBUTION TO COMMUNITY OUTCOMES



DIVERSE, CREATIVE AND ACTIVE COMMUNITY



HEALTHY PEOPLE AND QUALITY HOUSING



PROSPEROUS ECONOMY

### WHAT WE DO AND WHY

#### Pensioner Housing

Currently the Council owns six housing complexes for the elderly. There are four housing developments in Whakatane which provide 79 rentable units, and two properties in Murupara which provide a further seven rentable units. The Council has provided this activity in response to public demand but intends to sell its pensioner housing stock over the period of this LTCCP.

#### Halls

There are a number of urban and rural community based halls in the Whakatane District including the Whakatane War Memorial Hall. 11 of these halls are Council-owned and are located in Whakatane, Edgecumbe, Murupara, Ohope, Manawahe, Galatea, Te Teko, Waimana, Otakiri, Awakeri and Taneatua. There is no legislative requirement for the Council to be involved in the provision of community halls.

#### Commercial Property

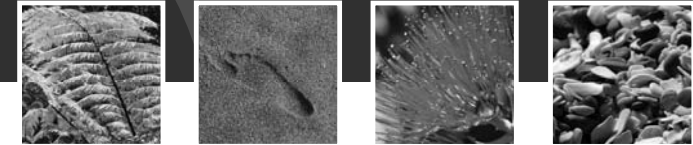
The Whakatane District Council owns a number of properties that are held for strategic and or investment purposes. These assets include rental housing, commercial tenancies and the plant nursery.

#### RELEVANT ISSUES

- **Pensioner housing** -the Council has a funding problem partly associated with the current unstable economic environment and partly because it cannot fund its works programme from its current rating base. The Council has undertaken a review of the services it provides and plans to exit from its pensioner housing role subject to clear requirements to protect current and future tenants.
- **Multi-sports events centre** - the Council is planning to build a multi-sports events centre in 2013-2015 at a cost of \$6.5m. The Council is planning to fund the majority of this project by way of loans. The location and design is not yet confirmed. This project was originally included in the 2006 LTCCP for 2009/10. However public submissions indicated that priority should be given to the new Arts and Culture Centre project. As a result the final 2006 LTCCP planned for the multi-sports events centre in 2010/11. The timeframe for the project has now been deferred as a result of the significant expenditure required on existing assets.
- **Rural halls** - halls have traditionally been in rural areas however with the changing social environment and population drift to urban environments rural halls now have limited use.

Communities have changed over time with our society becoming more mobile and requiring more specialised facilities. In many communities the school or the Marae are now fulfilling the social needs of the local rural community. The Council considers the ownership costs associated with rural halls are very much in excess of the economic, social and cultural benefit provided to the community.

- **Urban halls** - use of the urban halls (Whakatane, Ohope, Edgecumbe and Murupara) has been reasonably stable for the last 3-4 years. The busiest facility is the Whakatane War Memorial for which demand often exceeds supply during peak use times. The other three halls are not well used.
- **Property assets** - the Council has reviewed operational properties with a view to considering divestment given the current economic climate.



### ADDRESSING ISSUES

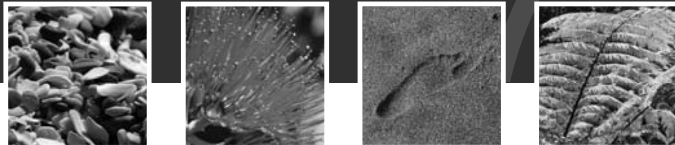
- The Council has indicated it wants to exit the service of owning pensioner housing. The pensioner housing asset is valued at \$5.5 million and selling it would release over \$5 million a retiree debt which would benefit the wider community. The Council will only sell its pensioner housing units if existing tenants interests are safeguarded. The Council is interested in working with other elder housing providers to determine if the current service can be provided by other more specialised agencies.
- The Council intends to find and implement alternative ownership and operational models for rural halls. This will be done in a case by case manner with full consultation with all shareholders. The Council will liaise with the Returned Services Association, the community, and interested parties in regard to any War Memorial status of the halls.
- The development of a Whakatane District Council halls strategy is planned in 2009/10 to provide a framework to manage the Council's provision of urban community facilities for existing and future generations. The Council's role in regard to urban halls will be explored through the development and adoption of this strategy.
- In the 2006-2016 LTCCP the Council identified the need for a multi-sports centre to cater for diversity in indoor recreation activity. This project is to be planned in this LTCCP over 2013-2015.
- The following four operational properties (or portions of these properties through subdivision) have been identified as possibly being no longer

required and could be sold over the following three years subject to required legislative processes:

- 2 Oregon Drive, Murupara
- 143 King Street, Whakatane
- 65 Keepa Road, Whakatane
- 40 Te Tahī Street, Whakatane

### WHO WE WORK WITH

- Neighbouring district councils
- Environment Bay of Plenty
- Toi Te Ora Public Health
- Ministry of Health
- Schools, Ministry of Education
- Ratepayers associations
- Iwi
- Environmental groups
- Other government agencies (Audit NZ, Ministry for the Environment)
- Tenants
- Housing New Zealand
- Returned Services Association
- Ministry of Social Development



## MITIGATION OF SIGNIFICANT NEGATIVE EFFECTS TO ENSURE SUSTAINABILITY

SIGNIFICANT NEGATIVE EFFECT	WELLBEING AREAS				MITIGATION OF NEGATIVE EFFECTS
	CULTURAL	SOCIAL	ECONOMIC	ENVIRONMENTAL	
Noise and disorderly behaviour arising from events at community halls causing damage.		✓	✓	✓	Monitor usage of halls and maintain booking system. Council have in place an enforceable bylaw.
Events booked in same venue that are inappropriate for the use e.g. rock concert and a play.	✓	✓	✓		Monitor usage of facilities and appropriate booking system and training of staff.

Ticks in the columns above indicate which wellbeing area may be negatively affected.

## WHAT WE OWN

The following tables summarise the Council's community property assets and the value of these assets:

TYPE OF PROPERTY	NO.
Community halls and pavilions	14
Pensioner housing complexes	6
Operational property	2
Commercial property	5
Other	5

ASSET	GROSS REPLACEMENT COST
Commercial	\$1,243,015
Community halls	\$19,170,610
Operational properties	\$14,758,696
Other properties	\$1,951,932
Pensioner housing	\$6,387,293
Totals	\$43,511,546

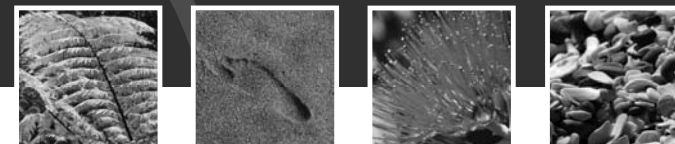
The Council uses an Asset Management Plan and strategies to determine how the community property assets will be maintained and operated on a day-to-day basis. The Asset Management Plan sets out:

- The levels of service (at an operational level) which the Council aims to achieve
- The assets and the strategies used to manage the assets
- The lifecycle management plan used to provide the levels of service (covering maintenance, renewal and capital works)
- How changes to growth and demand are considered to ensure that future requirements are identified and planned for.

The Asset Management Plan will be reviewed every year with a major update every three years to align with the LTCCP process.

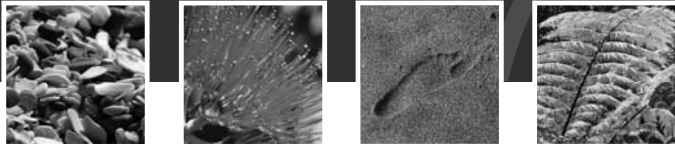
The Council has the following key service provider relationships for community property:

- The Council's Operations Business Unit is responsible for a number of functions including: providing a maintenance response service for all Council property (including furniture and fittings, minor paintworks, graffiti, electrical, plumbing etc), regular inspections and undertaking programmed exterior cleaning and painting programmes for Council property
- Both In-house resources and consultancy services are used to deal with licences, leases, acquisitions and disposals that are required for property assets.
- Opus manages a number of property maintenance and service contracts, as well as most capital works projects.



## MEASURING OUR PERFORMANCE

COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET			
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
Healthy people and quality housing.  Prosperous economy.  Diverse, creative and active community.  High quality, affordable infrastructure	Affordable pensioner housing provided to people who meet the Whakatane District Council eligibility criteria	Number of Council provided pensioner housing units.	79 units.	79 units.	51 units.	22 units.	0 units (Pensioner housing no longer provided by the Council).
Healthy people and quality housing.  Prosperous economy.  Diverse, creative and active community.  High quality, affordable infrastructure	High quality, affordable and available facilities will be provided throughout the District to engender community spirit and encourage recreational and learning activities	Satisfaction with public halls.   Number of Council provided public halls.	2008 Customer Service Index (CSI) score 73.2  (Very good service).	CSI score 72.2 or higher  (Good service but with potential for improvement).	CSI score 71.2 or higher  (Good service but with potential for improvement).	CSI score 70.2 or higher  (Good service but with potential for improvement).	CSI score progressively increasing to 77 or higher by 2019.  (Excellent service).  4 Urban Halls. 7 Rural Halls.
				4 Urban Halls. 6 Rural Halls.	4 Urban Halls. 3 Rural Halls.	4 Urban Halls. 1 Rural Halls.	4 Urban Halls. 0 Rural Halls

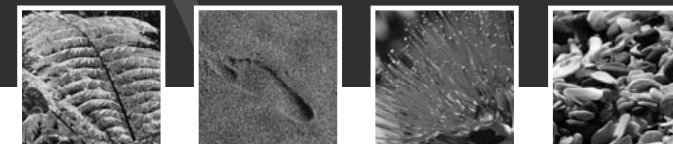


## WHAT WE ARE GOING TO DO

DESCRIPTION	START YEAR	END YEAR	FUNDING (\$)								TOTAL COST (\$)	
			DEPRECIATION	LOANS	DEVELOPMENT CONTRIBUTIONS	SUBSIDIES	OTHER RESERVES	FEES & CHARGES	GENERAL RATES	TARGETED RATES		
Whakatane War Memorial Hall Air Conditioning Final Stage	2010	2010				120,000						120,000
Urban Halls Strategy	2010	2010							5,000			5,000
Multi sports events centre	2013	2015		5,720,000	780,000							6,500,000

Note: The figures in this table are not adjusted for inflation.

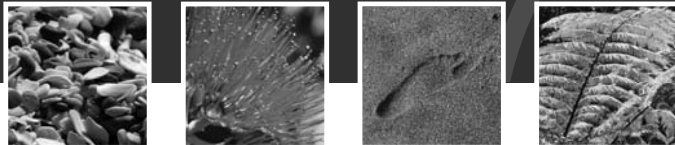




## SUMMARY OF COST OF SERVICES

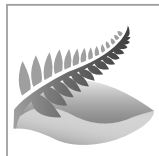
ANNUAL PLAN 2009 \$,000		FORECAST FOR THE YEARS ENDED 30TH JUNE									
		2010 \$,000	2011 \$,000	2012 \$,000	2013 \$,000	2014 \$,000	2015 \$,000	2016 \$,000	2017 \$,000	2018 \$,000	2019 \$,000
	<b>EXPENDITURE</b>										
559	Depreciation	179	177	179	167	175	182	318	326	334	341
43	Interest Paid	22	16	17	31	103	272	387	376	384	393
975	Operations	865	814	759	664	673	926	955	982	1,012	1,031
<b>1,577</b>	<b>Total Expenditure</b>	<b>1,066</b>	<b>1,007</b>	<b>955</b>	<b>862</b>	<b>951</b>	<b>1,379</b>	<b>1,660</b>	<b>1,684</b>	<b>1,730</b>	<b>1,765</b>
	<b>REVENUE</b>										
0	Development Contributions	62	64	66	68	70	72	74	76	78	79
676	User Fees & Charges	600	473	354	242	248	336	346	355	363	372
508	General Rates	369	410	458	433	590	928	1,195	1,353	1,299	1,289
0	Interest Income	0	0	0	0	0	0	0	0	0	0
12	Sundry Income	0	0	0	0	0	0	0	0	0	0
77	Subsidies & Grants	90	93	96	98	101	104	107	109	112	115
0	Targeted Rates	0	0	0	0	0	0	0	0	0	0
<b>1,273</b>	<b>Total Revenue</b>	<b>1,122</b>	<b>1,040</b>	<b>975</b>	<b>841</b>	<b>1,008</b>	<b>1,439</b>	<b>1,722</b>	<b>1,893</b>	<b>1,852</b>	<b>1,855</b>
<b>304</b>	<b>Net Cost (Surplus) of Operations</b>	<b>(56)</b>	<b>(34)</b>	<b>(20)</b>	<b>21</b>	<b>(57)</b>	<b>(60)</b>	<b>(62)</b>	<b>(209)</b>	<b>(122)</b>	<b>(90)</b>
304	Transfer from (surplus)/deficit	(56)	(34)	(20)	21	(57)	(60)	(62)	(209)	(122)	(90)
290	Capex *	196	276	251	649	3,656	3,612	9	151	61	26
30	Loan Repayments	277	20	20	377	203	33	70	77	80	83
0	Payments to Reserves	2,387	3,093	2,516	9,293	9,525	896	499	512	524	536
(287)	Less Depreciation not Funded	(76)	(78)	(81)	(83)	(85)	(88)	(90)	(93)	(95)	(97)
<b>337</b>	<b>Total Funding Requirement</b>	<b>2,727</b>	<b>3,277</b>	<b>2,685</b>	<b>10,256</b>	<b>13,242</b>	<b>4,394</b>	<b>426</b>	<b>437</b>	<b>448</b>	<b>458</b>
	<b>FUNDED BY:</b>										
217	Depreciation Reserve	116	175	137	115	205	127	9	10	10	10
0	Development Contribution Reserve	0	0	0	128	807	828	0	0	0	0
10	Loans Raised	0	0	0	406	2,555	2,623	0	0	0	0
110	Operational Reserve	287	72	99	383	220	(8)	(8)	(8)	(9)	(9)
0	Sale of Assets	2,325	3,029	2,450	9,225	9,455	824	425	436	446	456
<b>337</b>	<b>Total Funding Applied</b>	<b>2,727</b>	<b>3,277</b>	<b>2,685</b>	<b>10,256</b>	<b>13,242</b>	<b>4,394</b>	<b>426</b>	<b>437</b>	<b>448</b>	<b>458</b>
<b>* CAPITAL EXPENDITURE</b>											
	Level of Service	80	82	85	390	2,454	2,519	0	0	0	0
	Growth	0	0	0	144	908	932	0	0	0	0
	Renewals	116	194	166	115	294	161	9	151	61	26

For more information about the selection of revenue mechanisms for this activity see the Council's Revenue and Financing Policy in Volume Two of this LTCCP.

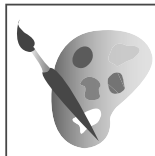


## RECREATION AND COMMUNITY FACILITIES

### CONTRIBUTION TO COMMUNITY OUTCOMES



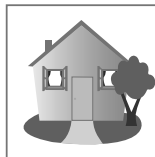
CLEAN PROTECTED ENVIRONMENT



DIVERSE, CREATIVE AND ACTIVE COMMUNITY



ENVIRONMENTALLY RESPONSIBLE DEVELOPMENT



HEALTHY PEOPLE AND QUALITY HOUSING

### WHAT WE DO AND WHY

#### Parks and Reserves

Reserves are located throughout the District including urban Whakatane, Edgecumbe, Murupara, Ohope, Taneatua, and various rural areas. Reserves have been classified to demonstrate their overall function:

- Community reserves - land and facilities, which meet the needs of a group of neighbourhoods. Facilities include sports fields, hard court areas and public conveniences.
- Esplanade, conservation and coastal reserves – generally linear open spaces alongside streams, rivers, lakes or the coast that provide for conservation, access and/or recreation.

- Local reserves – land and facilities, which meet the needs of local neighbourhoods.
- Significant sites – reserves which possess either historical or cultural significance.
- Utility and road reserves – support other functions, for example berms, in car parks, roundabouts, pump stations, workshops etc.

Active and passive reserves contribute to the health and vitality of the District by enhancing individual health and well being, including personal development and quality of life, increasing social cohesion and people's sense of belonging and promoting healthy communities. Recreation facilities also attract visitors and therefore provide economic benefits to the District, enhancing the District's environment.

#### Cemeteries and Crematorium

The Council manages six cemeteries, while the Awakaponga cemetery is managed by a trust on behalf of the Council. In 2009 the Council is building a crematorium facility at Hillcrest Cemetery. The provision of cemeteries by local authorities is provided for by the Burials and Cremations Act 1964.

#### Public Conveniences

The Council maintains thirty-six public conveniences at various reserves and recreational locations. Provision of public conveniences is a statutory responsibility.

#### Aquatic Centres

The Council has two swimming pools, the Whakatane Aquatic Centre and the Murupara Swimming Pools (also known as A H Lynd Memorial Baths). The Council provides these facilities as a result of public advocacy and demand.

#### Ports and Harbour

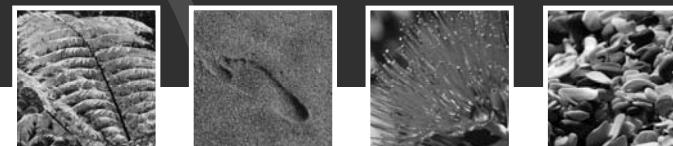
A total of 45 sites form part of the harbour assets of Whakatane. These assets include wharves, jetties, access ways, ramps, buildings and navigational equipment. There are eight main separate facilities, which are:

- Main commercial wharf
- Game Wharf
- Otuawhaki (Green) Wharf
- Ohope Wharf
- Thornton Ramp
- Groynes
- Ohiwa Ramp
- Navigational equipment

The Council owns a number of different properties throughout the harbour area. The majority of these are commercial land and are held in perpetual ground leases. The Council undertakes this activity in consideration of public advocacy and demand as well as due to statutory responsibilities.

#### Recreation and Sports Fields

Physical activity encourages and supports a healthy active community. The Council provides the activity in response to public advocacy and demand. The activity contributes to the health vitality and wellbeing of the District, enhances social cohesion, increases people's sense of belonging and healthy communities. The Council has adopted the strategies associated with the Active Eastern Bay - physical activity report which provided a clear set of priorities for the enhancement and development of existing and new recreation and leisure services in the Whakatane District.



The Council is a large investor in physical activity through recreation and sporting assets. As stewards of public assets the Council wants these assets to be used to the maximum community benefit. These resources can be used for structured recreation and provide opportunities for “daily life” physical activity.

### RELEVANT ISSUES

- **Availability of reserves** - there is a large number of reserves across the District which are in already established neighbourhoods. Development of Coastlands may necessitate further neighbourhood parks and landscaping, particularly road reserves.
- **Ageing population** - with an ageing population there could potentially be an increased demand for sports such as croquet and golf as more people settle and retire in Whakatane. Bowls theoretically should also experience an increase but recently in Whakatane, membership has declined, prompting the closure of one bowls club. With regard to cemeteries and the crematorium it could be expected that there will be an increase in the number of burials and therefore requirements for burial plots. Currently there is sufficient plot availability until 2020. The development of a crematorium facility is underway at Hillcrest Cemetery. This is not expected to decrease the demand for cemetery plots as residents currently utilise crematoria facilities outside the District.
- **Population growth and demand** - increased visitors and residents will increase the demand for facilities such as public conveniences, sporting facilities and the aquatic centres. There is a need to continue to monitor current usage of facilities

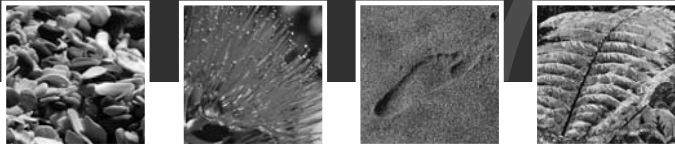
and project future use to identify well in advance if additional facilities are required. Competing use for facilities may become a concern for example, swim squads versus water hockey club use of the Aquatic Centre. Increased tourism, commercial fishing and tourist operations and an increase in recreational boating is likely to create additional demand on the harbour and port facilities in Whakatane, particularly over the summer months. Potential development of prime land along the waterfront could also encourage additional use of existing harbour facilities.

- **Changes in recreational activities** - the continued sustainability of sporting and recreational clubs (resourcing, training, attracting and retaining volunteers). Council facilities need to be responsive and flexible to change in response to changing recreational, sporting and leisure activity demand.
- **Affordability/ levels of service** - the Council has a large catch up programme to ensure the long term sustainability of its assets. As part of developing this LTCCP the Council reviewed the services delivered, the levels of service offered and the way services are delivered. The Council also has undertaken a complete review of its assets and has indicated that it will dispose of assets that are no longer required to support the services that it delivers.
- **Aquatic centre** – the Council has received reports which identify substantive errors of design that are causing water damage to the walls and roof structure due to the condensing of water vapour from within the building. An interim Code Compliance Certificate was issued in 2004, but

an amendment to the Building Act 2004 has meant that the Council must have a full Code Compliance Certificate by 31 March 2010 or the centre will need to be closed until such time as the repairs have been undertaken.

### ADDRESSING ISSUES

- The Council has adopted the physical activity strategies recommended by the Active Eastern Bay Group and is working with the agencies involved towards the goals identified in the Active Eastern Bay Plan. The Council provides opportunities for consultation and communication with clubs, service providers and community groups and ensures facilities and programmes are responsive to recreational needs.
- In response to population growth and demand changes, the Council monitors demand, reviews the provision of facilities on an ongoing basis, and undertake customer surveys to understand community demand/requirements. The Council is also aware of the concern around competing use for existing facilities as capacity becomes an issue for example, conflicting uses between clubs and recreational swimmers at the Aquatic Centre. In response to this issue, the Council monitors use, maintains lanes for individual swimming and ensures clear communication around availability of pool and blocked out times for club use.
- There were a number of reserves listed in the 2006 LTCCP for potential sale. While some work has been undertaken to investigate the divestment potential of the properties the Council has not made firm decisions about individual properties but intends to complete this process



during 2009/10. Additional properties will also be investigated for possible divestment during the first year of this LTCCP. In regards to the sales of these assets as part of the investigations, properties will be reviewed with the possibility of divesting portions of the asset, in line with maintaining the original intent of the asset where appropriate. A full list of reserve properties considered for divestment is included in the section entitled “Key Issues”. Any proposal to divest reserve assets will be completed in accordance with the Local Government Act 2002 and the Reserves Act as appropriate. There will also be a project undertaken to ensure that reserves held are appropriate to current and future needs. Should this project identify further unnecessary reserves or properties, consultation on possible divestment will be included in an amendment to this LTCCP through the 2010/11 Annual Plan.

- The Aquatic Centre requires significant repair work, and the centre will need to be closed for six to seven months to safely enable the work to be carried out. The physical works will commence at the end of March 2010. Legal action is also proceeding.
- The Council has adopted a series of increases in Harbour berthage charges from 2006 to 2012 in line with its user pays philosophy. However these increases have been frozen for the 2009/10 year as a result of submissions received, recent harbour access issues and the current economic climate.

### WHAKATANE TOWN VISION PLAN

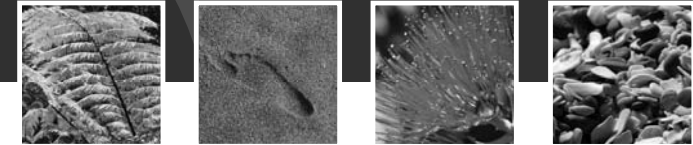
In May 2008, the Council adopted a Town Vision plan to provide a strategic long term vision for how the Whakatane Town Centre might look in the future. This plan provides a framework by which the Council, developers and the wider community can collectively protect those special features that maintain the character of the town centre, while enabling an appropriate scale of development that is economically viable. It will also provide an opportunity to enhance and celebrate other attributes which have been lost or hidden.

The Town Vision is a concept plan at this stage, the detail of which will be refined as the plan develops and various stages are completed over the next 10 to 20 years. The Town Vision will be developed, implemented and adopted through the establishment of a Town Vision Advisory Board. Funding for the Advisory Board will come from the Harbour Endowment Fund. The budget for the Town Vision governance costs was reduced by \$60,000 per annum over the period of this LTCCP. The Advisory Board's progress will be reviewed on a three yearly basis to coincide with the LTCCP process. Funding has been included until 2015/16.

### WHO WE WORK WITH

- Sport Bay of Plenty
- Mataatua Sports Trust
- Rural Education Activities Programme (REAP)
- Sport and Recreation NZ (SPARC)
- Clubs
- Toi te Ora - Public Health Service
- Schools, Ministry of Education
- Ngāti Awa Social and Health Services (NASH)
- Coastguard
- Iwi organisations

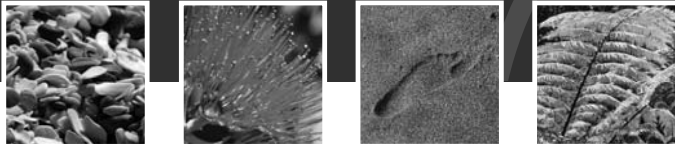
- Regulatory and monitoring bodies including Environment Bay of Plenty, Ministry of Health, Ministry for the Environment, Department of Conservation, Audit NZ
- Environmental and recreation interest groups including: Fish and Game New Zealand; Royal Forest and Bird Protection Society; Coast Care volunteer groups; War Veterans Office of the Returned Serviceman's Association; sporting bodies, and other voluntary organisations who may assist in managing various functions in parks, Coastguard, boaties and charter operators, recreational fishers.



## MITIGATION OF SIGNIFICANT NEGATIVE EFFECTS TO ENSURE SUSTAINABILITY

SIGNIFICANT NEGATIVE EFFECT					MITIGATION OF NEGATIVE EFFECTS
	CULTURAL	SOCIAL	ECONOMIC	ENVIRONMENTAL	
Noise and disorderly behaviour issues from events at reserves, and general use of reserves.		✓		✓	Events managed in line with Council terms and conditions of hire. Any disturbance will be handled by local police or noise control if required. No mitigation required.
Pollution of waterways from boating activities, affecting the environment and recreational use of the waterways (rowing etc).	✓	✓	✓	✓	Working in conjunction with Environment Bay of Plenty and enforcing appropriate conduct and use of wash down facilities, hard stands, and maintenance of bunded areas.
Accidents and injuries from conflicting water-based activities.		✓	✓	✓	Keep activities separate. Bylaws and hazard register and harbour management plan.
Congregation of undesirable groups with the potential to vandalise equipment.	✓	✓	✓		Maintenance regimes in place to rectify any issues, installation of Closed Circuit TV cameras as appropriate. Event management. Use of Crime Prevention through Environmental Design (CPTED) principles.
Isolation/location of public conveniences leading to safety concerns.		✓	✓		Ensure toilets are designed appropriately and located in areas that are easily visible and accessible. Use CPTED design principles.
Accidents at aquatic facilities.	✓	✓	✓		Pools managed to pool safe certification standards.
Land subsidence at cemeteries.	✓	✓	✓	✓	Monitor the effects of land movement.
Competing uses for fixed recreation resources.		✓		✓	Early and continued consultation with clubs and groups about existing and future needs. Communication across various groups and sporting codes. .

Ticks in the columns above indicate which wellbeing area may be negatively affected.



## WHAT WE OWN

The table below summarises the Council's Recreation and Community Facilities assets and the value of those assets.

ASSET	OPTIMISED REPLACEMENT COST
Aquatic Centres	\$6,715,669
Cemeteries	\$511,220
Harbour Facilities	\$8,481,456
Public Conveniences	\$7,122,715
Reserves	\$11,416,391
TOTAL	\$34,247,451

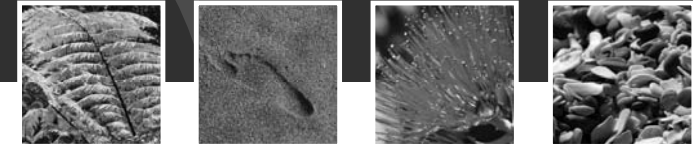
## LOOKING AFTER OUR ASSETS

The Council maintains an Asset Management Plan covering Recreation and Community Facilities assets. The plan sets out:

- The levels of service (at an operational level) which the Council aims to achieve
- The assets and the strategies used to manage the assets
- The lifecycle management plan used to provide the levels of service (covering maintenance, renewal and capital works)
- How changes to growth and demand are considered to ensure that future requirements are identified and planned for. The Council has a

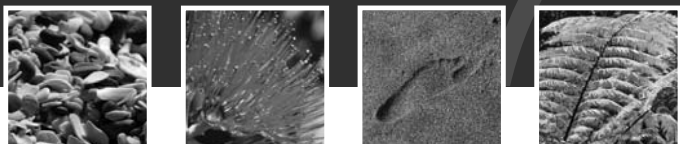
number of key service provider relationships for recreation and community facilities:

- The Council's Operations Business Unit provides functions including: provision and maintenance of gardens, tracks and walkways, playgrounds, cemeteries and reserves.
- Total Leisure Concepts Ltd is a private firm which operates the Whakatane Aquatic Centre
- An agreement is in place with Sport Bay of Plenty to provide various programmes.
- Opus International Consultants provide the bulk of the professional services.



## MEASURING OUR PERFORMANCE

COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET			
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
Healthy people and quality housing. Prosperous economy. Diverse, creative and active community. High quality, affordable infrastructure.	Providing parks and reserves to promote opportunities for education, maintaining wildlife habitats and protecting sacred sites for current and future residents and visitors to the District.	Satisfaction with parks and reserves in the Whakatane District.	2008 Customer Service Index (CSI) score 75.9  (Very good service).	CSI score 75.9 or higher  (Very good service).	CSI score 75.9 or higher  (Very good service).	CSI score 75.9 or higher  (Very good service).	CSI score progressively increasing to 79 or higher by 2019.  (Exceptional performance).
Healthy people and quality housing. Prosperous economy. Diverse, creative and active community. High quality, affordable infrastructure.	Appropriate and sufficient cemetery and crematorium services are available to residents	Satisfaction with cemeteries.	2008 CSI score 81.2  (Exceptional performance).	CSI score of 81.2 or higher  (Exceptional performance).	CSI score of 81.2 or higher  (Exceptional performance).	CSI score of 81.2 or higher  (Exceptional performance).	CSI score of 81.2 or higher  (Exceptional performance).
		Provision of a crematorium facility in the District.	0	1 (from September 2009)	1 (from September 2009)	1 (from September 2009)	1 (from September 2009)

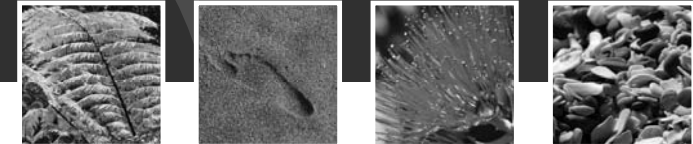


## RECREATION AND COMMUNITY FACILITIES

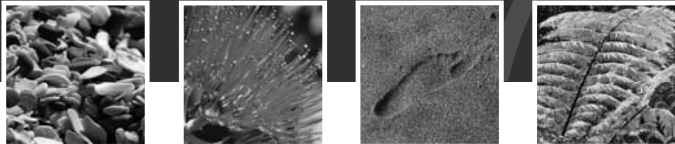
COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET			
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
<p>Healthy people and quality housing.</p> <p>Prosperous economy.</p> <p>Diverse, creative and active community.</p> <p>High quality, affordable infrastructure.</p>	Adequate public conveniences will be provided where required by the community	Satisfaction with public toilets.	<p>2008 CSI score 69.2</p> <p>(Good service but with potential for improvement).</p>	<p>CSI score of 69.2 or higher</p> <p>(Good service but with potential for improvement).</p>	<p>CSI score of 69.2 or higher</p> <p>(Good service but with potential for improvement).</p>	<p>CSI score of 69.2 or higher</p> <p>(Good service but with potential for improvement).</p>	<p>CSI score progressively increasing to 77 or higher by 2019.</p> <p>(Excellent service).</p>
<p>Healthy people and quality housing.</p> <p>Prosperous economy.</p> <p>Diverse, creative and active community.</p> <p>High quality, affordable infrastructure.</p>	High quality, affordable and safe aquatic facilities will be provided in Whakatane and Murupara	Satisfaction with swimming pools.	<p>2008 CSI score 76.5</p> <p>(Very good service).</p>	<p>CSI score of 60 or higher</p> <p>(Needs significant improvement).</p>	<p>CSI score of 50 or higher</p> <p>(Needs significant improvement).</p>	<p>CSI score of 77 or higher</p> <p>(Excellent service).</p>	<p>CSI score of 77 or higher</p> <p>(Excellent service).</p>
		Council provided aquatic centres open to the public.	<p>Murupara Swimming Pool.</p> <p>Whakatane District Aquatic Centre.</p>	<p>Murupara Swimming Pool.</p> <p>Whakatane District Aquatic Centre available part of year only (closed from April – November 2010).</p>	<p>Murupara Swimming Pool.</p> <p>Whakatane District Aquatic Centre available part of year only (closed from April – November 2010).</p>	<p>Murupara Swimming Pool.</p> <p>Whakatane District Aquatic Centre.</p>	<p>Murupara Swimming Pool.</p> <p>Whakatane District Aquatic Centre.</p>



# RECREATION AND COMMUNITY FACILITIES



COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET			
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
Healthy people and quality housing. Prosperous economy. Diverse, creative and active community. High quality, affordable infrastructure.	Provide safe access to rivers and coastal water within the general vicinity of the Whakatane CBD, Ohiwa Harbour and Thornton domain.	Satisfaction with harbour facilities in Whakatane CBD including the port and surrounding environment.	2008 CSI score 76.5 (Very good service).	CSI score of 77.5 (Excellent service).	CSI score of 78.5 (Excellent service).	CSI score of 79.5 (Excellent service).	CSI score of 79.5 (Excellent service).
		Satisfaction with boat ramps in Whakatane town.	2008 CSI score 79.1 (Exceptional performance).	CSI score of 79 or higher. (Exceptional performance).	CSI score of 79 or higher. (Exceptional performance).	CSI score of 79 or higher. (Exceptional performance).	CSI score of 79 or higher. (Exceptional performance).
		Satisfaction with boat ramp, playground, toilets and wharf facilities at Port Ohope.	2008 CSI score 73.1 (Very good service).	CSI score of 74.1 (Very good service).	CSI score of 75.1 (Very good service).	CSI score of 76.1 (Very good service).	CSI score of 79 or higher. (Exceptional performance).
		Satisfaction with facilities at Thornton domain.	2008 CSI score 73.4 (Very good service).	CSI score of 73.4 or higher (Very good service).	CSI score of 73.4 or higher (Very good service).	CSI score of 73.4 or higher (Very good service).	CSI score of 79 or higher. (Exceptional performance).



COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET			
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
Healthy people and quality housing. Prosperous economy. Diverse, creative and active community. High quality, affordable infrastructure.	Adequate sports fields/ grounds are provided to meet the needs of users and are kept to a high standard	Satisfaction with sports grounds.	2008 CSI score 77.0 (Excellent service).	CSI score of 77 or higher (Excellent service).	CSI score of 77 or higher (Excellent service).	CSI score of 77 or higher (Excellent service).	CSI score of 79 or higher (Exceptional performance).
		Percentage compliance with contract specifications for sports-fields within the Whakatane District.	95% compliance based on monthly audits.	100% compliance based on monthly audits.	100% compliance based on monthly audits.	100% compliance based on monthly audits.	100% compliance based on monthly audits.
		Percentage compliance with turf grass field recommendations provided by the New Zealand Turf Grass Institute through annual assessments.	80%	83%	87%	91%	95%

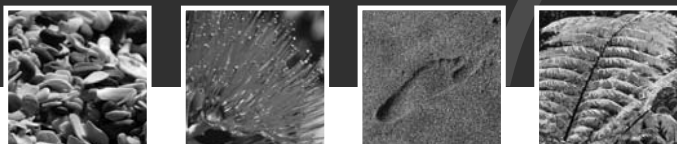
## RECREATION AND COMMUNITY FACILITIES



### WHAT WE ARE GOING TO DO

DESCRIPTION	START YEAR	END YEAR	FUNDING (\$)									
			DEPRECIATION	LOANS	DEVELOPMENT CONTRIBUTIONS	SUBSIDIES	OTHER RESERVES	FEES & CHARGES	GENERAL RATES	TARGETED RATES	TOTAL COST (\$)	
Establish new public convenience facilities at Eivers Road Reserve	2010	2010			16,458			120,692				137,150
Develop improvements to support Waka Ama and kayak facilities at Eivers Road Reserve	2010	2010						30,000				30,000
Whakatane Aquatic Centre repair project	2010	2011										3,980,000
Rex Morpeth Park facilities upgrade	2010	2018		549,997	75,000							624,997
Whakatane Cemetery provision for expansion of the berm area	2010	2019			9,076				66,560			75,636
Coastal land acquisition to improve public access to the coast	2010	2019			2,511,250							2,511,250
Maratotara, Ohope playground development	2011	2012		107,470	14,655							122,125
Plant renewal associated with the Whakatane Aquatic Centre	2011	2018	649,000									649,000
Kopeopeo village reserve acquisition and development	2013	2013		264,000	36,000							300,000
Whakatane Cemetery expansion into adjoining land	2013	2013		320,349	43,684							364,033
Replacement of three public convenience facilities at Ohope	2013	2015	371,344	282,221	89,122							742,687
Expansion of netball courts and Eve Rimmer Park	2013	2014		258,000	42,000	300,000						600,000
Two new public conveniences at Piripai/Coastlands	2013	2017		309,012	42,138							351,150
Port Ohope recreation reserve parking and picnic area	2014	2015		132,000	18,000							150,000
River walkway - Edgecumbe to Thornton	2014	2017		105,600	14,400							120,000
Replacement of existing Thornton public convenience facilities	2015	2015	152,000	115,520	36,480							304,000
Develop improvements associated with the Town Vision project proposed town pier	2015	2017			132,000			968,000				1,100,000
Develop improvements at the Port Ohope wharf in line with the Port Ohope Concept Plan	2015	2019			202,200			1,482,800				1,685,000
Modelling of the Whakatane harbour and investigation of options to improve harbour access.	2009	2010						350,000				350,000
Replacement toilets at Port Ohope Wharf	2016	2016	210,000	159,600	50,400							420,000
Establishment of tennis courts at Ohope	2016	2017		704,000	96,000							800,000

Note: The figures in this table are not adjusted for inflation.

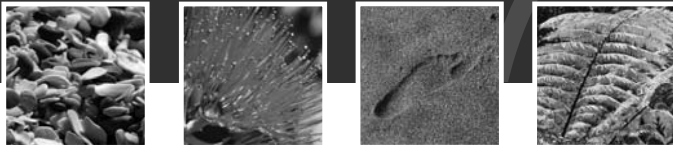


## SUMMARY OF COST OF SERVICES

ANNUAL PLAN 2009 \$,000		FORECAST FOR THE YEARS ENDED 30TH JUNE									
		2010 \$,000	2011 \$,000	2012 \$,000	2013 \$,000	2014 \$,000	2015 \$,000	2016 \$,000	2017 \$,000	2018 \$,000	2019 \$,000
	<b>EXPENDITURE</b>										
1,293	Depreciation	1,293	1,302	1,401	1,513	1,665	1,791	1,968	2,140	2,208	2,277
217	Interest Paid	207	263	360	400	336	237	276	342	372	386
4,027	Operations	4,730	5,176	5,039	5,201	5,276	5,554	5,751	5,911	6,100	6,230
<b>5,536</b>	<b>Total Expenditure</b>	<b>6,230</b>	<b>6,741</b>	<b>6,800</b>	<b>7,114</b>	<b>7,277</b>	<b>7,582</b>	<b>7,995</b>	<b>8,394</b>	<b>8,680</b>	<b>8,894</b>
	<b>REVENUE</b>										
691	Development Contributions	118	121	125	189	195	201	212	218	223	228
2,055	User Fees & Charges	2,196	2,576	2,802	3,022	3,220	3,363	3,538	3,639	3,726	3,838
607	General Rates	714	750	780	756	702	701	783	822	833	863
0	Interest Income	0	0	0	0	0	0	0	0	0	0
26	Sundry Income	27	27	28	29	30	30	31	32	33	34
11	Subsidies & Grants	2,010	10	11	185	190	23	24	25	25	26
2,998	Targeted Rates	3,364	3,670	3,865	3,869	3,903	4,219	4,420	4,612	4,807	4,930
<b>6,387</b>	<b>Total Revenue</b>	<b>8,428</b>	<b>7,155</b>	<b>7,611</b>	<b>8,050</b>	<b>8,241</b>	<b>8,538</b>	<b>9,010</b>	<b>9,347</b>	<b>9,647</b>	<b>9,918</b>
<b>(851)</b>	<b>Net Cost (Surplus) of Operations</b>	<b>(2,198)</b>	<b>(414)</b>	<b>(812)</b>	<b>(937)</b>	<b>(963)</b>	<b>(956)</b>	<b>(1,015)</b>	<b>(953)</b>	<b>(967)</b>	<b>(1,024)</b>
(851)	Transfer from (surplus)/deficit	(2,198)	(414)	(812)	(937)	(963)	(956)	(1,015)	(953)	(967)	(1,024)
2,293	Capex *	3,153	3,432	3,037	3,554	2,965	4,380	6,340	5,425	3,999	2,277
191	Loan Repayments	930	454	769	2,262	2,254	758	390	496	380	617
2,008	Payments to Reserves	2,319	2,103	2,663	2,744	12,260	2,671	2,831	2,913	2,980	3,076
(843)	Less Depreciation not Funded	(331)	(343)	(367)	(421)	(466)	(547)	(651)	(757)	(785)	(812)
<b>2,799</b>	<b>Total Funding Requirement</b>	<b>3,873</b>	<b>5,232</b>	<b>5,290</b>	<b>7,202</b>	<b>16,050</b>	<b>6,307</b>	<b>7,896</b>	<b>7,123</b>	<b>5,607</b>	<b>4,134</b>
	<b>FUNDED BY:</b>										
264	Depreciation Reserve	396	1,063	2,433	1,182	1,435	1,962	4,102	2,252	3,104	1,247
642	Development Contribution Reserve	61	33	52	271	174	297	271	345	89	118
217	Loans Raised	433	2,223	433	1,811	1,029	1,266	1,488	1,417	288	510
1,676	Operational Reserve	2,236	1,726	1,806	3,556	3,701	2,783	2,035	3,109	2,125	2,259
0	Sale of Assets	747	187	565	381	9,710	0	0	0	0	0
<b>2,799</b>	<b>Total Funding Applied</b>	<b>3,873</b>	<b>5,232</b>	<b>5,290</b>	<b>7,202</b>	<b>16,050</b>	<b>6,307</b>	<b>7,896</b>	<b>7,123</b>	<b>5,607</b>	<b>4,134</b>
<b>* CAPITAL EXPENDITURE</b>											
	Level of Service	541	272	453	1,782	966	1,376	1,619	1,447	363	605
	Growth	61	33	52	562	472	297	271	345	89	118
	Renewals	2,551	3,128	2,531	1,210	1,527	2,709	4,451	3,633	3,547	1,553

For more information about the selection of revenue mechanisms for this activity see the Council's Revenue and Financing Policy in Volume Two of this LTCCP.

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## HAZARD MANAGEMENT CONTRIBUTION TO COMMUNITY OUTCOMES



### WHAT WE DO AND WHY

#### Emergency Management

The emergency management activity is made up of three functions:

- **Civil defence** - the civil defence function includes running planning and preparedness exercises, training and maintaining teams of personnel including an urban search and rescue crew, and public education about preparedness and response. Should an emergency event occur, the emergency management activity is responsible for coordinating response and recovery. Civil defence planning is also undertaken on a regional basis through the Bay of Plenty Civil Defence Emergency Management Group (CDEMG). The Group provides a framework for Civil Defence and Emergency Management decisions to be made across the Bay of Plenty. The Council has a statutory responsibility pursuant to the Civil Defence Emergency Management Act 2002 to

plan and provide for civil defence management within the District.

- **Rural fire** - The Whakatane District Council is a rural fire authority. Rural fire services are funded from Council rates and by Government for suppression costs and subsidies for equipment. Rural fire authorities focus on vegetation wildfires. The specialist service is influenced by weather, topography and vegetation type. A seven day-a-week, 24 hour service must be provided. The Council has a statutory obligation with respect to rural fire control.
- **Hazardous substances** - The Council attends incidents involving hazardous substances in an advisory capacity to the New Zealand Fire Service and the Police.

#### Disaster Mitigation

Following flood, debris flow and landslip events in 2004 and 2005, the Council resolved to undertake the following physical works that would raise the level of protection for affected areas from similar events in the future:

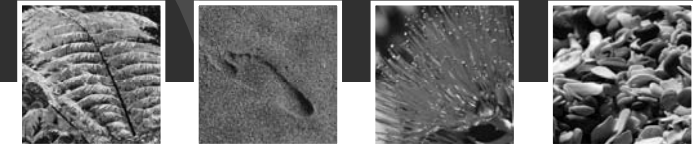
- Matata Regeneration Projects
  - Awatarariki
  - Waitepuru Debris and Stream Management
  - Ohinekoao
  - Waimea
- Awatapu
- Edgecumbe/Rangitaiki Plain Flood Mitigation
- Otarawairere/Ohope Wastewater/Stormwater disposal Project

Without these works, residents would continue to be exposed to future disasters. Several of these projects involve working with Ontrack, Transit and Environment Bay of Plenty, each of which is responsible for project costs within their area of responsibility. The Awatapu and Otarawairere/Ohope projects have now been completed. Parts of the Matata Regeneration Projects and the Edgecumbe/Rangitaiki Plain Flood Mitigation have not been completed.

Other areas of the District present natural hazard risks to community safety. Further investigation and assessments are being completed through the 'Resource Management – Policy' activity. Where this project identifies the need for further works, those works will be undertaken through the disaster mitigation activity and funded through the Council's Disaster Mitigation Funding Policy.

#### RELEVANT ISSUES

- **Civil defence** - the Civil Defence activity is becoming regionalised, with more direction and training opportunities being provided from the CDEMG. This may result in an Eastern Bay focus (Whakatane, Opotiki and Kawerau District Councils) in the future. While the Council has proposed that an alternative local civil defence headquarters be developed by 2013, an Eastern Bay focus is likely to lead to a review of this decision, in favour of an alternative location in Opotiki or Kawerau.
- **The medium and long term future of Rural Fire Authorities** - various reviews of the structure of urban and rural fire fighting organisations have been started without any firm decision being made. The Council has anticipated no change in the near future, but the lack of firm direction



provides a degree of uncertainty in planning the Council's role as a rural fire authority into the future.

- **Disaster mitigation** - at this point the activity has a defined number of projects. However, the Whakatane District is a vulnerable area for future disasters, therefore work will commence on a "hazard scape" of the area which may result in further physical works.
- **Edgecumbe/Rangitaiki Plain Flood Mitigation** - the resource consent application for the Edgecumbe/Rangitaiki Plain Flood Mitigation has been lodged and will be granted in 2009/10. Physical works will commence as soon as possible after the receipt of resource consent.
- **Waitepuru Stream, Matata** - the resource consent for the Waitepuru catchment has been appealed to the Environment Court. The hearing has been scheduled for 13 July 2009 therefore the physical works, if consent is granted, will be undertaken in the 2009/2010 construction season.
- **Awatarariki Stream, Matata** - the Awatarariki catchment is divided into two components (1) the Awatarariki Stream (downstream of Moore's Bridge on Arawa Street), Te Awa o Te Atua Lagoon restoration works and the debris disposal area at the Railway Lagoon. This resource consent application has been in the resource management process since March 2007. The consent has been granted with the exception of excavation in Clem Elliot Drive. The physical works will start early in 2009/10. Construction will commence as soon as possible after that. (2) The Debris Detention Structure. A draft resource consent proposal

was presented to the consent authority in June 2009. The construction date is unknown as it will depend on when the resource management process is completed.

- **Affordability/levels of service** - the Council has a large catch up programme to ensure the long term sustainability of its assets. As part of developing this LTCCP the Council reviewed the services delivered, the levels of service offered and the way services are delivered. Projects have been deferred across many Council activities. In the area of Hazard Management, the replacement of fire appliances for Whakatane and Waimana have been deferred until 2010/11 and 2012/13 respectively.

## ADDRESSING ISSUES

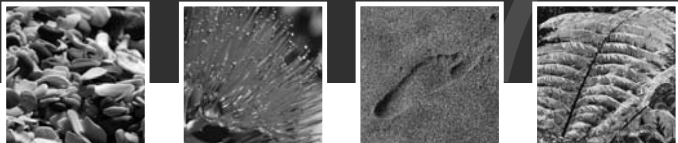
- The Council is an active member of the CDEMG group, and will participate and facilitate changes in how civil defence activities are undertaken in the Eastern Bay. One of the major projects currently being progressed by the CDEMG is the development of a tsunami warning system for the District. It is expected that the construction phase of this project will be completed by 2013.
- A project is included under the 'Resource Management – Policy' activity to identify and analyse natural hazard risks across the District. Hazard planning and investigation of other known risk areas will take place, such as:
  - Landslip and flooding risks at Wainui Te Whara.
  - Possible impact of sea level rise on infrastructure at West End Road, and the Ohope and Ohiwa coastline.

This work will be undertaken in conjunction with other activities such as 'Stormwater' and 'Roading'. Future works will be guided by the Natural Hazards Identification and Analysis Project included under 'Resource Management – Policy'.

- The disaster mitigation projects in Matata and Edgecumbe are progressing through the resource consent process and physical works will occur as soon as possible.
- As a result of submissions received from Matata residents on the Council's Disaster Mitigation Funding Policy, the Council will review this policy in 2009/10. This project is included under the Leadership group of activities.

## WHO WE WORK WITH

- Civil Defence Emergency Management Group
- All agencies involved in emergency response and welfare
- All adjoining/adjacent fire authorities throughout the Central North Island/Bay of Plenty
- Ministry of Civil Defence and Emergency Management
- Central North Island Regional Rural Fire Committee
- Environment Bay of Plenty
- OnTrack
- New Zealand Transport Agency
- Iwi
- Department of Conservation

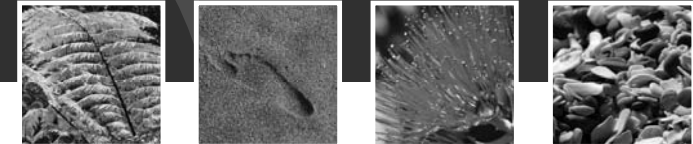


**MITIGATION OF SIGNIFICANT NEGATIVE EFFECTS TO ENSURE SUSTAINABILITY**

SIGNIFICANT NEGATIVE EFFECT	CULTURAL	SOCIAL	ECONOMIC	ENVIRONMENTAL	MITIGATION OF NEGATIVE EFFECTS
Temporary environmental effects of disaster mitigation construction works.				✓	Processes will be put in place to ensure that the temporary affects of construction will be minimised.
Emergency equipment, such as fire sirens and warning systems (once implemented), may create noise.		✓			While noise can create negative effects on some residents, the benefit of these sirens outweighs any negative effects.
The application of fire suppressants, such as water or foam, may affect the environment.				✓	Fire suppressants are used to control a fire which would have more substantial negative impacts on the environment.

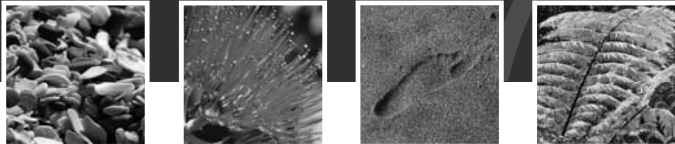
Ticks in the columns above indicate which wellbeing area may be negatively affected.





## MEASURING OUR PERFORMANCE

COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET			
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
<p>Safe caring community.</p> <p>Strong transparent and open leadership.</p>	<p>The Council is able to effectively respond to, manage and recover from, emergency management incidents.</p>	Maintenance of emergency management and rural fire plans.	2007/08: Emergency management plan updated.	Local Civil Defence Emergency Management Plan is updated annually.	Local Civil Defence Emergency Management Plan is updated annually.	Local Civil Defence Emergency Management Plan is updated annually.	Local Civil Defence Emergency Management Plan is updated annually.
		Maintenance of civil defence and rural fire equipment.	2007/08: Civil defence equipment maintained on fortnightly basis with radio checks on weekly basis.	Civil Defence and Rural Fire equipment is maintained on a fortnightly basis.	Civil Defence and Rural Fire equipment is maintained on a fortnightly basis.	Civil Defence and Rural Fire equipment is maintained on a fortnightly basis.	Civil Defence and Rural Fire equipment is maintained on a fortnightly basis.
		Regular and ongoing training is undertaken by the Civil Defence and Rural Fire team.	2007/08: Team training undertaken weekly. Training alternated between the two functions with increased focus on Rural Fire response during the peak fire season.	Team training undertaken weekly with focus alternating between Civil Defence and Rural Fire Response.	Team training undertaken weekly with focus alternating between Civil Defence and Rural Fire Response.	Team training undertaken weekly with focus alternating between Civil Defence and Rural Fire Response.	Team training undertaken weekly with focus alternating between Civil Defence and Rural Fire Response.
		Participation in simulated events or training exercises.	2007/08: Emergency management staff participated in simulated exercise (Ruamoko).	Participation in one or more simulated events or training exercises held each year.	Participation in one or more simulated events or training exercises held each year.	Participation in one or more simulated events or training exercises held each year..	Participation in one or more simulated events or training exercises held each year.
		Status of the tsunami warning system project being progressed by combined Councils under the Civil Defence Emergency Management Group.	Development of proposal and implementation Plan.	Development of proposal and implementation Plan.	Selection of appropriate tsunami warning systems. Approval by BOP CDEM Group and individual territorial authorities.	Construction of approved tsunami warning systems and delivery of supporting educational package.	Construction of approved tsunami warning systems and delivery of supporting educational package (2012/13). Maintenance of systems and process (ongoing once operational).



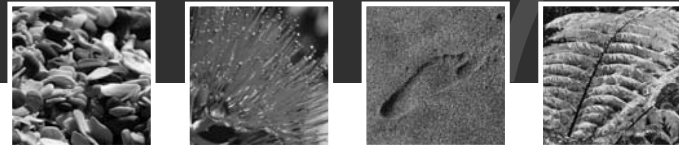
COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET			
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
<p>Strong transparent and open leadership.</p> <p>High quality affordable infrastructure.</p> <p>Safe caring community.</p>	<p>Identified natural hazards will be considered and prioritised to reduce risk to public safety.</p>	<p>Natural hazards are identified, considered and prioritised through resource management policy.</p>		<p>Undertake gap analysis of natural hazard information held by the Council.</p>	<p>Gather information to maximise the Council's understanding of natural hazards.</p>	<p>Consider and prioritise natural hazards and identify actions to reduce risk to public safety.</p>	<p>Consider and prioritise natural hazards and identify actions to reduce risk to public safety.</p>
		<p>Prioritised actions are undertaken to reduce risk to public safety.</p>	<p>Disaster mitigation projects being progressed for:</p> <p>Waitepuru catchment.</p> <p>Awatarariki catchment.</p> <p>Edgecumbe/ Rangitaiki plains.</p>	<p>All prioritised actions are undertaken within specified timeframes, including:</p> <p>Waitepuru catchment.</p> <p>Awatarariki catchment.</p> <p>Edgecumbe/ Rangitaiki plains.</p>	<p>All prioritised actions are undertaken within specified timeframes, including:</p> <p>Awatarariki catchment.</p>	<p>All prioritised actions are undertaken within specified timeframes.</p>	<p>All prioritised actions are undertaken within specified timeframes.</p>



## WHAT WE ARE GOING TO DO

DESCRIPTION	START YEAR	END YEAR	FUNDING (\$)								
			DEPRECIATION	LOANS	DEVELOPMENT CONTRIBUTIONS	SUBSIDIES	OTHER RESERVES	FEES & CHARGES	GENERAL RATES	TARGETED RATES	TOTAL COST (\$)
Waitepuru Stream and debris hazard management (Matata).	2010	2010									Funding carried over from 2008/09
Awatarariki Stream hazard management (Matata).	2010	2011									Funding carried over from 2008/09
Replacement fire appliance - Whakatane	2011	2011				90,000			30,000		120,000
Civil defence warning system	2012	2013							145,000		145,000
Building to accommodate an alternative Emergency Operations Centre to the Civic Centre	2013	2013		210,380		103,620					314,000
Replacement fire appliance - Waimana	2013	2013				90,000			30,000		120,000

Note: The figures in this table are not adjusted for inflation.

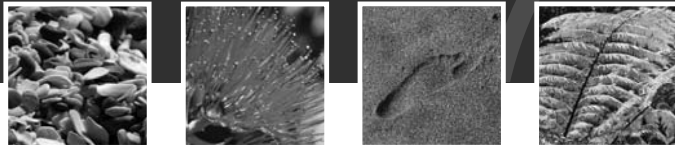


## SUMMARY OF COST OF SERVICES

ANNUAL PLAN 2009 \$,000		FORECAST FOR THE YEARS ENDED 30TH JUNE									
		2010 \$,000	2011 \$,000	2012 \$,000	2013 \$,000	2014 \$,000	2015 \$,000	2016 \$,000	2017 \$,000	2018 \$,000	2019 \$,000
	<b>EXPENDITURE</b>										
72	Depreciation	0	0	11	31	65	66	68	70	54	37
474	Interest Paid	474	632	768	796	780	743	753	714	712	709
379	Operations	378	417	446	466	478	486	499	516	533	544
<b>925</b>	<b>Total Expenditure</b>	<b>852</b>	<b>1,049</b>	<b>1,224</b>	<b>1,293</b>	<b>1,323</b>	<b>1,296</b>	<b>1,320</b>	<b>1,299</b>	<b>1,299</b>	<b>1,291</b>
	<b>REVENUE</b>										
0	Development Contributions	0	0	0	0	0	0	0	0	0	0
0	User Fees & Charges	0	0	0	0	0	0	0	0	0	0
386	General Rates	363	420	492	561	480	480	482	490	480	463
0	Interest Income	0	0	0	0	0	0	0	0	0	0
15	Sundry Income	15	16	16	16	17	17	17	18	18	19
2,575	Subsidies & Grants	0	93	0	210	0	0	0	0	0	0
417	Targeted Rates	515	651	745	795	795	798	800	807	808	808
<b>3,393</b>	<b>Total Revenue</b>	<b>893</b>	<b>1,179</b>	<b>1,252</b>	<b>1,582</b>	<b>1,291</b>	<b>1,295</b>	<b>1,299</b>	<b>1,314</b>	<b>1,306</b>	<b>1,290</b>
<b>(2,468)</b>	<b>Net Cost (Surplus) of Operations</b>	<b>(41)</b>	<b>(131)</b>	<b>(28)</b>	<b>(290)</b>	<b>32</b>	<b>0</b>	<b>21</b>	<b>(15)</b>	<b>(7)</b>	<b>1</b>
(2,468)	Transfer from (surplus)/deficit	(41)	(131)	(28)	(290)	32	0	21	(15)	(7)	1
5,531	Capex *	0	124	77	549	0	0	0	0	0	0
189	Loan Repayments	283	316	337	567	344	353	356	367	372	379
0	Payments to Reserves	0	0	0	0	0	0	0	0	0	0
0	Less Depreciation not Funded	0	0	0	0	0	0	0	0	0	0
<b>3,253</b>	<b>Total Funding Requirement</b>	<b>242</b>	<b>309</b>	<b>387</b>	<b>826</b>	<b>376</b>	<b>353</b>	<b>378</b>	<b>352</b>	<b>365</b>	<b>379</b>
	<b>FUNDED BY:</b>										
0	Depreciation Reserve	0	0	0	0	0	0	0	0	0	0
0	Development Contribution Reserve	0	0	0	0	0	0	0	0	0	0
2,961	Loans Raised	0	0	0	228	0	0	0	0	0	0
292	Operational Reserve	242	309	387	598	376	353	378	352	365	379
0	Sale of Assets	0	0	0	0	0	0	0	0	0	0
<b>3,253</b>	<b>Total Funding Applied</b>	<b>242</b>	<b>309</b>	<b>387</b>	<b>826</b>	<b>376</b>	<b>353</b>	<b>378</b>	<b>352</b>	<b>365</b>	<b>379</b>
	<b>* CAPITAL EXPENDITURE</b>										
	Level of Service	0	0	77	419	0	0	0	0	0	0
	Growth	0	0	0	0	0	0	0	0	0	0
	Renewals	0	124	0	130	0	0	0	0	0	0

For more information about the selection of revenue mechanisms for this activity see the Council's Revenue and Financing Policy in Volume Two of this LTCCP.

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## COUNCIL CONTROLLED ORGANISATIONS

This section summarises the information required under the Local Government Act 2002 relating to Council Controlled Organisations (CCOs). A CCO is a company or organisation in which a council or councils hold 50% or more of the voting rights or can appoint 50% or more of the trustees, directors or managers.

The Whakatane District Council is a shareholder in three Council Controlled Organisations including the Whakatane Airport, Toi Economic Development Agency (Toi EDA), and the Bay of Plenty Local Authority Shared Services Limited (BOP LASS Ltd).

### WHAKATANE AIRPORT

The Whakatane Airport is a Council-Controlled Trading Organisation (CCTO) under the Local Government Act 2002. The airport is seen as a valued community asset, which contributes to residents' quality of life and it is considered crucial to the economic well-being of the district.

The primary objective of the airport is to provide goods or services for the community. It makes a social contribution rather than a financial return. Accordingly, the airport is designated as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

### Policies and objectives in regard to ownership and control

- To promote a safe, accessible, affordable and reliable air transport system for the benefit of the economic and social development of the Eastern Bay of Plenty region.
- To ensure the facility is maintained at its present level and increased wherever practicable and economic.

- To ensure that the airport is administered efficiently and effectively to the benefit of scheduled flight operations.

### Nature and scope of activities

- Aviation Services:** The airport is maintained as a non-certified aerodrome in accordance with the Civil Aviation Authority Aerodrome design for aircraft at or below 5700kg Maximum Combined Take Off Weight (MC TOW). Air New Zealand Link provides daily return services to Auckland and Wellington.
- Leases:** Land surplus to the airport's present operational requirements is leased for grazing. Areas of the terminal building are leased for activities compatible with the operation of an airport. Lease of airport land is also available to commercial operators and associated industry.

### Management

The airport is a joint venture operation between the New Zealand Government (Ministry of Transport) and the Whakatane District Council with each party owning a 50% share. Responsibility for the level of maintenance and operation of the airport rests with the Whakatane District Council.

### Key performance targets and measures

Key performance targets and measures for the airport, as identified in the Airport Statement of Intent include:

#### Cost performance:

- (a) Operate and maintain the airport's assets within an operational expenditure budget (excluding corporate overheads and depreciation) of:

	2007	2008	2009	2010
Whakatane total budget surplus / (deficit)	\$ 92,000	\$102,000	\$83,758	(\$197,275)
Whakatane total actual surplus / (deficit)	\$43,834	(\$22,317)		

(b) Pavement resurfacing:

2010	2011	2012
\$98,000	\$100,000	\$102,000

(c) Runway lighting and navigational aids renewal:

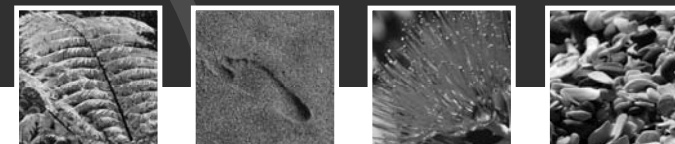
2010	2011	2012
\$8,000	\$8,000	\$8,000

(d) Airport designations:

2010	2011	2012
\$75,000	\$75,000	\$75,000

#### Function performance:

The airport is maintained as a non-certificated aerodrome in accordance with Civil Aviation Authority aerodrome design for aircraft at or below 5700 kg MC TOW.



## TOI EDA

### Background

Toi EDA is a Council Controlled Organisation (CCO) under the Local Government Act 2002. Toi EDA is the Eastern Bay of Plenty Regional Economic Development Agency set up by three territorial authorities (Kawerau, Opotiki and Whakatane) and Te Runanga O Ngati Awa on behalf of the Mataatua Iwi Forum.

The primary objective of the Toi EDA is to make a positive difference to the Eastern Bay of Plenty economy by supporting sustainable business and industry and increasing productivity by focusing on the region's natural and human resources. Toi EDA provides goods or services for the community or social benefit rather than making a financial return. Accordingly, it is designated as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

### Policies and objectives in regard to ownership and control

- To attract people to work, live and play in the Eastern Bay of Plenty.
- To align Toi-EDA with regional and national economic development activity.
- To encourage alignment with Māori economic development.
- To support and develop industry.
- To align training and education with employment needs.
- To advocate for improved infrastructure and transportation.
- To foster communication with the community and partners.

- To secure and diversify the Toi-EDA funding base.

### Nature and scope of activities

- Develop a co-ordinated marketing strategy.
- Attract more people to visit and live in the region.
- Identify, support and grow events that attract visitors and promote the Eastern Bay of Plenty.
- Advocate for new facilities and event resources.
- Promote conference opportunities.

### Trustees

Toi EDA operates under a trust deed. Toi EDA's trustees are experienced business people and community leaders who play a vital role in leading and guiding the organisation. They bring with them a wealth of experience and skills spanning commercial, finance, governance and business development, as well as entrepreneurial skills.

The board's role is to:

- Provide strategic leadership and oversee strategy.
- Meet and network with key stakeholders.
- Provide advocacy.
- Ensure sustainable economic development.
- Monitor progress.
- Provide governance.
- Generate ideas / foster growth.
- Influence the community and stakeholders.
- Support staff.
- Take positions / prepare submissions on major developments.
- Perform a custodial role over resources.

## Key performance targets and measures

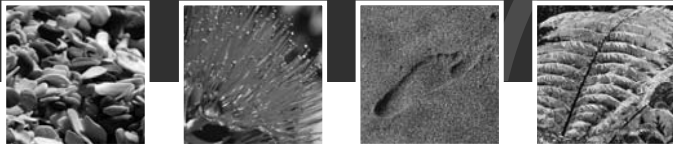
### Cost performance:

- (a) To attract more people to visit and live in the region by developing and implementing a co-ordinated marketing strategy:

	2009	2010
To promote points of difference, develop and implement a marketing plan and implement recommendations of the recent perceptions study.	\$ 50,000	\$50,000

- (b) To identify, support and grow events that attract visitors and promote the Eastern Bay of Plenty:

	2009	2010
To implement the strategy developed in conjunction with WDC staff, regular liaison between the 3 councils and with community and sports groups and regional events managers, undertake economic impact analysis, develop marketing activity for each event, maintain events calendar, identify potential new events, attract event businesses, identify funding opportunities and assist community / sports groups with funding applications	\$50,000	\$50,000



(c) To implement Toi-EDA economic development strategy goals:

	2009	2010
<ul style="list-style-type: none"> <li>To attract people to work, live and play in the Eastern Bay of Plenty</li> <li>To align Toi-EDA activity with Bay of Plenty regional and national economic development activity</li> <li>To encourage alignment of Maori economic development activity and Toi-EDA activity</li> </ul>		
<ul style="list-style-type: none"> <li>To support and develop industry</li> </ul>	\$45,000	\$45,000
<ul style="list-style-type: none"> <li>To align training and education with employment needs</li> <li>To advocate for improved infrastructure and transportation</li> <li>To foster communication with the community and partners</li> <li>To secure and diversify the Toi-EDA funding base.</li> </ul>		

## BAY OF PLENTY LOCAL AUTHORITY SHARED SERVICES (BOP LASS) LIMITED

### Background

The Whakatane District Council is a one-eighth shareholder in BoP LASS Limited. BoP LASS Limited was formed on October 15, 2007 to support councils that operate within the boundaries of the Bay of Plenty region.

The principal activities of BoP LASS Limited are to investigate, develop and deliver shared back office services and communications where and when that can be done more effectively for any combinations of some or all of the councils.

### Policies and objectives in regard to ownership and control

The objectives of BoP LASS Limited as stated in its statement of intent are:

- To provide the local authorities of the Bay of Plenty region with an umbrella vehicle to investigate, procure, develop and deliver shared services. Such services will be initiated under the umbrella of this company where a business case shows that they provide benefit to the (voluntary) council users by either improved levels of service, reduced costs, improved efficiency and/or increased value through innovation.

The expected benefits that can be achieved through shared services are:

- Improved levels and quality of service.
- A coordinated and consistent approach to the provision of services.

- Reductions in the cost of support and administrative services.
- Opportunities to develop new initiatives.
- Economies of scale resulting from a single entity representing many councils in procurement.
- These benefits and opportunities can apply to all councils irrespective of location or size.

### Nature and scope of activities

The principle nature and scope of the activity of BoP LASS Limited is to:

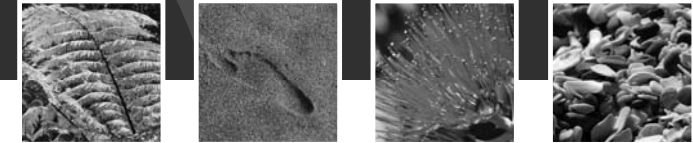
- Enable the provision of shared services to any or all local authorities within the Bay of Plenty Region. BoP LASS Limited may also sell “shared” processes and systems as set up under individual agreements to local authorities outside the region.
- Pursue all opportunities to procure shared services that will benefit the community in the widest sense, through enhanced back office services and/or reduced costs for councils.
- Explore all possible avenues to provide these services itself or contract them from outside parties, each depending on a rigorous business case and risk assessment.

BoP LASS Limited will also act as a true regional vehicle to attract government and other funding, if or when it is made available.

### Governance

BoP LASS Limited will conduct itself in accordance with its constitution, its annual statement of intent agreed with shareholders, the provisions of the Companies Act 1993 and the Local Government Act 2002.





The company is governed by its directors. To ensure total synergy between the companies' activities and its council shareholders' activities, the directors are also the chief executives of their respective council shareholders.

BoP LASS Limited has eight directors appointed by its shareholders. Unless otherwise agreed by the board, each appointee is the current (or acting) chief executive of the council shareholder including:

- Bay of Plenty Regional Council.
- Kawerau District Council.
- Opotiki District Council.
- Rotorua District Council.
- Taupo District Council.
- Tauranga City Council.
- Western Bay of Plenty District Council.
- Whakatane District Council.

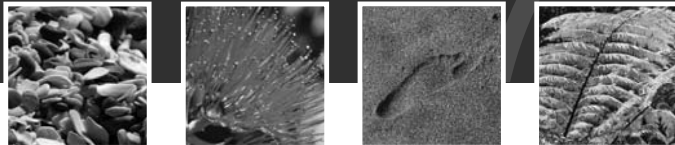
In addition, the board may appoint up to three professional directors to supplement the directors'/chief executives' expertise.

### Key performance targets and measures

Over the next three years, the targets are to:

- Ensure the umbrella company continues to operate effectively in both governance and management terms.
- Maintain operational principles regarding developing and approving shared services.
- Develop and sustain communication lines with each shareholding council at appropriate levels.
- Develop and sustain communication lines with shared service CCOs of neighbouring regions.

- Achieve effective operations of at least five shared services with each service contributing appropriately to the costs of the umbrella vehicle.
- Operate within agreed budgets.
- Maintain positive cash flow.
- Survey customers of active shared services at least annually to measure their satisfaction with the levels and quality of service.
- Survey the directors at least annually to gauge their satisfaction with the:
  - extent and quality of new service investigation and business case development
  - administrative and secretarial support / reporting- operations of Advisory Groups
  - governance and strategic role of the board
  - performance of the Executive Officer of BoP LASS Limited.



## ASSUMPTIONS AND DATA

### INTRODUCTION

#### Outline

Assumptions help to deal with the unknown of the future. The Council needs to make assumptions so it can understand the starting point used to prepare financial information, explain differences that may occur between what was forecast and what actually happens, and to ensure it appropriately identifies and evaluates possible risks.

#### Local Government Act 2002 requirements

The Local Government Act 2002 sets out what must be included in the Long Term Council Community Plan (LTCCP).

An LTCCP must clearly identify the:

- assumptions which the financial estimates are based
- risks underlying the financial estimates
- the useful life of significant assets
- sources of funds for the future replacement of significant assets.

The Council must also identify where there might be uncertainty about any of its significant assumptions, what the level of that uncertainty is and provide an estimate of the potential effects of that uncertainty in financial terms.

### LEVEL OF UNCERTAINTY ABOUT ASSUMPTIONS

The following assumptions have been used to prepare the estimated financial statements.

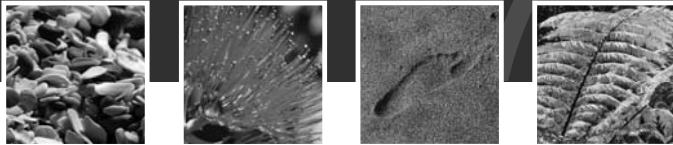
ASSUMPTION	CONSEQUENCE OF RISK	LIKELIHOOD OF RISK	DEGREE OF TOTAL RISK	
	LOW = 1 LOW/MODERATE = 2 MODERATE = 3 MODERATE/HIGH = 4 HIGH = 5	LIKELY = 3 POSSIBLE = 2 UNLIKELY = 1	LOW = 1 - 5 MEDIUM = 6 - 10 HIGH = 11 - 15	
<b>PROJECTED GROWTH CHANGE FACTORS</b>				
Growth forecasting	4	2	8	Medium
Potential social changes	4	3	12	High
Potential climate change impacts	3	1	3	Low
Rating base	4	2	8	Medium
<b>MAJOR COST COMPONENTS</b>				
Borrowing and expected interest rates	4	2	8	Medium
Renewability or otherwise of external funding	4	2	8	Medium
Cost factors	4	2	8	Medium
Levels of service	4	2	8	Medium
Revaluation and future revaluation of non-current assets	4	2	8	Medium
Depreciation rates on assets	4	1	4	Low
Funding growth related development	4	2	8	Medium
Resource consents / designations	5	3	15	High



## LEVEL OF UNCERTAINTY ABOUT ASSUMPTIONS CONTINUED

The following assumptions have been used to prepare the estimated financial statements.

ASSUMPTION	CONSEQUENCE OF RISK	LIKELIHOOD OF RISK	DEGREE OF TOTAL RISK	
	LOW = 1 LOW/MODERATE = 2 MODERATE = 3 MODERATE/HIGH = 4 HIGH = 5	LIKELY = 3 POSSIBLE = 2 UNLIKELY = 1	LOW = 1 – 5 MEDIUM = 6 – 10 HIGH = 11 – 15	
Service delivery options	4	1	4	Low
Failure of contractor services	4	3	12	High
Preliminary cost estimates	3	2	6	Medium
<b>MAJOR INCOME COMPONENTS</b>				
Roading subsidy rates	5	2	10	Medium
Alternative funding sources	4	3	12	High
Divestment of assets	4	3	12	High
<b>STATEMENTS OF FACT</b>				
Natural hazards	5	2	10	Medium
Fundamental business viability	5	2	10	Medium
Business continuity	5	3	15	High
Estimates of commitments and contingencies	5	2	10	Medium
Creation and realisation of investments, reserves and assets	5	2	10	Medium
Governance	3	3	9	Medium



## MITIGATION STRATEGIES FOR “HIGH RISK” ASSUMPTIONS

### Potential social changes:

This assumption acknowledges increasing socio-economic vulnerability in parts of the District. Should this trend continue (and be reflected in the 2011 Census), resources will be directed towards drawing up a District vision to deal with this.

### Resource consents / designation:

There are statutory timeframes for processing resource consents. However, many projects initiated by Council are complex and need input from a wide range of disciplines. Due to this, some consents will take longer to process than would be expected for more straightforward consents. Therefore the Council will allow more time for resource consents in the project planning phase.

### Legislative demands on Council resources:

Monitor central government to keep abreast of possible changes. Council will also submit to central government and advocate on behalf of the community. It will also rely on the support of sector interest groups such as Local Government New Zealand to represent the interests of the Whakatane District Council.

### Failure of contractor services:

The Council will implement best practice contract management processes with appropriate resources for contract monitoring.

### Business continuity:

This is listed as a statement of fact. However, the Council will develop a risk management strategy to ensure that it can continue with limited disruption.

### Alternative funding sources:

The risk to this assumption acknowledges that grants or subsidies for funding certain projects may not be realised. Where this is the case, the mitigation strategy is that the relevant project will not proceed or will be adjusted down to meet Council's ability to pay. This would affect future levels of service.

### Divestment of assets:

The risk to this assumption acknowledges that the divestment of assets may not generate the funds anticipated resulting in increased ongoing principle and interest repayments on loans. Where this is the case, the mitigation strategy is that increased loan repayments will be funded by general and targeted rates.

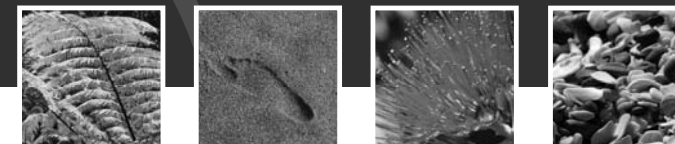
## PROJECTED GROWTH CHANGE

### Growth forecasting

Studies have been prepared for the residential, retail and industrial zones. Statistics NZ has also released projected population figures for the census area units. These projections have been used to forecast future growth of the District.

The assumption is that growth in the Whakatane town area will occur at the same “medium” rate.

Combined population growth figures are summarised in the table on the following page.

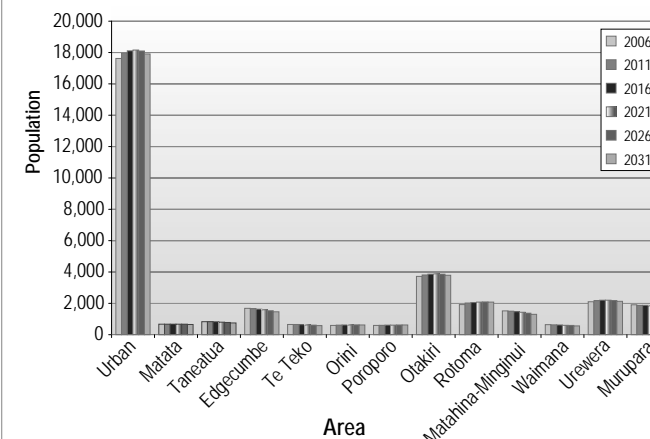


## PROJECTED POPULATION GROWTH FOR EACH CENSUS AREA UNIT (CAU) 2006-2031 (USING THE MEDIUM GROWTH SERIES)

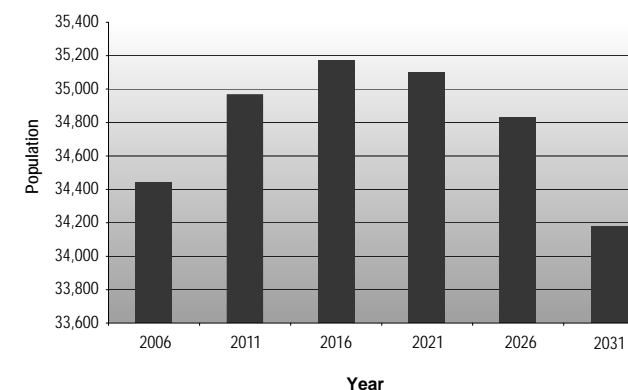
AREA	2006	2011	2016	2021	2026	2031
Whakatane Urban*	17,620	17,950	18,110	18,160	18,100	17,910
Matata	670	670	670	670	670	650
Taneatua	830	830	820	800	780	750
Edgecumbe	1680	1,660	1,630	1,590	1,530	1,460
Te Teko	650	650	640	620	610	580
Orini	590	610	620	620	630	620
Poroporo	590	600	610	610	620	620
Otakiri	3,720	3,810	3,860	3,880	3,860	3,790
Rotoma	1,920	2,020	2,050	2,080	2,090	2,080
Matahina-Minginui	1,520	1,500	1,470	1,430	1,370	1,300
Waimana	640	630	620	600	590	560
Urewera	2,100	2,170	2,200	2,200	2,180	2,130
Murupara	1,910	1,870	1,870	1,840	1,800	1,730
Total	34,440	34,970	35,170	35,100	34,830	34,180

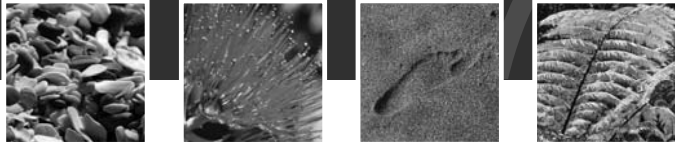
\* Whakatane Urban comprises the combined CAUs of: Allandale-Mokorua; Coastlands; Maraetotara; Ohope; Trident; Whakatane North; Whakatane West

MEDIUM GROWTH POPULATION PROJECTIONS FOR WHAKATANE DISTRICT 2006 - 2031

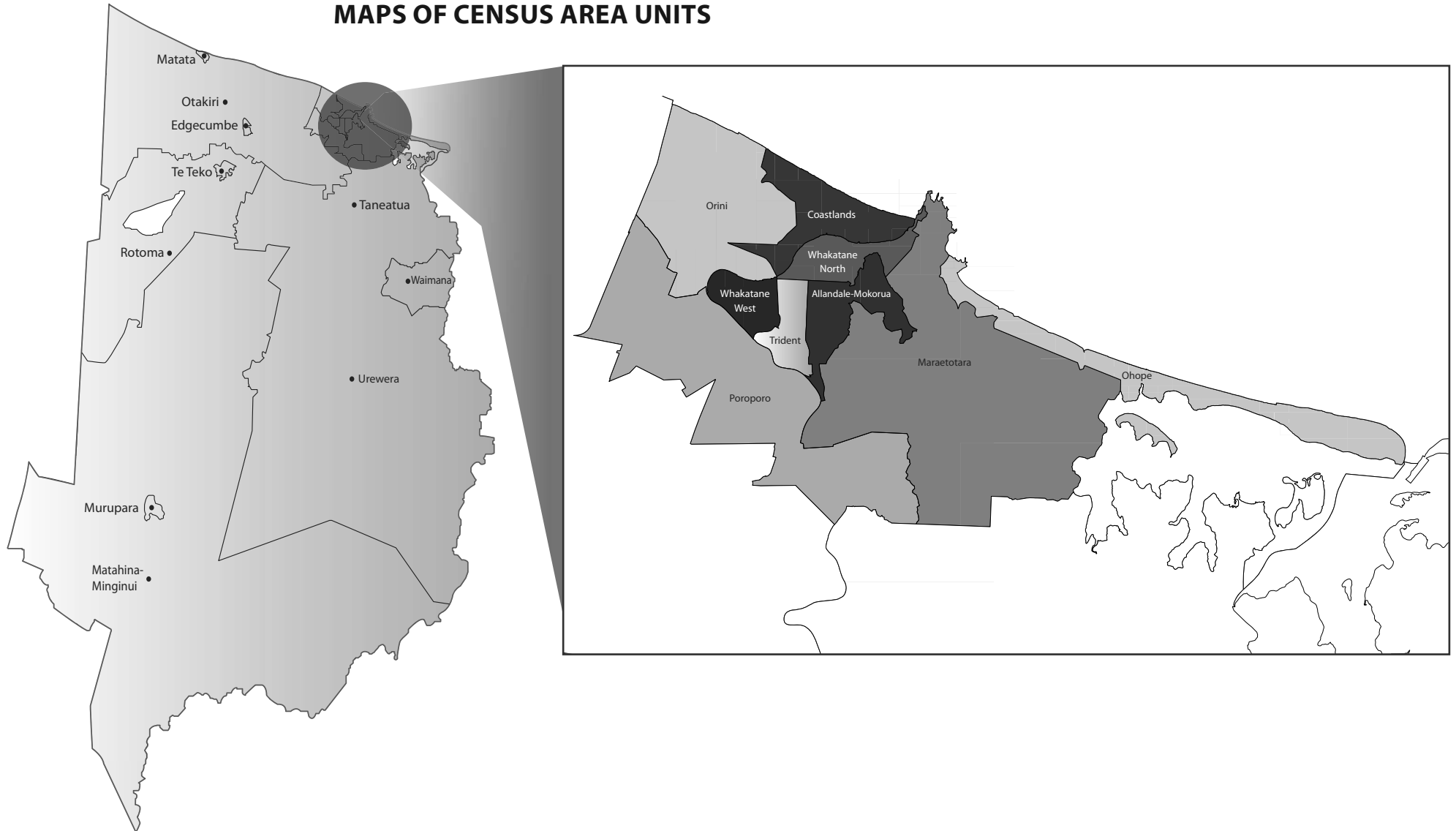


MEDIUM GROWTH POPULATION PROJECTION FOR THE DISTRICT 2006 - 2031





### MAPS OF CENSUS AREA UNITS





Statistics New Zealand has calculated household projections for territorial authorities from 2006 to 2021 using the medium growth series. (A household is made up of either one person usually living alone, or two or more people usually living together and sharing facilities (e.g. eating facilities, cooking facilities, bathroom and toilet facilities, a living area), in a private dwelling. A household and a dwelling are not the same).

## Medium Growth Household Projection 2011 to 2031 by Census Area Units

AREA	2009	2011	2016	2019	2021	2034
Ohope	1725	1760	1910	2004	2074	2422
Matata	286	291	304	312	317	350
Taneatua	247	252	260	266	270	295
Edgecumbe	643	649	651	653	652	668
Te Teko	168	171	175	177	178	190
Whakatane North	1364	1385	1432	1461	1481	1606
Coastlands	341	354	442	504	552	749
Whakatane West	1124	1143	1190	1219	1239	1363
Trident	1256	1272	1305	1326	1339	1430
Allandale-Mokorua	1742	1778	1901	1977	2032	2330
Orini	199	203	219	229	236	272
Maraetotara	38	40	44	47	49	61
Poroporo	183	186	199	207	213	244
Otakiri	1469	1498	1602	1667	1714	1963
Rotoma	664	683	752	796	827	994
Matahina-Minginui	647	655	657	660	660	680
Waimana	185	187	189	190	191	197
Urewera	747	766	834	876	907	1070
Murupara	658	663	675	683	688	720
District Total	13686	13936	14741	15254	15619	17604

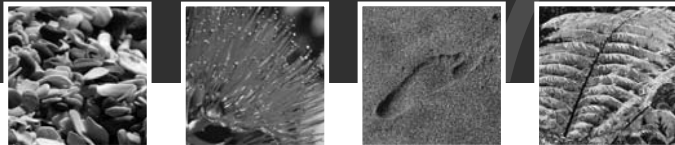
This assumption acknowledges that such distant projections are fraught with difficulty and cannot be “cast in stone”. They do not take into account economic effects and social change that may have profound outcomes on these projections.

The LTCCP and the supporting documents such as the financials and the Development Contributions Policy use the medium growth population projection for the District as a whole.

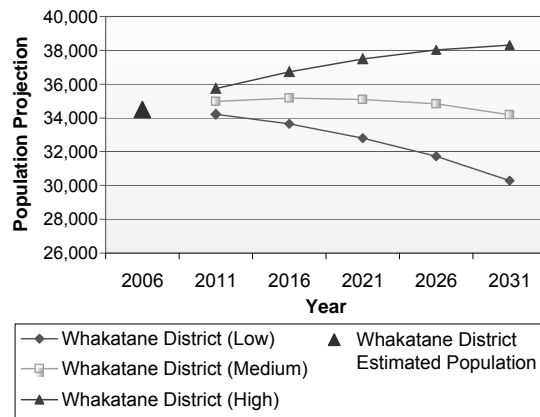
Asset Management Plans also exist for the following groups of activities:

- Solid Waste
- Transportation
- Arts and Culture
- Community Property
- Recreation
- Water
- Stormwater
- Wastewater

The capital works programme (detailed in the Asset Management Plans), includes projects vital for population growth. The Council’s Development Contributions Policy sets out the cost of these projects.



WHAKATANE DISTRICT ACTUAL AND PROJECTED POPULATION FIGURES 2006-2031



**Risk**

*If population growth differs a lot from the chosen estimate (either over or under) then the capital works programme will require changes.*

**Potential social changes**

The LTCCP assumes that the District is likely to age at a faster rate than the country as a whole. Expectations are that an older population will concentrate in the Whakatane urban area (inclusive of Coastlands and Ohope). The 'standard' house size of three bedrooms on large sections may become increasingly unsuitable to an ageing population. This document assumes an increased demand in retirement housing in the Whakatane urban area. Whilst increasing numbers of younger people may be found in rural areas, based on current trends they will probably leave the District for tertiary studies or employment opportunities.

It is likely that employment will remain higher in the urban area whilst rural areas are expected to show high levels of unemployment.

Although the District's industries are vulnerable to technological and international changes, the LTCCP assumes that major employers in the District will retain their position in the local economy throughout the Council's next ten-year planning cycle.

**Risks**

*A potential risk is that rural centres continue to decline. As a result rural populations could struggle to remain as active participants in the social, economic and cultural life of the District.*

*The risk is the housing market provides for the ageing population, but there could be a significant difference (upwards or downwards) in the take-up of accommodation.*

*This could have flow on effects for the provision of infrastructure and services by the Council e.g. the Council may have provided too much infrastructure for a population that is less than expected.*

*The risk is that large employers suffer major changes in a volatile economy resulting in unforeseen job losses.*

*That the population increases more rapidly and the Council's infrastructure does not keep up with the level of growth.*

**Potential climate change impacts**

The Council accepts the need to assess the potential effects of climate change on the District.

Climate change is likely to impact on various activities of Council but the actual effect is largely unknown at this stage. The Council will establish a policy position before the review of this LTCCP in 2012. This may identify what indicators will be used to measure climate change,

what changes the Council should undertake and what other policies or plans are needed in terms of adapting and mitigating the effects of future climate change. Potential effects of climate change on coastal erosion and inundation have been accounted for in the coastal hazards variation to the District Plan.

The Groups of Activities section also identifies activities where climate change may be an issue. This is mainly in area of infrastructure assets. Where the Council is planning for projects to consider the impact of climate change on infrastructure assets, these are also identified in the Groups of Activities section.

**Risk**

*The risk is that the District may experience effects of climate change in the short term, before the Council has established a policy position and instituted adaptation measures.*

**The rating base**

It is assumed that the number of rating units is expected to increase in line with the population growth assumptions. In addition it is assumed that rateable value will also increase. This will result in no additional rating burden on existing ratepayers.

**Risk**

*The risk is that the rating base will not increase as expected and there will be an additional rating burden on existing ratepayers.*

**MAJOR COST COMPONENTS**

**Borrowing and expected interest rates**

The Council has a portfolio of debt that matures at various times over the 10 year cycle. Expected interest rates for each year are listed below. As the loans mature, they will need to be refinanced.



## ASSUMPTIONS AND DATA



YEARS	EXPECTED INTEREST RATE
2009/10	5.28%
2010/11	6.08%
2011/12	7.07%
2012/13	7.48%
2013/14	7.66%
2014/15	7.55%
2015/16	7.94%
2016/17	7.82%
2017/18	8.12%
2018/19	8.45%

### Risk

*The risk is that interest rates will be higher than forecast. Where this is the case, the increased cost of servicing borrowings will need to be passed on to the ratepayer.*

### Renewability or otherwise of external funding

It is assumed that the Council's portfolio of debt with differing maturity dates and new funding required, will be raised on favourable terms.

### Risks

*The risk is the Council will be unable to raise new debt to fund approved capital works programmes.*

*The risk is also that new debt raised will have unfavourable terms. A further risk is that Council will be unable to raise new debt to repay maturing debt on favourable terms.*

### Cost factors

Many events or features can influence costs that might be incurred in the future. The Council must also comply with the New Zealand International Financial Reporting Standards (NZIFRS). The Council needs to base probable financial information on "best estimates" of what the Council realistically expects to occur. For this reason, the Council factors inflation into its financial forecasts.

The Business and Economic Research Limited (BERL) price change estimates have been used to prepare the prospective financial statements. The estimates are long-term projections showing cumulative increase.

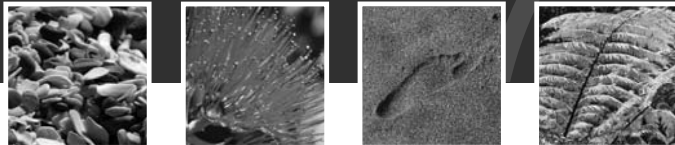
Due to uncertainty over the proposed Emissions Trading Scheme, The Council has not factored in potential increases in costs that would result.

### ADJUSTERS: % PER ANNUM CHANGE

FINANCIAL YEAR	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19
BERL adjusters	%	%	%	%	%	%	%	%	%	%
Road	3.4	2.6	2.8	2.4	2.4	2.4	2.4	2.5	2.4	2.2
Property	2.7	2.8	3.3	2.6	2.5	3.0	3.1	2.5	2.4	2.3
Water	3.9	2.3	3.2	3.0	3.1	3.3	3.4	3.3	3.4	3.5
Energy	3.1	2.6	2.4	2.8	2.9	3.3	3.3	3.4	3.4	3.5
Staff	2.7	2.4	2.4	2.7	2.6	2.6	2.6	3.1	3.2	3.1
Other	3.4	3.4	2.4	2.4	2.3	2.4	2.4	2.4	2.5	2.5

### Risk

*The risk is that the actual price of inputs and outputs will not increase at the rate assumed and the actual cost will be higher or lower than calculated.*



### Levels of service

The financial information included in the LTCCP is based on levels of service established in the asset management plans and activity plans (for non-asset based activities). The assumption is that the levels of service set out in the LTCCP will not vary much, unless stated in the groups of activities section.

### Risk

*The risk is that there will be an unexpected demand for increased levels of service which will have a significant financial impact. Examples include increased demand for high-cost recreation facilities.*

### Revaluation and future revaluation of non current assets

The next revaluation dates for the Council assets are listed in the table below. The assumption is that the assets will be similar to the estimated value at the time of the next revaluation.

ASSET	FREQUENCY	NEXT VALUATION DATE
Investment property	Yearly	July 2010
Land & buildings	Three yearly *	July 2011
Museum assets	Three yearly *	June 2009
Library assets	Three yearly *	June 2009
Harbour assets	Yearly	July 2010

Forestry	Yearly	July 2010
All assets for insurance valuation only	Two yearly	April 2011
Water & sewerage	Yearly	July 2010
Roading	Yearly	July 2010
Parks	Yearly	July 2010

\* Council reserves the right to value more frequently if deemed appropriate

### Risks

*That there will be a material difference between estimated and actual revaluations of assets.*

*That data collection of asset information finds more or higher value assets than currently recorded.*

### Funding growth related development

Infrastructure required for growth related development such as storm water, wastewater, water supply, roading, carparking, solid waste, reserves and community infrastructure – will be funded via development contributions.

Payment for this work is done in two ways. Firstly, the Council could pay for the work to be done and receive the money from the developer when the subdivision is complete. Secondly, the Council could fund the provision of capital infrastructure with a debt to be repaid when development contributions are received.

The Development Contribution Policy is consistent with the capital expenditure programme in the LTCCP.

### Risks

*The risk is that there is less growth than estimated and the amount spent on the provision of capital infrastructure to anticipate the rate of growth is unable to be paid for by development contributions.*

*There is also the risk that the development contributions are significantly less than what is predicted, but that the work must proceed in advance of the predicted level of growth being achieved.*

*A further risk is that there is a lag between increased cost of the capital work and being able to recover that development contribution.*

### Resource consents /designations

The Council has programmed to apply for a number of resource consents for projects during the period of the LTCCP. It is assumed that the necessary consents with reasonable conditions will be granted in a timely manner as required.

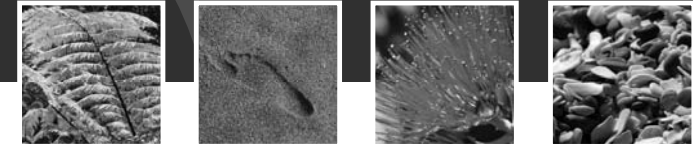
### Risk

*The risk is that the consents:*

*Will take longer to be granted than assumed and therefore will not be available at the time required. (Refer to Disaster Mitigation Strategies within this section).*

*Will include more stringent conditions than expected, resulting in the activity becoming substantially more expensive, potentially to the extent that the development becomes uneconomic to continue with.*

*Will not be granted.*



## Legislative demands on council resources

The last decade has seen a substantial increase in the levels of delegation from central government to local councils through legislative changes (such as the Local Government Act 2002, National Environmental Standard for Sources of Human Drinking Water, and the Building (Accreditation of Building Consent Authorities) Regulations 2006. The bar has also been raised in a number of areas such as the introduction of environmental standards.

In almost all cases, funding has not been provided to prepare the required policies or deliver the services. The services and policies have had to be funded through efficiency gains, local user charges, rates increases or a combination of these. The assumption is that there will be no changes to the legal system, that impact on the cost of the Council's activities, unless explicitly stated, within the Groups of Activities section.

### Risk

*The risk is that there will be major changes to the legislation that will cause significant unexpected changes to the services, their costs and recovery by the Council.*

## Service delivery options

The assumption is that the current methods of service delivery will continue for the lifetime of the 2009 LTCCP. However, the Council is always reviewing methods of service delivery and if alternatives prove to be more cost effective, improve the levels of service to ratepayers, or reduce risk, they will be explored and implemented.

The Council is also a member of the Bay of Plenty Local Authority Shared Service council controlled organisation (BOPLASS). The councils that operate within the boundaries of the Bay of Plenty Region have formed a

Council Controlled Organisation (CCO) to investigate, develop and deliver shared back office services and communications where and when that can be done more effectively for any combinations of some or all of the councils.

The expected benefits that can be achieved through shared services are:

- Improved levels and quality of service
- A co-ordinated and consistent approach to the provision of services
- Reductions in the cost of support and administrative services
- Opportunities to develop new initiatives
- Economies of scale resulting from a single entity representing many councils in procurement

### Risks

*The risk is that new methods of service delivery could be identified that could be more cost effective than the option and financial forecasts included in the LTCCP. In considering service delivery options, the Council is also required to follow section 97 of the Local Government Act 2002 which allows certain decisions to only take place if provided in the LTCCP.*

*There is also a risk that new methods of service delivery could be implemented without sufficient regard to factors of cost, efficiency and risk.*

## Failure of contractor services

Most of the Council's capital works are carried out through private sector companies. The Council also has an ongoing contract for the provision of engineering professional services. Projects for capital works are tendered following the Council's policies and procedures.

The assumption is that the Council will be able to engage suitably qualified and experienced contractors and that

all contractors engaged to provide services for Council will do so within the agreed standards, deadlines and cost.

### Risks

*The risk is that there will be a shortage of contractors.*

*The risk is that contractors will not deliver services and/or products to the agreed standards and specification within the agreed time and price.*

## Preliminary Cost Estimates

The costs listed for some projects are preliminary estimates and final costs may be subject to significant fluctuations. For example the multi-sport events centre and the landfill.

### Risks

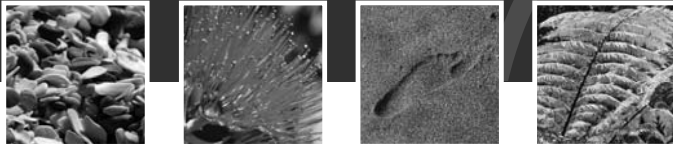
*The risk is that costs will be substantially different from those estimated. In such an event further public consultation will be sought before any significant change in the budgeted costs for these projects are approved.*

## MAJOR INCOME COMPONENTS

### Roading subsidy

The Council receives subsidies from the New Zealand Transport Agency for the operation and upkeep of the local road network in the District. This subsidy is termed Financial Assistance Rates (FARs). It is obtained through a number of criteria such as district valuation, kilometres of roads, and other ability to pay measures. Current Council FARs are:

- General maintenance: 45%
- Emergency works: 47%
- Capital works: 55%



- Road safety/community programmes: 75%
- Strategic studies: Varies between 50% and 70%

It is assumed that the FARs will remain unchanged for the duration of the LTCCP.

### Risk

***The risk is that the FAR will be adjusted downward or that policy priorities change and affect the availability of some subsidies. Where this is the case the relevant roading activity will need to be adjusted to meet Council's ability to pay and therefore impact on future levels of service.***

### Alternative Funding Sources

There are a number of alternative funding sources available to the Council for projects under both the Resource Management Act 1991 and Local Government Act 2002. Currently a limited number of projects receive grant funding for a variety of sources. Some of the more significant projects expected to receive alternative funding and the risks associated with this funding are listed below:

#### Sanitary Works Subsidy

The Council receives subsidies from the Ministry of Health through the Sanitary Works Subsidy Scheme (SWSS). The purpose of this scheme is to assist with the provision of reticulated sewerage and treatment plant upgrades.

### Risk

***The risk is that the subsidy will be reviewed downward because of a change in criteria or a review of the SWSS scheme. Where this is the case the relevant project will not be progressed or will need to be adjusted to meet Council's ability to pay and therefore impact on future levels of service.***

#### Drinking Water Assistance Programme

The Council gets financial assistance from the Ministry of Health through the Drinking Water Assistance Programme (DWAP). The DWAP consists of two components; the Technical Assistance Programme (TAP) and the Capital Assistance Programme (CAP).

The TAP aims to provide resources to assist drinking-water suppliers to prepare Public Health Risk Management Plans (PHRMP) for their supply.

The CAP helps to fund improvements where TAP participation has shown that local resourcing is inadequate for a good solution.

### Risk

***The risk is that the assistance will be reviewed downward because of a change in criteria or a review of the DWAP programme. Where this is the case the relevant project will not be progressed or will need to be adjusted to meet Council's ability to pay and therefore impact on future levels of service.***

#### Aquatic Centre

The \$3.9 million Aquatic Centre repair project is a response to design faults in the building structure. The Council intends fund the project through loans and recover the total cost required for the repairs through legal action.

### Risk

***The risk is that the expected level of recovery of costs through the litigation process is not realised and loans raised to fund the project will have to serviced from rates.***

#### Arts and Culture Centre

The Council expects that the Arts and Culture Centre project will receive substantial funding and investment from other sources.

It is expected that the centre will operate on a cost neutral basis for the Council from 2020 with a positive position and proposed reduction in rates for the community after the initial investment payback period

### Risk

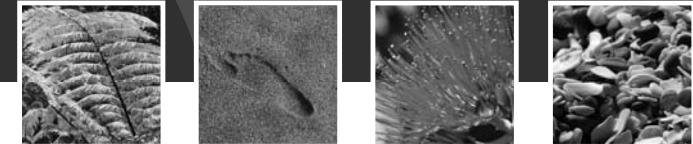
***The risk is that the expected level of funding and investment from other sources is not realised. Where this is the case the project will not proceed.***

***There is also a risk that the centre will not operate on a cost neutral basis as expected and will need to be funded through mechanisms such as increased user fees/charges or rates.***

#### Divestment of Assets

Revenue from the sale of assets has been included as a source of funds in the LTCCP across the 10 years. This revenue has been used to retire debt and make principal repayments as the funds become available. The table below indicates the budgeted revenue from the sale of assets and takes into account the expectation that not all the properties that Council is proposing to divest will be realised.

FUNDING FROM SALE OF ASSETS BY GROUP OF ACTIVITIES	\$,000
Recreation and community facilities	11,591
Community property	29,072
Transport networks and safety	280
Total funding from sale of assets	40,943



Key assets sales include the pensioner housing units, the Piripai block and the Bennett block.

## Risk

***Should the revenue from these sales not generate the funds anticipated, the result will be an increase in the general and targeted rates to meet ongoing interest and principal repayments for these loans and impact on Treasury Policy limits.***

## STATEMENT OF FACT

### Natural hazards

The District is at risk to a range of natural hazards. Examples include earthquakes (e.g. Edgecumbe Earthquake in 1987 with a magnitude of 6.3 on the Richter scale), flooding (July 2004 and May 2005), debris flows (Matata May 2005), slips and volcano activity (last eruption March to September 2000).

The Council is a member of the New Zealand Local Authority Protection Programme Disaster Fund Trust (LAPP fund). The New Zealand Government's Disaster Recovery Plan identifies a shared responsibility between central and local government for qualified restoration activity after natural disasters have occurred. Assistance from both central government and the LAPP fund requires the Council to prove its eligibility. The Council has to ensure provision of the LAPP fund through:

- Proper maintenance
- Reserve funding
- Adequate insurance where practicable

Maintenance provisions are included in the LTCCP based on the Council's asset management plans.

The Council does not have reserve funding for disaster contingency in place. The Council has cover for buildings and building contents including pumping equipment, where this is practicable and acceptable to insurers.

## Risk

***The risk is that there will be a disaster event requiring emergency work that cannot be funded out of normal budgetary provisions. The potential effect of a disaster on the Council's financial position is dependent on the scale, duration and location of the event. The ability to fund costs related to a disaster may change through the financial year.***

## Fundamental business viability

The Council provides strategic planning, environmental management and functioning network and utility services, amongst others, in line with regulatory standards. This plan assumes that Council has adequate staff and sufficient and planned capacity for the suitable provision of services. Many services could not be provided without information technology. In terms of data, the Council needs to provide technology support for approximately 41 different types of activities.

## Risks

***The risk is that the Council is unable to employ adequate human resources to ensure that Council provides sufficient services to an acceptable standard.***

***That the Council does not have sufficient ICT infrastructure to support base services.***

## Business continuity

The Council runs a complex business and has wide legal duties. These include the supply of utility services, such as water, to the capture and retention of data.

Section 60 of the Civil Defence Emergency Management Act 2002 defines Council as a "lifeline utility". The Council has to plan and provide for civil defence emergency management in the District. Council has to

also function to its fullest extent in the event of a disaster affecting the District. This may be at a reduced level during and after a civil defence emergency. The Council is undertaking a disaster recovery preparation project staged over two years. The goal is to install the Council's core systems on another site.

This document assumes that the Council has the ICT infrastructure to support base services. It is assumed that in the event of a disaster affecting core Council infrastructure (head office, ICT infrastructure), core services will continue to be provided.

## Risks

***That the Council is unable to ensure that it functions as a "lifeline utility" as required by Section 60 of the Civil Defence Emergency Management Act 2002.***

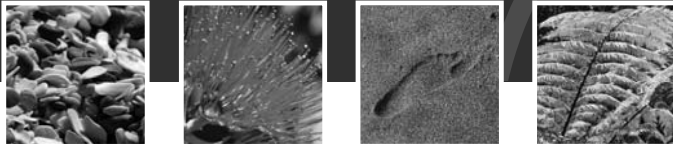
***The risk is that the Council does not adequately plan and provide for civil defence emergency management within the District.***

***The risk is that the Council is unable to function to its fullest extent in the event of a disaster affecting the District.***

***That in the event of an ICT disaster, the Council will be unable to provide the necessary ICT services.***

## Estimates of commitments and contingencies

Every project has a budget attached to it. The budget provides an estimate for the proposed cost of a project and includes a contingency element related to the detail of investigations undertaken at the time of publication. With further investigation, budget and resource requirements become more accurate. With this improved accuracy – project contingency allowances will reduce. Contingencies built into cost estimates



may range between 0% for fully scoped projects and up to 30% for projects in concept or preliminary design – depending on the type of project.

Projects cost estimates may change for a range of reasons, scope change, fuel prices or cost of construction materials (e.g. steel) are common examples. All cost estimates and contingencies will be updated each year through the Annual Plan process when further information is available and when detailed design has been completed.

It is assumed there will be no additional requirements for commitments and contingencies, over and above that which has normally been included in the Council's LTCCP and Annual Plan.

#### Risk

***The risk is that should any significant unforeseen commitment or contingency occur, expenditure and required rates may be impacted upon.***

#### Creation and realisation of investments, reserves and assets

The Council will continue with the ownership of investments and reserves in accordance with its current practice, unless specified in this LTCCP. The capital expenditure programme represents creation of assets.

#### Risk

***The risk is that should the Council sell its assets, the sale would only have a short term mitigating impact on rates increases if the proceeds of the sale went towards general rates rather than debt retirement.***

#### Governance

The Council elections will be held in 2010, 2013, 2016 and 2019. The Council will also be reviewing its

governance structures through the 2009 representation review. The Council has indicated that through the representation review it will be looking at how the governance arrangements could be more effective as well as provide cost savings for rate payers. The representation review is discussed in the section entitled "Key Issues".

#### Risks

***That there could be an unexpected change in democratic structure during the life of the LTCCP.***

***That change in governance requirements may place additional cost burdens on the District.***

#### BEST ESTIMATES

The figures included in this document are best estimates and should only be used for Long Term Council Community Planning purposes.

#### AUTHORITY TO ISSUE

The core assumptions were authorised by the Council on 13 July 2009.

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## FINANCIALS

### INTRODUCTION

In this section of the Plan, information is provided on the Forecasted Financial Statements. The Groups of Activities section also includes financial information that should be read in conjunction with this section.

### FORECASTED FINANCIAL STATEMENTS

The Forecasted Financial Statements include the following financial reports:

- Statement of Prospective Comprehensive Income**  
 This provides information on the surplus or deficit arising throughout the Plan impacting on the past and future comprehensive income. This aids the reader to differentiate between components of financial performance according to frequency, potential for gain and loss and predictability.
- Statement of Prospective Changes in Equity:**  
 Also known as net worth, equity is measured as the difference between the total value of assets and total liabilities. This statement presents a comprehensive measure of income. Accumulated equity represents the communities' investment in publicly owned assets resulting from past surpluses.
- Statement of Prospective Financial Position:**  
 This presents information about the economic resources controlled by the Council. This information is useful in assessing the Council's ability to generate cash, provide services and for assessing future borrowing needs.

- Statement of Prospective Cash Flows:** Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the Council invests as part of its day to day cash management. It provides information about cash generation through Council activities to repay debt or to reinvest to maintain operating capacity.

### ACTUAL FINANCIAL RESULTS

Actual financial results achieved for the period covered are likely to vary from the information presented and these variations may be material.

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies sets out the principle accounting policies that have been adopted in the preparation of the financial report. The policies set out in the summary have been consistently applied to all years presented, unless otherwise stated.

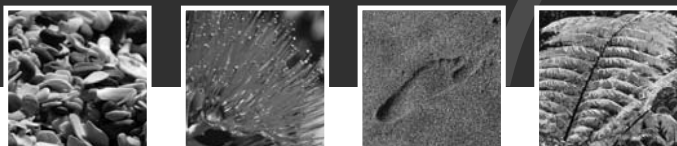




## STATEMENT OF PROSPECTIVE COMPREHENSIVE INCOME

ANNUAL PLAN 2009 \$,000		FORECAST FOR THE YEARS ENDED 30TH JUNE									
		2010 \$,000	2011 \$,000	2012 \$,000	2013 \$,000	2014 \$,000	2015 \$,000	2016 \$,000	2017 \$,000	2018 \$,000	2019 \$,000
	<b>INCOME</b>										
19,800	Revenue from Activities	19,613	29,281	22,665	23,837	32,003	28,769	32,187	30,254	24,216	31,678
6,005	General Rates * Note 1	5,773	6,473	6,938	7,579	7,632	8,288	8,174	8,503	8,823	8,782
21,618	Targeted Rates * Note 2	23,873	26,699	29,955	32,328	34,077	37,221	39,331	40,692	42,372	44,368
0	Vested Assets	716	740	733	733	732	733	733	733	734	734
1,752	Development Contributions	918	943	971	1,210	1,243	1,277	1,336	1,372	1,409	1,447
126	Finance Income *	211	143	70	149	123	810	639	580	507	332
<b>49,301</b>	<b>Total Income</b>	<b>51,105</b>	<b>64,279</b>	<b>61,332</b>	<b>65,837</b>	<b>75,810</b>	<b>77,098</b>	<b>82,400</b>	<b>82,135</b>	<b>78,061</b>	<b>87,340</b>
	<b>EXPENDITURE</b>										
19,092	Other Expenses	22,988	24,707	25,045	25,551	26,517	27,414	28,197	29,061	30,065	30,250
9,261	Personnel Costs	9,764	10,545	10,888	11,020	11,285	11,639	12,026	12,344	12,683	13,026
11,191	Depreciation and amortisation expense	12,173	13,372	14,878	16,461	16,954	18,532	19,889	21,106	22,150	23,244
1,352	Finance Costs *	1,493	2,266	3,078	3,325	3,207	3,359	3,874	3,910	3,811	3,855
<b>40,896</b>	<b>Total Expenditure</b>	<b>46,418</b>	<b>50,889</b>	<b>53,889</b>	<b>56,357</b>	<b>57,963</b>	<b>60,944</b>	<b>63,985</b>	<b>66,422</b>	<b>68,709</b>	<b>70,375</b>
<b>8,405</b>	<b>Net Surplus/(Deficit)</b>	<b>4,687</b>	<b>13,390</b>	<b>7,443</b>	<b>9,480</b>	<b>17,847</b>	<b>16,154</b>	<b>18,415</b>	<b>15,713</b>	<b>9,352</b>	<b>16,966</b>
	Other comprehensive income										
0	Gains on asset revaluation	17,922	18,854	14,726	15,643	16,049	18,154	19,851	21,503	24,070	25,461
<b>465</b>	<b>Gains on revaluation of Investment property</b>	<b>0</b>	<b>1,735</b>	<b>1,310</b>	<b>1,374</b>	<b>1,174</b>	<b>1,055</b>	<b>1,109</b>	<b>1,167</b>	<b>1,279</b>	<b>1,350</b>
<b>8,870</b>	<b>Total comprehensive income for the year</b>	<b>22,609</b>	<b>33,979</b>	<b>23,479</b>	<b>26,497</b>	<b>35,069</b>	<b>35,363</b>	<b>39,375</b>	<b>38,383</b>	<b>34,701</b>	<b>43,777</b>

\* Excludes Internal Borrowing Interest.



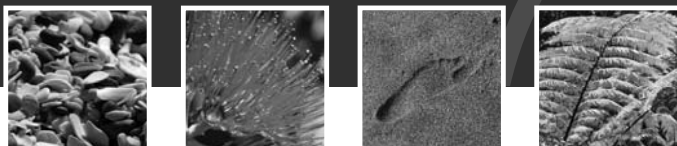
## NOTES TO THE STATEMENT OF PROSPECTIVE COMPREHENSIVE INCOME

ANNUAL PLAN 2009 \$,000		FORECAST FOR THE YEARS ENDED 30TH JUNE									
		2010 \$,000	2011 \$,000	2012 \$,000	2013 \$,000	2014 \$,000	2015 \$,000	2016 \$,000	2017 \$,000	2018 \$,000	2019 \$,000
	<b>*Note 1: General Rates By Activity</b>										
2,921	Leadership	2,345	2,403	2,531	2,582	2,615	2,690	2,700	2,806	3,008	2,932
609	Community Safety	667	851	948	1,016	1,020	991	1,079	1,102	1,175	1,182
732	Environmental Sustainability	589	606	677	1,063	1,124	1,132	1,050	1,102	1,159	1,178
386	Hazard Management	363	420	492	561	480	480	482	490	480	463
627	Arts and Culture	950	1,212	1,201	1,278	1,408	1,663	1,275	1,213	1,252	1,262
607	Recreation and Community Facilities	714	750	780	756	702	701	783	822	833	863
508	Community Property	369	410	458	433	590	928	1,195	1,353	1,299	1,289
0	Waste	189	199	212	203	126	15	16	16	16	17
0	Transport Networks and Safety	0	0	0	0	0	0	0	0	0	0
0	Water-related services	25	27	29	29	29	30	31	32	33	34
473	Reportable Council-controlled organisations	479	550	605	681	677	681	698	733	763	782
<b>6,863</b>	<b>Total General Rates</b>	<b>6,691</b>	<b>7,428</b>	<b>7,932</b>	<b>8,603</b>	<b>8,772</b>	<b>9,311</b>	<b>9,308</b>	<b>9,668</b>	<b>10,018</b>	<b>10,000</b>
(858)	Less Corporate & District Activities Funds Applied	(918)	(954)	(995)	(1,024)	(1,140)	(1,024)	(1,134)	(1,164)	(1,195)	(1,219)
<b>6,005</b>	<b>General Rates Levied</b>	<b>5,773</b>	<b>6,473</b>	<b>6,938</b>	<b>7,579</b>	<b>7,632</b>	<b>8,288</b>	<b>8,174</b>	<b>8,503</b>	<b>8,823</b>	<b>8,782</b>



## NOTES TO THE STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE CONTINUED

ANNUAL PLAN 2009 \$,000		FORECAST FOR THE YEARS ENDED 30TH JUNE									
		2010 \$,000	2011 \$,000	2012 \$,000	2013 \$,000	2014 \$,000	2015 \$,000	2016 \$,000	2017 \$,000	2018 \$,000	2019 \$,000
	<b>*Note 2: Targeted Rates By Activity</b>										
356	Leadership	380	406	409	422	437	440	448	471	476	484
0	Community Safety	0	0	0	0	0	0	0	0	0	0
0	Environmental Sustainability	0	0	0	0	0	0	0	0	0	0
417	Hazard Management	515	651	745	795	795	798	800	807	808	808
1,155	Arts and Culture	1,411	1,742	1,848	2,007	1,993	1,997	2,021	2,088	2,148	2,189
2,998	Recreation and Community Facilities	3,364	3,670	3,865	3,869	3,903	4,219	4,420	4,612	4,807	4,930
0	Community Property	0	0	0	0	0	0	0	0	0	0
2,573	Waste	3,446	3,371	3,936	3,931	4,252	5,422	5,541	5,683	5,867	5,994
6,704	Transport Networks and Safety	7,039	8,134	9,058	10,015	10,268	10,713	11,248	11,352	11,901	12,966
7,410	Water-related services	7,448	8,442	9,802	10,970	12,102	13,296	14,511	15,329	16,004	16,628
176	Reportable Council-controlled organisations	271	282	291	320	326	334	342	350	361	368
<b>21,788</b>	<b>Total Targeted Rates</b>	<b>23,873</b>	<b>26,699</b>	<b>29,955</b>	<b>32,328</b>	<b>34,077</b>	<b>37,221</b>	<b>39,331</b>	<b>40,692</b>	<b>42,372</b>	<b>44,368</b>
170	Less Credit Balances										
<b>21,618</b>	<b>Targeted Rates Levied</b>	<b>23,873</b>	<b>26,699</b>	<b>29,955</b>	<b>32,328</b>	<b>34,077</b>	<b>37,221</b>	<b>39,331</b>	<b>40,692</b>	<b>42,372</b>	<b>44,368</b>



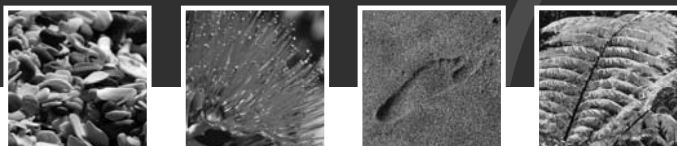
## RECONCILIATION OF COST OF SERVICES TO STATEMENT OF COMPREHENSIVE INCOME

ANNUAL PLAN 2009 \$,000		FORECAST FOR THE YEARS ENDED 30TH JUNE									
		2010 \$,000	2011 \$,000	2012 \$,000	2013 \$,000	2014 \$,000	2015 \$,000	2016 \$,000	2017 \$,000	2018 \$,000	2019 \$,000
	<b>TOTAL OPERATING INCOME</b>										
	<b>ACTIVITY COST OF SERVICE STATEMENTS</b>										
3,280	Leadership	2,725	2,867	2,940	3,004	3,115	3,130	3,148	3,344	3,484	3,416
2,632	Community Safety	2,712	2,928	3,105	3,227	3,268	3,313	3,441	3,521	3,680	3,741
1,759	Environmental Sustainability	1,704	1,759	1,857	2,272	2,361	2,427	2,376	2,460	2,551	2,605
3,393	Hazard Management	893	1,179	1,252	1,582	1,291	1,295	1,299	1,314	1,306	1,290
2,143	Arts and Culture	2,540	4,778	3,383	3,697	7,152	6,368	4,805	4,872	5,037	5,157
6,387	Recreation and Community Facilities	8,428	7,155	7,611	8,050	8,241	8,538	9,010	9,347	9,647	9,918
1,273	Community Property	1,122	1,040	975	841	1,008	1,439	1,722	1,893	1,852	1,855
3,848	Waste	5,396	7,531	7,674	7,745	11,511	8,312	8,499	8,712	8,973	9,177
14,429	Transport Networks and Safety	13,952	17,372	16,818	20,565	19,399	20,500	29,094	26,829	21,939	30,108
10,207	Water-related services	9,306	15,292	13,359	12,305	16,023	18,482	15,935	16,782	16,572	17,215
909	Reportable Council-controlled organisations	1,234	1,329	1,404	1,518	1,526	1,546	1,574	1,624	1,655	1,657
104	Corporate & District Activities	1,025	1,068	1,069	1,346	1,561	2,601	2,827	3,050	3,556	3,847
(170)	less Works & Facilities Reserve Balances utilised	0	0	0	0	0	0	0	0	0	0
<b>50,194</b>	<b>Total Operating Income</b>	<b>51,039</b>	<b>64,300</b>	<b>61,447</b>	<b>66,151</b>	<b>76,456</b>	<b>77,951</b>	<b>83,731</b>	<b>83,748</b>	<b>80,251</b>	<b>89,986</b>
49,301	Total Income as per Statement of Financial Performance	51,105	64,279	61,332	65,837	75,810	77,098	82,400	82,135	78,061	87,340
<b>893</b>	<b>Variance</b>	<b>(66)</b>	<b>21</b>	<b>115</b>	<b>314</b>	<b>646</b>	<b>852</b>	<b>1,331</b>	<b>1,613</b>	<b>2,189</b>	<b>2,646</b>
0	Vested Assets	716	740	733	733	732	733	733	733	734	734
892	Revenue from Internal Borrowing	(650)	(761)	(848)	(1,047)	(1,379)	(1,586)	(2,064)	(2,346)	(2,923)	(3,380)



## RECONCILIATION OF COST OF SERVICES TO STATEMENT OF COMPREHENSIVE INCOME CONTINUED

ANNUAL PLAN 2009 \$,000		FORECAST FOR THE YEARS ENDED 30TH JUNE									
		2010 \$,000	2011 \$,000	2012 \$,000	2013 \$,000	2014 \$,000	2015 \$,000	2016 \$,000	2017 \$,000	2018 \$,000	2019 \$,000
	<b>TOTAL OPERATING EXPENDITURE</b>										
	<b>ACTIVITY COST OF SERVICE STATEMENTS</b>										
3,274	Leadership	2,731	2,860	2,925	2,999	3,130	3,125	3,161	3,341	3,473	3,417
2,632	Community Safety	2,612	2,824	2,999	3,118	3,157	3,200	3,325	3,402	3,557	3,616
1,759	Environmental Sustainability	2,219	2,366	2,507	2,391	2,472	2,427	2,376	2,460	2,551	2,605
925	Hazard Management	852	1,049	1,224	1,293	1,323	1,296	1,320	1,299	1,299	1,291
1,970	Arts and Culture	2,510	3,138	3,446	3,740	3,864	4,088	4,778	4,915	5,079	5,210
5,536	Recreation and Community Facilities	6,230	6,741	6,800	7,114	7,277	7,582	7,995	8,394	8,680	8,894
1,577	Community Property	1,066	1,007	955	862	951	1,379	1,660	1,684	1,730	1,765
3,645	Waste	5,083	6,276	6,688	7,050	7,263	8,046	8,228	8,417	8,656	8,851
11,250	Transport Networks and Safety	12,570	13,181	13,967	14,571	14,840	15,335	16,132	16,873	17,582	17,999
8,271	Water-related services	9,635	10,540	11,470	12,377	13,135	14,060	15,011	15,848	16,739	17,393
933	Reportable Council-controlled organisations	1,360	1,468	1,555	1,687	1,719	1,765	1,830	1,896	2,042	2,464
16	Corporate & District Activities	200	201	201	203	211	226	232	238	244	250
<b>41,789</b>	<b>Total Operating Expenditure</b>	<b>47,068</b>	<b>51,650</b>	<b>54,737</b>	<b>57,404</b>	<b>59,342</b>	<b>62,530</b>	<b>66,050</b>	<b>68,768</b>	<b>71,633</b>	<b>73,755</b>
40,896	Total Expenditure as per Statement of Financial Performance	46,418	50,889	53,889	56,357	57,963	60,944	63,985	66,422	68,709	70,375
<b>892</b>	<b>Variance</b>	<b>650</b>	<b>761</b>	<b>848</b>	<b>1,047</b>	<b>1,379</b>	<b>1,585</b>	<b>2,064</b>	<b>2,346</b>	<b>2,923</b>	<b>3,380</b>
892	Cost of Internal Borrowing	(650)	(761)	(848)	(1,047)	(1,379)	(1,586)	(2,064)	(2,346)	(2,923)	(3,380)
	<b>OTHER COMPREHENSIVE INCOME</b>										
0	Gains on asset revaluation	17,922	18,854	14,726	15,643	16,049	18,154	19,851	21,503	24,070	25,461
465	Gains on revaluation of Investment property	0	1,735	1,310	1,374	1,174	1,055	1,109	1,167	1,279	1,350
<b>8,870</b>	<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>22,609</b>	<b>33,979</b>	<b>23,479</b>	<b>26,497</b>	<b>35,069</b>	<b>35,363</b>	<b>39,375</b>	<b>38,383</b>	<b>34,701</b>	<b>43,777</b>



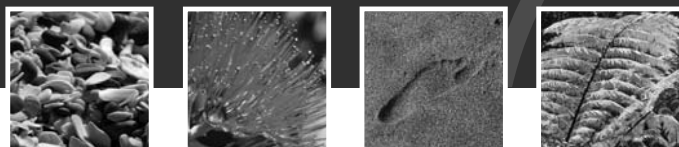
## STATEMENT OF PROSPECTIVE CHANGES IN EQUITY

ANNUAL PLAN 2009 \$,000		FORECAST FOR THE YEARS ENDED 30TH JUNE									
		2010 \$,000	2011 \$,000	2012 \$,000	2013 \$,000	2014 \$,000	2015 \$,000	2016 \$,000	2017 \$,000	2018 \$,000	2019 \$,000
458,261	Accumulated Funds at the start of the year	467,131	471,818	486,943	495,697	506,551	525,571	542,780	562,304	579,184	589,815
8,870	Net Surplus for the year	4,687	13,390	7,443	9,480	17,847	16,154	18,415	15,713	9,352	16,966
465	Gains on Revaluation of Investment Property	0	1,735	1,310	1,374	1,174	1,055	1,109	1,167	1,279	1,350
467,131	Accumulated Funds at the End of the year	471,818	486,943	495,697	506,551	525,571	542,780	562,304	579,184	589,815	608,131
89,631	Asset Revaluation Reserves at the Start of the year	90,096	108,018	126,872	141,598	157,241	173,290	191,444	211,295	232,798	256,868
465	Revaluation of Assets	17,922	18,854	14,726	15,643	16,049	18,154	19,851	21,503	24,070	25,461
90,096	Asset Revaluation Reserves at the End of the year	108,018	126,872	141,598	157,241	173,290	191,444	211,295	232,798	256,868	282,329
557,227	Equity at the End of the Year	579,836	613,816	637,295	663,792	698,861	734,224	773,599	811,982	846,683	890,460



## STATEMENT OF PROSPECTIVE FINANCIAL POSITION

ANNUAL PLAN 2009 \$,000		FORECAST FOR THE YEARS ENDED 30TH JUNE									
		2010 \$,000	2011 \$,000	2012 \$,000	2013 \$,000	2014 \$,000	2015 \$,000	2016 \$,000	2017 \$,000	2018 \$,000	2019 \$,000
	<b>PUBLIC EQUITY</b>										
454,830	Retained Earnings	459,515	474,424	483,134	493,825	515,246	534,074	557,659	576,907	586,562	603,963
12,301	Restricted Equity	12,303	12,519	12,563	12,726	10,325	8,706	4,645	2,277	3,253	4,168
90,096	Asset Revaluation Reserves	108,018	126,872	141,598	157,241	173,290	191,444	211,295	232,798	256,868	282,330
<b>557,227</b>	<b>Total Public Equity</b>	<b>579,836</b>	<b>613,816</b>	<b>637,295</b>	<b>663,792</b>	<b>698,861</b>	<b>734,224</b>	<b>773,599</b>	<b>811,982</b>	<b>846,683</b>	<b>890,461</b>
	<b>CURRENT ASSETS</b>										
863	Cash and Cash Equivalents	1,160	2,433	3,229	3,849	3,110	1,915	733	105	5,831	4,467
173	Other Current Assets	180	186	197	214	237	269	313	373	455	569
6,718	Trade and other Receivables	7,168	7,308	7,372	7,443	7,508	7,586	7,663	7,735	7,804	7,854
<b>7,754</b>	<b>Total Current Assets</b>	<b>8,508</b>	<b>9,926</b>	<b>10,798</b>	<b>11,505</b>	<b>10,855</b>	<b>9,770</b>	<b>8,709</b>	<b>8,213</b>	<b>14,090</b>	<b>12,890</b>
	<b>NON CURRENT ASSETS</b>										
17,830	Term Investments	0	0	0	0	8,508	8,508	8,508	8,508	8,508	8,508
33,213	Investment Property	51,043	52,778	54,088	47,060	39,637	40,693	41,802	42,969	44,248	45,598
527,124	Property, Plant & Equipment	554,530	593,407	615,566	643,582	681,956	728,258	770,356	808,434	834,278	875,883
<b>578,167</b>	<b>Total Non Current Assets</b>	<b>605,573</b>	<b>646,186</b>	<b>669,654</b>	<b>690,642</b>	<b>730,102</b>	<b>777,458</b>	<b>820,666</b>	<b>859,911</b>	<b>887,034</b>	<b>929,990</b>
<b>585,921</b>	<b>Total Assets</b>	<b>614,082</b>	<b>656,112</b>	<b>680,452</b>	<b>702,147</b>	<b>740,957</b>	<b>787,228</b>	<b>829,375</b>	<b>868,124</b>	<b>901,124</b>	<b>942,880</b>
	<b>CURRENT LIABILITIES</b>										
7,932	Trade and Other Payables	8,200	8,479	8,682	8,891	9,095	9,313	9,537	9,766	10,010	10,260
200	Employee Benefit Liabilities	200	207	212	217	222	227	233	238	244	250
121	Borrowings	2,305	3,095	3,174	2,685	3,050	4,130	4,395	4,418	4,233	4,014
<b>8,253</b>	<b>Total Current Liabilities</b>	<b>10,705</b>	<b>11,781</b>	<b>12,068</b>	<b>11,792</b>	<b>12,367</b>	<b>13,670</b>	<b>14,164</b>	<b>14,422</b>	<b>14,487</b>	<b>14,525</b>
	<b>NON CURRENT LIABILITIES</b>										
2,611	Provisions	2,800	2,660	2,527	2,401	2,281	2,167	2,058	1,955	1,858	1,764
17,830	Borrowings	20,741	27,856	28,563	24,162	27,449	37,167	39,553	39,764	38,096	36,130
<b>20,441</b>	<b>Total Non Current Liabilities</b>	<b>23,541</b>	<b>30,516</b>	<b>31,090</b>	<b>26,563</b>	<b>29,729</b>	<b>39,334</b>	<b>41,611</b>	<b>41,719</b>	<b>39,954</b>	<b>37,894</b>
<b>557,227</b>	<b>Net Assets</b>	<b>579,836</b>	<b>613,816</b>	<b>637,295</b>	<b>663,792</b>	<b>698,861</b>	<b>734,224</b>	<b>773,599</b>	<b>811,983</b>	<b>846,683</b>	<b>890,461</b>



## STATEMENT OF PROSPECTIVE CASH FLOWS

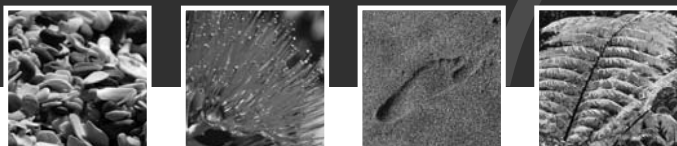
ANNUAL PLAN 2009 \$,000		FORECAST FOR THE YEARS ENDED 30TH JUNE									
		2010 \$,000	2011 \$,000	2012 \$,000	2013 \$,000	2014 \$,000	2015 \$,000	2016 \$,000	2017 \$,000	2018 \$,000	2019 \$,000
	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
	<b>Cash will be provided from</b>										
27,623	Rates and Service Charges	29,646	33,172	36,893	39,907	41,708	45,509	47,505	49,196	51,195	53,149
1,752	Development Contributions	918	943	971	1,210	1,243	1,277	1,336	1,372	1,409	1,447
507	Sundry Income	1,784	2,236	2,231	2,285	2,400	2,423	2,482	2,608	2,605	2,669
7,548	User Fees	7,952	9,235	9,608	9,872	9,881	10,282	11,667	11,982	12,307	12,616
11,745	Subsidies & Grants	9,877	17,811	10,825	11,680	19,723	16,064	18,039	15,664	9,305	16,394
126	Interest Income - External	211	143	70	149	123	810	639	580	507	332
4,138	Regional Council Rates	4,743	5,307	5,903	6,385	6,673	7,281	7,601	7,871	8,191	8,504
<b>53,439</b>	<b>Total Operating Cash Provided</b>	<b>55,133</b>	<b>68,846</b>	<b>66,502</b>	<b>71,489</b>	<b>81,751</b>	<b>83,647</b>	<b>89,268</b>	<b>89,273</b>	<b>85,519</b>	<b>95,110</b>
	<b>Cash was applied to</b>										
28,353	Suppliers and Employees	32,752	35,251	35,933	36,571	37,802	39,054	40,222	41,405	42,748	43,277
1,352	Interest on Public Debt	1,493	2,266	3,078	3,325	3,207	3,359	3,874	3,910	3,811	3,855
4,138	Regional Council Rates	4,743	5,307	5,903	6,385	6,673	7,281	7,601	7,871	8,191	8,504
<b>33,843</b>	<b>Total Operating Cash Applied</b>	<b>38,988</b>	<b>42,824</b>	<b>44,914</b>	<b>46,281</b>	<b>47,682</b>	<b>49,694</b>	<b>51,697</b>	<b>53,187</b>	<b>54,751</b>	<b>55,635</b>
<b>19,596</b>	<b>Net Cashflows from operating activities</b>	<b>16,144</b>	<b>26,021</b>	<b>21,588</b>	<b>25,208</b>	<b>34,068</b>	<b>33,952</b>	<b>37,571</b>	<b>36,086</b>	<b>30,768</b>	<b>39,475</b>
	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>										
	<b>Cash will be provided from</b>										
18,000	Proceeds from sale of property, plant and equipment	3,097	3,242	3,041	9,633	19,193	853	454	465	477	487
<b>18,000</b>	<b>Total Investing Cash Provided</b>	<b>3,097</b>	<b>3,242</b>	<b>3,041</b>	<b>9,633</b>	<b>19,193</b>	<b>853</b>	<b>454</b>	<b>465</b>	<b>477</b>	<b>487</b>
	<b>Cash will be spent on</b>										
25,073	Purchase of property, plant and equipment	24,039	35,897	24,618	29,332	49,144	46,799	41,858	37,413	23,666	39,142
19,050	Purchase of investments	0	0	0	0	8,508	0	0	0	0	0
<b>44,123</b>	<b>Total Investing Cash Applied</b>	<b>24,039</b>	<b>35,897</b>	<b>24,618</b>	<b>29,332</b>	<b>57,652</b>	<b>46,799</b>	<b>41,858</b>	<b>37,413</b>	<b>23,666</b>	<b>39,142</b>
<b>(26,123)</b>	<b>Net Cashflows from investing activities</b>	<b>(20,941)</b>	<b>(32,655)</b>	<b>(21,577)</b>	<b>(19,698)</b>	<b>(38,459)</b>	<b>(45,946)</b>	<b>(41,404)</b>	<b>(36,948)</b>	<b>(23,190)</b>	<b>(38,654)</b>





PROSPECTIVE STATEMENT OF CASH FLOWS CONTINUED

ANNUAL PLAN 2009 \$,000		FORECAST FOR THE YEARS ENDED 30TH JUNE									
		2010 \$,000	2011 \$,000	2012 \$,000	2013 \$,000	2014 \$,000	2015 \$,000	2016 \$,000	2017 \$,000	2018 \$,000	2019 \$,000
	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>										
	<b>Cash will be provided from</b>										
8,377	Loans raised	9,821	12,936	5,855	5,773	13,931	13,659	5,247	3,094	1,033	1,046
8,377	Total Financing Cash Provided	9,821	12,936	5,855	5,773	13,931	13,659	5,247	3,094	1,033	1,046
	<b>Cash will be spent on</b>										
1,850	Repayment of public debt	4,726	5,031	5,068	10,663	10,280	2,861	2,596	2,860	2,886	3,231
1,850	Total Financing Cash Applied	4,726	5,031	5,068	10,663	10,280	2,861	2,596	2,860	2,886	3,231
6,527	Net Cashflows from financing activities	5,094	7,905	786	(4,890)	3,652	10,798	2,651	234	(1,853)	(2,185)
	<b>NET INCREASE (DECREASE) IN CASH HELD</b>	297	1,272	797	619	(739)	(1,195)	(1,182)	(628)	5,726	(1,364)
863	Plus opening cash balance	863	1,160	2,433	3,229	3,849	3,110	1,915	733	105	5,831
863	Closing Cash Position	1,160	2,433	3,229	3,849	3,110	1,915	733	105	5,831	4,467



## ADDITIONAL DISCLOSURE FOR ITEMS IN THE PROSPECTIVE STATEMENT OF CASHFLOWS DUE TO THEIR SIZE AND NATURE

### CASHFLOW FROM INVESTING ACTIVITIES

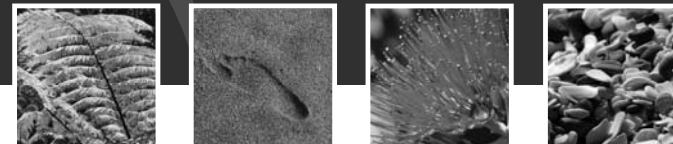
#### Proceeds from sale of property, plant and equipment

- Year 2010, 2011 and 2012 relate to predominately to the sale of pensioner housing units
- Year 2013 has \$8M of proceeds from the sale of the Piripai property
- Year 2014 has \$8M of proceeds from the sale of the Piripai property and \$8.5M of Proceeds from the sale of Port Ohope

ANNUAL PLAN 2009 \$,000		FORECAST FOR THE YEARS ENDED 30TH JUNE									
		2010 \$,000	2011 \$,000	2012 \$,000	2013 \$,000	2014 \$,000	2015 \$,000	2016 \$,000	2017 \$,000	2018 \$,000	2019 \$,000
	<b>Cash Flow from investing activities</b>										
	<b>Cash will be provided from</b>										
18,000	Proceeds from sale of property, plant and equipment	3,097	3,242	3,041	9,633	19,193	853	454	465	477	487
18,000	<b>Total Investing Cash Provided</b>	<b>3,097</b>	<b>3,242</b>	<b>3,041</b>	<b>9,633</b>	<b>19,193</b>	<b>853</b>	<b>454</b>	<b>465</b>	<b>477</b>	<b>487</b>
	<b>Cash will be spent on</b>										
25,073	Purchase of property, plant and equipment	24,039	35,897	24,618	29,332	49,144	46,799	41,858	37,413	23,666	39,142
19,050	Purchase of investments	0	0	0	0	8,508	0	0	0	0	0
44,123	<b>Total Investing Cash Applied</b>	<b>24,039</b>	<b>35,897</b>	<b>24,618</b>	<b>29,332</b>	<b>57,652</b>	<b>46,799</b>	<b>41,858</b>	<b>37,413</b>	<b>23,666</b>	<b>39,142</b>
(26,123)	<b>Net Cashflows from investing activities</b>	<b>(20,941)</b>	<b>(32,655)</b>	<b>(21,577)</b>	<b>(19,698)</b>	<b>(38,459)</b>	<b>(45,946)</b>	<b>(41,404)</b>	<b>(36,948)</b>	<b>(23,190)</b>	<b>(38,654)</b>

#### Purchase of investments

- Year 2014 includes proceeds from the sale of Port Ohope land being transferred to a reserve fund as this is a harbour asset and not used to retire district wide debt.



## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report consists of the financial statements of Whakatane District Council (the Council) as an individual entity.

#### (a) Basis of preparation

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP). They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

#### Entities reporting

The financial statements are for the Council as a separate legal entity.

The Council is designated as a public benefit entity for financial reporting purposes.

#### Statutory base

The Council is a local authority registered under the Local Government Act 2002. This Act requires compliance with New Zealand generally accepted accounting practice.

The financial statements have been prepared in accordance with the requirements of the Local Government Act 2002 and the Financial Reporting Act 1993.

#### Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment, investment property and biological assets subject to agricultural activity.

#### Critical accounting estimates

The preparation of financial statements in conformity with NZ IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

#### (b) Principles of consolidation

##### (i) Joint ventures

Jointly controlled entities

The Council and the Ministry of Transport are 50/50 venturers in Whakatane Airport, which is a jointly controlled entity. The Council's interest in this jointly controlled entity is carried at cost in the Council's financial statements.

#### (c) Foreign currency translation

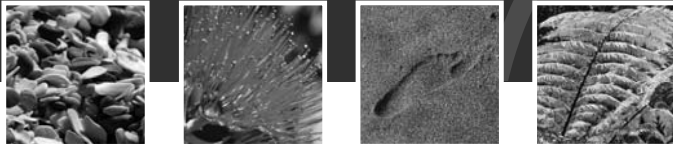
##### (i) Functional and presentation currency

The Council's financial statements are presented in New Zealand dollars, which is the Council's functional and presentation currency.

##### (ii) Transactions and balances

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 and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Translation differences on non monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.



## (d) Revenue recognition

Revenue comprises the fair value for the sale of goods and services, net of rebates and discounts. Revenue is recognised as follows:

### (i) Rates

Rates are recognised when levied. Penalties and discounts relating to rates are included where applicable.

### (ii) Traffic and parking infringements

Traffic and parking infringements are recognised when tickets are issued.

### (iii) Licences and permits

Revenue derived from licences and permits are recognised on application.

### (iv) Development & financial contributions

Development contributions that impose specific and narrowly defined obligations on the Council are recognised as liabilities and released to revenue when the liability is extinguished. Other contributions are recognised when received and no longer refundable.

### (v) Sales of goods

Sales of goods are recognised when the Council sells a product to the customer.

### (vi) Sales of services

Sales of services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

## (vii) Commission sales

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

The Council collects rating revenue on behalf of Environment Bay of Plenty (Bay of Plenty Regional Council) on an ongoing basis. This income is not included in the Statement of Financial Performance as it does not belong to the Council. It is however, included as a receipt and payment in the Statement of Cash Flows.

## (viii) Rental revenue

Rental revenue is recognised in the period that it relates to.

## (ix) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Council reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

## (x) Dividend income

Dividend income is recognised when the right to receive payment is established.

## (xi) Donated, subsidised or vested assets

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

## (xii) Grants and subsidies

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.

## (e) Income tax

The Council is exempt from income tax except Council's interest in the Whakatane Airport as a Joint Venture which is taxable and some port activities.

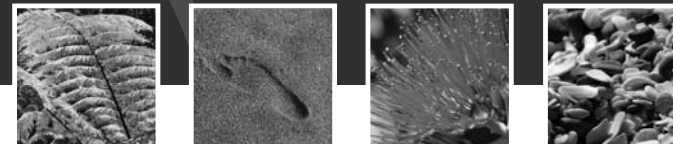
## (f) Goods and Services Tax (GST)

The income statement has been prepared so that all components are stated exclusive of GST. All items in the balance sheet are stated net of GST, with the exception of receivables and payables, which include GST invoiced.

## (g) Leases

### (i) The Council is the lessee

Leases of property, plant and equipment where the Council has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other long term payables. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term.



Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight line basis over the period of the lease.

### (ii) The Council is the lessor

When assets are leased out under a finance lease, the present value of the minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return.

Assets leased to third parties under operating leases are included in property, plant and equipment in the balance sheet. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. Rental income (net of any incentives given to lessees) is recognised on a straight line basis over the lease term.

### (h) Impairment of assets

Items of property, plant and equipment and intangible assets with finite useful lives are reviewed at each balance sheet date to determine whether there is any indication that the asset might be impaired. Where such an indication exists, the asset is tested for impairment by comparing its carrying value to its recoverable amount. Intangible assets with indefinite useful lives, intangible assets not yet available for use and goodwill are tested for impairment annually. 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 the asset's fair value less costs to sell and its value in use. Where the

future economic benefits of the asset are not primarily dependent on its ability to generate net cash inflows, and where the Council would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

### (i) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

### (j) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

### (k) Inventories

Inventories (such as spare parts and other items) held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at cost, adjusted when applicable for any loss of service potential.

### (l) Non current assets held for sale

Non current assets are classified as held for sale and stated at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

An impairment loss is recognised for any initial or subsequent write down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non current asset is recognised at the date of derecognition.

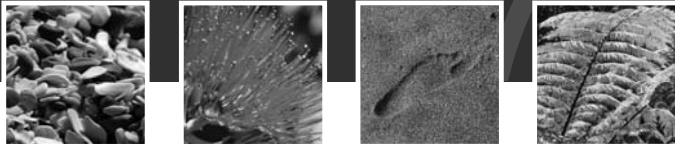
Non current assets are not depreciated or amortised while they are classified as held for sale.

Non current assets classified as held for sale are presented separately from the other assets in the balance sheet.

### (m) Investments and other financial assets

#### (i) Financial assets at fair value through profit or loss

This category has two sub categories: financial assets held for trading, and those designated at fair value through profit or loss on initial recognition. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so



designated by management. The policy of management is to designate a financial asset if there exists the possibility it will be sold in the short term and the asset is subject to frequent changes in fair value. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

## (ii) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Council provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non current assets.

## (iii) 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 positive intention and ability to hold to maturity.

## (iv) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Purchases and sales of investments are recognised on trade-date the date on which the Council commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit

or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are included in the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as available-for-sale are recognised in equity in the available-for-sale investments revaluation reserve. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

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 by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss

measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

## (n) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

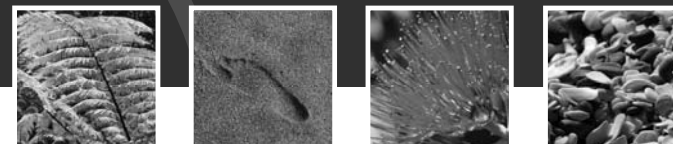
The Council designates certain derivatives as either; (1) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or (2) hedges of highly probable forecast transactions (cash flow hedges).

The Council documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Council also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed. Movements in the hedging reserve in shareholders' equity are shown.

## (i) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in



the fair value of the hedged asset or liability that are attributable to the hedged risk.

## (ii) 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 recognised immediately in the income statement.

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item will affect profit or loss (for instance when the forecast sale that is hedged takes place). However, when the forecast transaction that is hedged results in the recognition of a non financial asset (for example, plant) or a non financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the measurement of the initial cost or carrying amount of the asset or liability.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

## (iii) Derivatives that do not qualify for hedge accounting

Certain derivative instruments 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 income statement.

## (o) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Council is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the balance sheet date.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

## (p) Property, plant and equipment

Property, plant and equipment consists of:

- Infrastructural assets, which are the fixed utility systems owned by Council. Each asset type

includes all items that are required for the network to function (for example wastewater reticulation includes reticulation piping and wastewater pump stations).

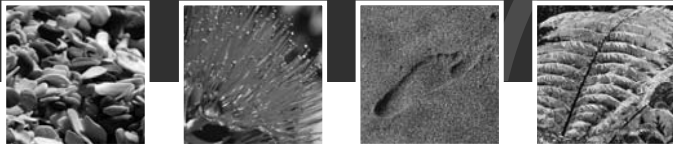
- Restricted assets, which are buildings, parks and reserves owned by the Council, which cannot be disposed of because of legal or other restrictions, and provide a benefit or service to the community.
- Other assets, which include land, buildings, plant, library books, artefacts, equipment and motor vehicles.

Items of property, plant and equipment are initially recognised at cost, which includes purchase price plus directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

Infrastructural assets are revalued annually by external independent valuers.

Land and buildings (except for investment properties) are shown at fair value (which is based on periodic valuations by external independent valuers that are performed with sufficient regularity to ensure that the carrying value does not differ materially from fair value) less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.



Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable 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 income statement during the financial period in which they are incurred.

Increases in the carrying amounts arising on revalued assets are credited to other reserves in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit and loss. Decreases that reverse previous increases of the same asset are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset; all other decreases are charged to the income statement.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives. Depreciation commences when the asset is available for use.

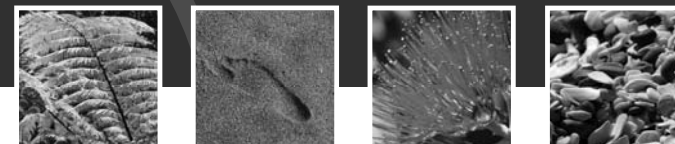
The expected lives, in years, of major classes of fixed assets are as follows:

OPERATIONAL ASSETS:	
Artefacts	N/A
Land	N/A
Buildings	40-100
Vehicles	5
Plant and machinery – heavy	8-12.5
Plant and machinery – light	2-5
Furniture and fittings	10

OPERATIONAL ASSETS:	
Library Books	7
Office equipment (including IT)	2-7
Infrastructure Assets:	
Roading	
Land – road reserve	N/A
Road formation	To be assessed
Pavement base course	22-90
Sealed pavement surface	2-20
Unsealed roads	2-7
Traffic control device	50
Road signs and markers	7-15
Kerbs and channels and cesspits	40-60
Surface water channel	15-50
Street railings	10-20
Traffic islands	50
Street lighting	10-50
Footpaths	20-50
Bridges – concrete	100
Bridges – wooden	30
Car-parks	50
Wharves (concrete)	50
Water:	
Treatment plant – structure	70-90
Treatment plant – contents	15-50

OPERATIONAL ASSETS:	
Pump stations – structure	80-100
Pump stations – contents	10-50
Reservoirs – concrete and wooden	70-90
Water lines and service lines	50-80
Valves and hydrants	30-65
Water meters	15-25
Sewer:	
Sewer lines and service lines	60-80
Manholes	70-80
Pump station – structure	60-70
Pump station – contents	12-25
Ponds – structure	60
Ponds – plant and equipment	15-25
Stormwater:	
Stormwater lines	80
Manholes	70-80
Open drains and channels	50-90
Pump stations – structure	80-100
Pump station – contents	12-40
Retention dams	80-90
Floodgates	50
Refuse:	
Whakatane landfill	8.5





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

Assets under construction are not depreciated. The total cost of a project is transferred to the relevant asset class on its completion and then depreciated.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement. When revalued assets are sold, it is Council policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

### **(q) Investment property**

Investment property is held for long term rental yields and capital appreciation and is not occupied by the Council or held to meet service delivery objectives.

Properties leased to third parties under operating leases will generally be classified as investment property unless:

- the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation
- the occupants provide services that are integral to the operation of the owner's business and/or these services could not be provided efficiently and effectively by the lessee in another location
- the property is being held for future delivery of services
- the occupier uses services of the owner and those services are integral to the reasons for their occupancy of the property.

Investment property is carried at fair value, representing open market value determined annually by external valuers. Changes in fair values are recorded in the income statement as part of other income.

### **(r) Intangible assets**

#### **(i) Computer software**

Expenditure on development activities, being the application of research findings or other knowledge to a plan or design for the production of new or substantially improved products or services before the start of commercial production or use, is capitalised if the product or service is technically and commercially feasible and adequate resources are available to complete development. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the income statement as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation. Amortisation is calculated using the straight line method to allocate the cost over the period of the expected benefit, which varies from 3 to 10 years.

Acquired computer software and software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 3 to 10 years.

Cost associated with developing or maintaining computer software are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Council, and that will generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development employee costs and an appropriate portion

of relevant overheads. Computer software development costs recognised as assets are amortised over their estimated useful lives not exceeding 10 years.

#### **(ii) Easements**

Easements are recognised at cost, being purchase price and any directly attributable costs in bringing the asset to its intended use. Easements have an indefinite useful life and consequently are not amortised, but are instead tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired.

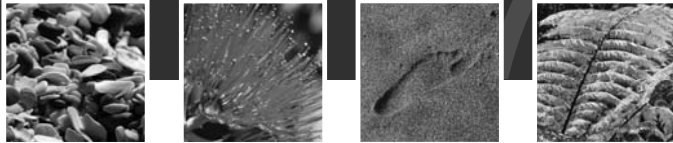
### **(s) Biological assets**

#### **(i) Forests**

Forest assets are predominantly standing trees which are managed on a sustainable yield basis. These are shown in the balance sheet at fair value less estimated point of sale costs at harvest. The costs to establish and maintain the forest assets are included in the income statement together with the change in fair value for each accounting period.

The valuation of forests is based on discounted cash flow models where the fair value is calculated using cash flows from continued operations; that is, based on sustainable forest management plans taking into account growth potential. The yearly harvest from forecast tree growth is multiplied by expected wood prices and the costs associated with forest management, harvesting and distribution are then deducted to derive annual cash flows.

The fair value of the forest assets is measured as the present value of cash flows from one growth cycle based on the productive forest land, taking into consideration environmental, operational and market restrictions. Forest assets are valued separately from the underlying freehold land.



## (t) Trade and other payables

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

## (u) Borrowings

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

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

## (v) Provisions

Provisions are recognised when: the Council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and

the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

## (i) Landfill post-closure costs

The Council, as operator of the Whakatane and Murupara landfills, has a legal obligation under the resource consent, to provide ongoing maintenance and monitoring services at the landfill sites after closure. A provision for post-closure costs is recognised as a liability when the obligation for post-closure costs arises.

The provision is based on all the costs involved to remediate and monitor the landfill post-closure. A provision has been made for those old landfill sites now closed in Te Teko, Matata, Taneatua, Awatapu and Murupara.

Provision is made for the present value of closure and post-closure costs. The calculations assume no change in the legislative requirements or technological changes for the closure and post-closure treatment. The discount rate used reflects current market assessments of the time value of money.

Amounts provided for landfill post-closure are capitalised to the landfill asset where they give rise to future economic benefits. Components of the capitalised landfill asset are depreciated over their useful lives, generally being the life of the landfill or a particular cell.

## (w) Employee benefits

### (i) Wages & salaries, annual leave & sick leave

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

sick leave are recognised when the leave is taken and measured at the rates paid or payable.

### (ii) Long service leave and gratuities

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

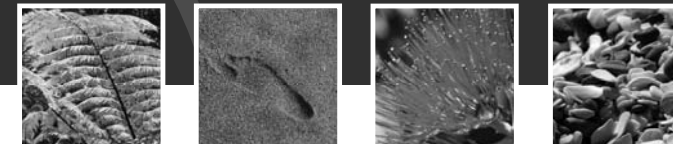
The council does not have any gratuities payable.

### (iii) Retirement benefit obligations

The council currently has one employee on a defined benefit scheme. Under the defined benefit scheme, the employee is 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.

## (x) Public equity

Public equity is the community's interest in the Council as measured by the value of total assets, less total liabilities. Public equity is segregated and classified into a number of reserves to enable clearer identification of the specified uses the Council makes of its accumulated surpluses.

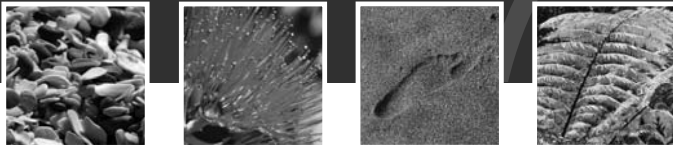


Reserves are a component of equity generally representing a particular use for which various parts of equity have been assigned.

- Restricted reserves are those reserves subject to specific conditions accepted as binding by the Council, and which may not be revised by the Council without reference to the courts or a third party. Restricted reserves may be legally restricted. Transfer from these reserves may be made only for certain specified purposes or if certain specified conditions are met.
- Council-created reserves are part of the accumulated balance and are established at the will of the Council. The Council may alter them without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of the Council.
- Asset revaluation reserves are where land, buildings and forestry have been revalued, with the increase in asset value being credited to an asset revaluation reserve.

### **(y) Internal transactions**

Each significant activity is stated after the recording of internal costs and revenues. In order to present a true and fair view in the cost of services statements of Council, the support service costs have been fully allocated to the activities. This method has no effect on the operating result for the year. All significant internal transactions have been eliminated in the financial statements.



## CORPORATE INFORMATION

### INTRODUCTION

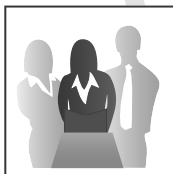
Every organisation needs to manage, develop and maintain internal systems in order to provide effective and efficient external services.

For example, a human resources department manages the organisational workforce, maintains compliance with employment law, controls performance and recruitment. Without this department the internal operations of the organisation would be much less efficient.

Similarly a council, or any organisation, cannot operate without a finance department. In this day and age there are ever more rigorous accounting standards and financial controls to adhere to, there are budgets and accounts to work through and the finance system needs to be maintained constantly.

This section of the LTCCP sets out information about corporate activities and the issues and costs facing these activities.

### CONTRIBUTION TO COMMUNITY OUTCOMES



STRONG,  
TRANSPARENT AND  
OPEN LEADERSHIP

### WHAT WE DO AND WHY

#### Communications

The Council provides the communications activity to inform, engage and enable the community to better understand what the Council does so they can be a part of decisions and projects.

Community engagement is a major part of Council activities and some types of public communication are required by law. The Local Government Act 2002 requires the Council to consult with its community and facilitate public debate about matters being considered by the Council. The underlying principle is to ensure issues and the Council decisions are presented in a factual, objective manner, avoiding subjective opinion or comment.

#### Finance

This internal activity provides financial and rating services to support the Council's activities. It is responsible for providing and developing effective mechanisms to monitor and report on Council's financial performance.

#### Customer Services

The Council must provide an efficient and consistent level of customer service to meet the continually changing expectations of internal and external customers. This activity must manage these expectations to ensure the agreed appropriate service is provided in compliance with the customer service standards and charter.

#### Corporate Information

The Council provides this activity to deliver information services to internal and external customers. For internal and external customers, providing the right tools and information at the right time and place enables efficient, effective, and prudent management. The Council is the guardian for its data, information and knowledge. These assets must be securely managed for current and future generations.

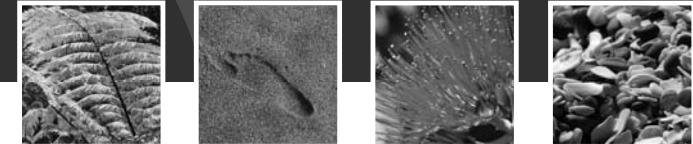
The Council must also comply with relevant legislation regarding the creation, collection, retention, and archiving of information. The Council's information and records management section ensures the Council complies with the mandatory requirements set out in the Public Records Act 2005 (PRA) and the Electronic Transactions Act 2002 (ETA) and all other acts governing the information it creates, collects, retains, stores and disposes of.

#### Corporate Property

Corporate property includes assets that provide essential services to the community and those that are supported by the local community. There are 20 properties in total, which include the Civic Centre, Museum and Gallery, the Whakatane Airport Terminal Building, workshops, depots, libraries, and the dog pound.

#### Human Resources

The purpose of this activity is to attract, retain, up skill, motivate and reward high calibre employees capable of having a positive impact in their areas of responsibility and delivering on the Annual and Long Term Council Community Plans actions for which they are responsible. As at the 31 March 2009 the Whakatane District employed 163.7 full time equivalent employees (excluding casuals).



## RELEVANT ISSUES

- **Community engagement and consultation** – the Council needs to improve, and make available, opportunities for the community to be engaged and involved in the development of ideas, concepts and proposals as part of the Council decision-making processes. This is increasingly challenging as communities in many respects feel over consulted, while others feel they haven't had a choice. The cost of consultation is also increasing.
- **Legislative changes and audit requirements** - the finance activity needs to meet the challenges imposed by any legislative changes and support other Council activities to meet their financial service requirements, particularly in the sustainability of rating levels and rating methodology. To meet these challenges, accessibility to accurate and timely financial information must be continually developed and strengthened. Prudent management of the treasury function is required as the Council rapidly increases its investment in infrastructure.
- **Customer service trends** - constant change and national trends affect service demand and the number of customer service enquiries received.
- **Customer service expectations** - customers need to know what they can expect from the Council, what the Council's commitment to customer service is, and what they can expect if things go wrong. There is also a need to develop a quality assurance programme for all contractors with respect to customer service to ensure consistent service. Contractors engaged

by the Council may provide a service that may be considered inconsistent and inadequate by customers.

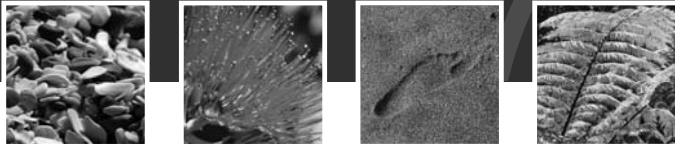
- **Demand for information services** - as demand for information increases, so too does the demand for information services. Issues include: increased demand for information services from internal and external customers at any location (mobile computing), security of physical systems and electronic data, business continuity and disaster recovery, and data quality. The Council has entered the 'enterprise' era, and is challenged to fund the necessary investment to properly operate its ICT services at the levels commensurate with the needs of its stakeholders. The Council does not have the critical mass to establish and retain the intellectual capital necessary to achieve comprehensive and sustainable knowledge capture and retention. Formative steps are under way to address this challenge at the BOP regional level.
- **Public Records Act 2005** - the Public Records Act 2005 is not expected to substantially alter the number of mandatory standards. Other compliance requirements will increase as the regime for public office and local authority record-keeping develops towards greater maturity. The public sector record-keeping regime will become increasingly comprehensive and complex in the next 10 years.
- **Retention** – the ability to attract high calibre candidates to a provincial location, overcome existing stereotypes of Whakatane, and awareness of highly mobile younger employees who change employment more often. Efficient

capture and transfer of intellectual property to new employees, especially when replacing long-serving employees. Also consider flexibility in work patterns and options to better accommodate working parents and an ageing workforce/ population.

- **Affordability/ levels of service** - the Council has a large catch up programme to ensure the long term sustainability of its assets. As part of developing this LTCCP the Council reviewed the services delivered, the levels of service offered and the way services are delivered.

## ADDRESSING ISSUES

- Communication issues are being addressed through community engagement (project specific communications plans), publications (e.g. Byways), public relations, occasional publications and the continued development of the Council's website.
- The finance activity continually reviews processes and procedures in an effort to move towards best practice guidelines. Audit New Zealand has various mechanisms to provide guidance to council staff in regard to best practice and areas for improvement.
- There are a number of customer service initiatives underway including: Service Level Agreements are being formalised with all departments the activity has a relationship with, development of Service Catalogues and a Customer Service Strategy.
- There is a vast amount of work underway in the area of Corporate Information as the Council



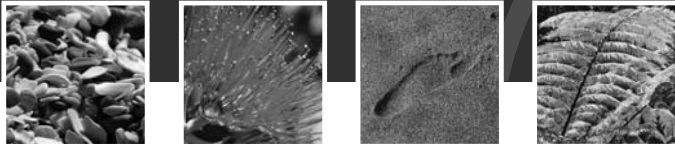
invests in system improvements and the establishment of the many frameworks necessary to deliver services sustainably at the enterprise scale. The size of investment required means that the development programme will have to span many years.

- In the human resources activity, there is ongoing reviews of flexible working arrangements, documenting of business processes to capture the way things need to be done and the information that supports this, provision of ongoing training, and training plans being developed for individuals which will be incorporated into the performance development system.
- In response to the issue of rates affordability, the Council has deferred or removed a number of projects and costs from the budget including:
  - proposals for additional staffing capacity
  - projects such as installing audio visual equipment in the Council Chambers
  - investment in business continuity and disaster recovery
  - investment in ICT architectural investment



MEASURING OUR PERFORMANCE

COMMUNITY OUTCOME	ACTIVITY STRATEGIC OUTCOMES (LEVELS OF SERVICE)	MEASURE	CURRENT PERFORMANCE	TARGET			
				YEAR 1 (2009/10)	YEAR 2 (2010/11)	YEAR 3 (2011/12)	YEARS 4-10
Strong transparent and open leadership.	The community is provided with up-to-date, factual information about Council's current and planned activities.	Satisfaction with Council's provision of information.	2008 Customer Satisfaction Index score 64.2  (Fair: Needs improvement).	2008 CSI score 64.2 or higher  (Fair: Needs improvement).	2008 CSI score 64.2 or higher  (Fair: Needs improvement).	2008 CSI score 64.2 or higher  (Fair: Needs improvement).	CSI score progressively increasing to 73 or higher by 2019.  (Very good service).
		Byways is distributed to every household and non-resident ratepayers on a quarterly basis.	Byways produced and released four times in 2007/08	Byways produced and released quarterly.	Byways produced and released quarterly.	Byways produced and released quarterly.	Byways produced and released quarterly.
Strong transparent and open leadership.	The community and the Council have access to accurate and timely financial information.	Rates assessments are issued to ratepayers within a timely manner and contain accurate information.		Ratepayers are given at least two weeks notice to pay a rates instalment.	Ratepayers are given at least three weeks notice to pay a rates instalment.	Ratepayers are given at least three weeks notice to pay a rates instalment.	Ratepayers are given at least three weeks notice to pay a rates instalment.
Strong transparent and open leadership.	The community has access to Council's activities through fully competent and efficient Service Centres.	Satisfaction with overall service from Customer Service/Front Desk staff.	2008 CSI score 75.2  (Very good service).	2008 CSI score 75.2 or higher  (Very good service).	2008 CSI score 75.2 or higher  (Very good service).	2008 CSI score 75.2 or higher  (Very good service).	CSI score progressively increasing to 77 or higher by 2019.  (Excellent service).
		Percentage of non direct dial telephone calls answered within 30 seconds.	2008: 80%	85%	85%	85%	85%
High Quality Affordable Infrastructure.  Strong, Transparent and Open Leadership.	Customer service efficiency is maximised through staff access to high quality information systems.	Information systems are available during business hours.	99% of users have access during business hours.	99% of users have access during business hours.	99% of users have access during business hours.	99% of users have access during business hours.	99% of users have access during business hours.



## WHAT WE ARE GOING TO DO

DESCRIPTION	START YEAR	END YEAR	DEPRECIATION	FUNDING TOTAL								
				LOANS	DEVELOPMENT CONTRIBUTIONS	SUBSIDIES	OTHER RESERVES	FEES & CHARGES	GENERAL RATES	TARGETED RATES	TOTAL	
Investigate works required to accommodate an upgrade in audio visual and sound technology in Council Chambers	2010	2010	15,000									15,000
Replacement of RAPID numbers due to deterioration of current numbers	2010	2010									116,000 (2010/11)	116,000
Develop a web strategy to deliver intranet and internet solutions	2010	2011							60,000			60,000
Telework. A pilot project to catalogue and trial technology related to remote work. Council facilities are at capacity, and flexible work arrangements are required to enable more efficient utilisation of our facilities. Anticipated results are improved employee efficiency and work satisfaction.	2010	2012	115,000									115,000
Information Management - Capex. Numerous software related projects (identity management, virtual servers backup, Windows 7 and Office 2007). Numerous hardware replacement projects (external wireless network equipment, disaster recovery hardware phase 2, internal video surveillance phase 2, storage area network additions).	2010	2012		740,000								740,000
Ozone Development. Continued implementation of Ozone modules, development of e-commerce and integration with Council systems.	2010	2013		725,000								725,000

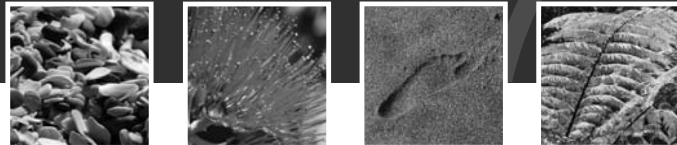


# CORPORATE INFORMATION



DESCRIPTION	START YEAR	END YEAR	DEPRECIATION	FUNDING TOTAL								
				LOANS	DEVELOPMENT CONTRIBUTIONS	SUBSIDIES	OTHER RESERVES	FEES & CHARGES	GENERAL RATES	TARGETED RATES	TOTAL	
Electronic Content Management System. Continued implementation of the objective system, digitisation of existing paper documents.	2010	2013		1,815,000								1,815,000
Location Services implementation & investigation. Continued development of location service system, integration with Council systems.	2010	2019	780,950									780,950
The Bay of Plenty Local Authority Shared Services Council Controlled Organisation consortium is utilised to acquire aerial imagery. The consortium acquisition enables enhanced services, cost savings, and cost levelling year to year. Aerial photography rural and urban.	2010	2019	700,000									700,000
IT infrastructure - central hardware. Lifecycle replacement of server, firewall, email filtering and search appliance	2010	2019	1,855,000									1,855,000
Electronic Councillor Services. Analysis of services required for transparent democracy, implementation and integration with Council systems.	2011	2019		380,000								380,000

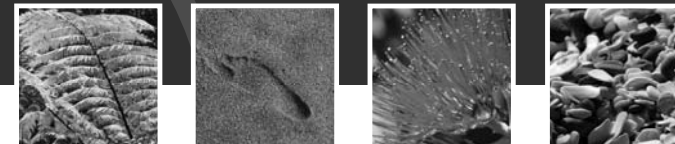
**Note:** The figures in this table are not adjusted for inflation.



## SUMMARY OF COST OF SERVICES – CORPORATE AND DISTRICT ACTIVITIES

ANNUAL PLAN 2009 \$,000		FORECAST FOR THE YEARS ENDED 30TH JUNE									
		2010 \$,000	2011 \$,000	2012 \$,000	2013 \$,000	2014 \$,000	2015 \$,000	2016 \$,000	2017 \$,000	2018 \$,000	2019 \$,000
	<b>EXPENDITURE</b>										
896	Depreciation	1,094	1,703	2,256	2,817	2,536	2,470	2,548	2,894	3,045	3,237
196	Interest Paid	145	211	209	192	105	10	1	1	1	0
(676)	Operations	(1,039)	(1,713)	(2,264)	(2,806)	(2,430)	(2,254)	(2,317)	(2,657)	(2,802)	(2,987)
<b>416</b>	<b>Total Expenditure</b>	<b>200</b>	<b>201</b>	<b>201</b>	<b>203</b>	<b>211</b>	<b>226</b>	<b>232</b>	<b>238</b>	<b>244</b>	<b>250</b>
	<b>REVENUE</b>										
0	Development Contributions	0	0	0	0	0	0	0	0	0	0
226	User Fees & Charges	225	233	238	244	250	256	262	268	275	282
(858)	General Rates*	(918)	(954)	(995)	(1,024)	(1,140)	(1,024)	(1,134)	(1,164)	(1,195)	(1,219)
126	Interest Income	861	904	918	1,197	1,502	2,396	2,703	2,926	3,431	3,712
1,010	Sundry Income	857	886	907	929	950	973	996	1,020	1,046	1,072
0	Subsidies & Grants	0	0	0	0	0	0	0	0	0	0
0	Targeted Rates	0	0	0	0	0	0	0	0	0	0
<b>504</b>	<b>Total Revenue</b>	<b>1,025</b>	<b>1,068</b>	<b>1,069</b>	<b>1,346</b>	<b>1,561</b>	<b>2,601</b>	<b>2,827</b>	<b>3,050</b>	<b>3,556</b>	<b>3,847</b>
<b>(88)</b>	<b>Net Cost (Surplus) of Operations</b>	<b>(825)</b>	<b>(867)</b>	<b>(868)</b>	<b>(1,143)</b>	<b>(1,351)</b>	<b>(2,375)</b>	<b>(2,595)</b>	<b>(2,812)</b>	<b>(3,312)</b>	<b>(3,597)</b>
(88)	Transfer from (surplus)/deficit	(825)	(867)	(868)	(1,143)	(1,351)	(2,375)	(2,595)	(2,812)	(3,312)	(3,597)
2,444	Capex *	2,389	2,633	3,276	2,463	2,347	1,582	1,663	1,438	1,476	2,189
83	Loan Repayments	1,359	2,393	1,651	1,644	1,367	166	25	35	35	10
0	Payments to Reserves	771	811	823	1,099	1,402	2,293	2,599	2,819	3,321	3,600
0	Less Depreciation not Funded	0	0	0	0	0	0	0	0	0	0
<b>2,438</b>	<b>Total Funding Requirement</b>	<b>3,695</b>	<b>4,970</b>	<b>4,881</b>	<b>4,063</b>	<b>3,766</b>	<b>1,667</b>	<b>1,692</b>	<b>1,480</b>	<b>1,519</b>	<b>2,202</b>
	<b>FUNDED BY:</b>										
823	Depreciation Reserve	1,458	1,300	1,226	1,264	1,983	1,497	1,634	1,396	1,432	2,176
0	Development Contribution Reserve	0	0	0	0	0	0	0	0	0	0
1,485	Loans Raised	931	1,333	2,050	1,199	365	85	29	42	43	13
130	Operational Reserve	1,305	2,337	1,606	1,600	1,419	85	29	42	43	13
0	Sale of Assets	0	0	0	0	0	0	0	0	0	0
<b>2,438</b>	<b>Total Funding Applied</b>	<b>3,695</b>	<b>4,970</b>	<b>4,881</b>	<b>4,063</b>	<b>3,766</b>	<b>1,667</b>	<b>1,692</b>	<b>1,480</b>	<b>1,519</b>	<b>2,202</b>
	<b>* CAPITAL EXPENDITURE</b>										
	Level of Service	982	1,573	2,172	1,473	563	357	399	339	468	463
	Growth	35	77	176	92	17	74	17	18	19	19
	Renewals	1,373	983	927	898	1,767	1,152	1,247	1,080	990	1,707

Note: The statement above includes general revenue items such as petrol tax and a small portion of external interest income. This income is used to offset the general rate which is shown as negative rate income.



## AUDITOR'S STATEMENT ON LTCCP AMENDMENT

AUDIT NEW ZEALAND  
Mana Arotake Aotearoa

### **Statement to the readers of Whakatane District Council Long-Term Council Community Plan, as amended on 30 June 2010, for the ten years commencing 1 July 2009**

#### **Purpose of Statement**

The primary purpose of this statement is to inform readers that we have no role to report, and do not give an opinion, on Whakatane District Council's adopted amendment or its Long-Term Council Community Plan (LTCCP), as amended.

This statement informs readers about the Whakatane District Council's process of amending its LTCCP for the ten years commencing 1 July 2009 and the extent, and limit, of our involvement in that process.

#### **The Whakatane District Council's process of amending its LTCCP commencing 1 July 2009 and our involvement**

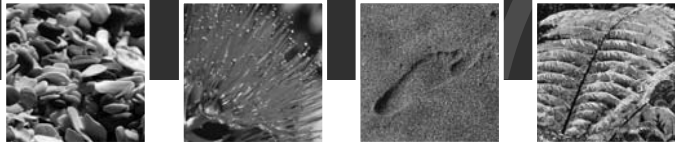
The District Council adopted its LTCCP for the ten years commencing 1 July 2009 on 13 July 2009. The Auditor-General appointed Francis Caetano, using the staff and resources of Audit New Zealand, to report on his behalf on the LTCCP adopted on that date.

We expressed an unqualified opinion on the District Council's LTCCP for the ten years commencing 1 July 2009 in our report dated 13 July 2009. We considered that the LTCCP adopted on 13 July 2009 provided a reasonable basis for long term integrated decision-making by the District Council and for participation in decision-making by the public and subsequent accountability to the community about the activities of the District Council.

In forming our overall opinion, we reported on specific matters required by section 94(1) of the Local Government Act 2002 (the Act).

In a Statement of Proposal dated 25 March 2010 the District Council proposed an amendment to its LTCCP for the ten years commencing 1 July 2009 to:

- Implement rating on the basis of Separately Used and Inhabited Parts of a rating unit (SUIPs).



- Change debt maturity limits in the Liability Management Policy.

We expressed an unqualified opinion on this Statement of Proposal in our audit report dated 25 March 2010.

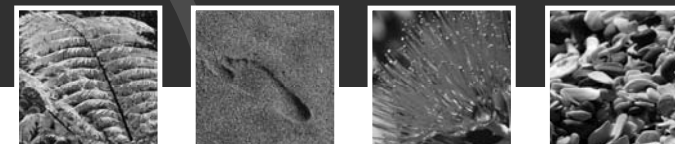
We considered that the information within the Statement of Proposal, about the proposed amendment to the LTCCP and any consequential amendments to the LTCCP that would be required if it was amended in the manner proposed, was fairly presented, and that the District Council had complied with the applicable requirements of the Act in preparing the Statement of Proposal.

In forming our overall opinion, we reported on specific matters required by section 84(4) of the Act.

On 30 June 2010 the District Council adopted the proposed amendment to its LTCCP for the ten years commencing 1 July 2009 as described in the Statement of Proposal mentioned above. The District Council has prepared the LTCCP, as amended to reflect the amendments adopted by the District Council on 30 June 2010, and any consequential amendments.

**We do not give an opinion on the District Council's adopted amendment or its LTCCP, as amended. There is no legislative requirement for us to report on the adopted amendment or the LTCCP, as amended by Whakatane District Council on 30 June 2010 and we have not performed an audit of either the adopted amendment or the LTCCP as amended. Consequently we have not updated our audit report that was attached to the LTCCP adopted on 13 July 2009.**

Clarence Susan  
Audit New Zealand  
On behalf of the Auditor-General  
Tauranga, New Zealand



## AUDITOR'S REPORT

AUDIT NEW ZEALAND  
Mana Arotake Aotearoa

### Report to the readers of Whakatane District Council's Long-Term Council Community Plan for the ten years commencing 1 July 2009

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

The Auditor-General is required by section 94(1) of the Local Government Act 2002 (the Act) to report on:

- the extent to which the LTCCP complies with the requirements of the Act;
- the quality of information and assumptions underlying the forecast information provided in the LTCCP; and
- the extent to which the forecast information and performance measures will provide an appropriate framework for the meaningful assessment of the actual levels of service provision.

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

#### Opinion

##### Overall Opinion

**In our opinion the LTCCP of the District Council dated 13 July 2009 provides a reasonable basis for long-term integrated decision-making by the District Council and for participation in decision-making by the public and subsequent accountability to the community about the activities of the District Council.**

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

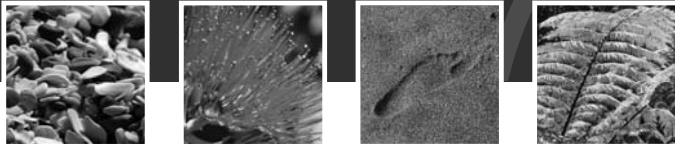
#### Opinion on Specific Matters Required by the Act

##### In our view:

- **the District Council has complied with the requirements of the Act in all material respects demonstrating good practice for a council of its size and scale within the context of its environment;**
- **the underlying information and assumptions used to prepare the LTCCP provide a reasonable and supportable basis for the preparation of the forecast information; and**
- **the extent to which the forecast information and performance measures within the LTCCP provide an appropriate framework for the meaningful assessment of the actual levels of service provision, reflects good practice for a council of its size and scale within the context of its environment.**

Actual results are likely to be different from the forecast information since anticipated events frequently do not occur as expected and the variation may be material. Accordingly, we express no opinion as to whether the forecasts will be achieved.

Our report was completed on 13 July 2009, and is the date at which our opinion is expressed.



The basis of the opinion is explained below. In addition, we outline the responsibilities of the District Council and the Auditor, and explain our independence.

### Basis of Opinion

We carried out the audit in accordance with the International Standard on Assurance Engagements 3000: Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards. We have examined the forecast financial information in accordance with the International Standard on Assurance Engagements 3400: The Examination of Prospective Financial Information.

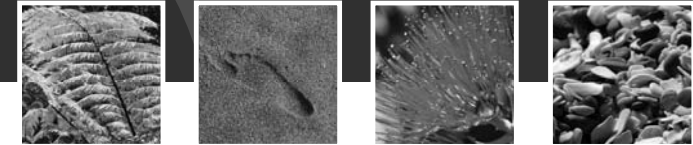
We planned and performed our audit to obtain all the information and explanations we considered necessary to obtain reasonable assurance that the LTCCP does not contain material misstatements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

Our audit procedures included assessing whether:

- the LTCCP provides the community with sufficient and balanced information about the strategic and other key issues, choices and implications it faces to provide an opportunity for participation by the public in decision-making processes;
- the District Council's financial strategy, supported by financial policies as included in the LTCCP is financially prudent, and has been clearly communicated to the community in the LTCCP;
- the presentation of the LTCCP complies with the legislative requirements of the Act;
- the decision-making and consultation processes underlying the development of the LTCCP are compliant with the decision-making and consultation requirements of the Act;

- the information in the LTCCP is based on materially complete and reliable asset or activity management information;
- the agreed levels of service are fairly reflected throughout the LTCCP;
- the key plans and policies adopted by the District Council have been consistently applied in the development of the forecast information;
- the assumptions set out within the LTCCP are based on best information currently available to the District Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast information has been properly prepared on the basis of the underlying information and the assumptions adopted and the financial information complies with generally accepted accounting practice in New Zealand;
- the rationale for the activities is clearly presented;
- the levels of service and performance measures are reasonable estimates and reflect the key aspects of the District Council's service delivery and performance; and
- the relationship of the levels of service, performance measures and forecast financial information has been adequately explained within the LTCCP.

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



## Responsibilities of the Council and the Auditor

The District Council is responsible for preparing an LTCCP under the Act, by applying the District Council's assumptions and presenting the financial information in accordance with generally accepted accounting practice in New Zealand. The District Council's responsibilities arise from section 93 of the Act.

We are responsible for expressing an independent opinion on the LTCCP and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 94(1) of the Act.

## Independence

When reporting on the LTCCP we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

Other than this report and in conducting the audit of the Statement of Proposal for adoption of the LTCCP and the annual audit, we have no relationship with or interests in the District Council.

F Caetano  
Audit New Zealand  
On behalf of the Auditor-General  
Auckland, New Zealand