

Report 10.355
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Committee Council
Author David Benham, Chief Executive

Adoption of the Annual Plan 2010/11

1. Purpose

To present the Annual Plan 2010/11 for adoption by Council. The adoption of the Annual Plan provides a formal and public statement of the Council's intentions in relation to matters covered in the Annual Plan.

2. Significance of the decision

The content of this report is the result of the Council's consultation with the public which took the form of submissions being made on the proposed Annual Plan 2010/11. The changes made to the proposed Annual Plan, outlined in a report to the Council meeting on 8 June 2010 (Report 10.272) and in this report, trigger section 76 (3)(b) of the Local Government Act 2002, as well as the Council's own policy on significance.

The formal submission process undertaken by Council on its proposed Annual Plan has complied with the decision-making and special consultative procedures set out in sections 76-79 and 83-85 of the Local Government Act 2002. Report 10.249 received by the Annual Plan Hearing Committee, outlined the submission process and analysed the submissions that the Council received.

3. Background

The Local Government Act 2002 requires the Council to adopt its Annual Plan prior to the commencement of the year to which it relates.

The increase in rates for 2010/11 forecast in the Long Term Council Community Plan 2009-19 (LTCCP), was 10.92%. Due to this large increase the process of preparing the Annual Plan started in 2009 identifying key strategic issues, fleshing out options, reviewing service levels and reviewing all budgets. Councillors were presented with resulting detailed financial numbers in October 2009.

On 4 February 2010, Council approved the rate and water levy numbers for inclusion in the proposed Annual Plan

The proposed Annual Plan had a rates increase of 2.20% for 2010/11 with no increase in the bulk water levy.

The proposed Annual Plan was approved for public consultation by Council on 4 March 2010. The consultation period ran from 23 March to 24 April 2010. A total of 122 submissions were received. The Annual Plan Hearings Committee heard 27 oral submissions and considered all submissions on 12 and 13 May 2010. The Council received a report on 8 June 2010 that outlined financial changes to be made to the proposed Annual Plan as a result of the following:

- the public consultation process;
- new information and changed assumptions; and
- re-budgets of 2009/10 expenditure.

At the meeting, Council approved re-budgeting and other adjustments, and noted their rating impacts. Council formally approved the level of regional rates and bulk water levy for the 2010/11 year. The final increase in rates for 2010/11 is 2.23% with no increase in the bulk water levy.

4. Comment

The changes from the proposed Annual Plan are:

- the rates numbers are now GST exclusive
- the rate increase is now 2.23% (previously 2.20%)
- a number of minor wording changes
- updated numbers for the Investments section reflecting CentrePort's changes to their financial forecasts.

Unlike the LTCCP, there is no audit requirement in respect of the Annual Plan. A copy of the Annual Plan is attached (refer **Attachment 1**).

A *Summary* document has not been prepared. The *Summary* of the proposed Annual Plan was sent to all households in the region in order to receive public comment. As the circulation of the final document is more limited, and in order to reduce costs, it was deemed not necessary to produce another *Summary*.

All those that submitted to the proposed Annual Plan will now receive detailed responses to their submissions.

5. **Communication**

There was a media release from the 8 June 2010 meeting. Another will be prepared announcing Council's formal adoption of its Annual Plan 2010/11.

6. **Recommendations**

That the Council:

- 1) *Receives the report.*
- 2) *Notes its content.*
- 3) *Adopts the Council's Annual Plan 2010/11.*
- 4) *Authorises the Chief Financial Officer to enter into any new debt facilities that are required to implement the Annual Plan 2010/11 that are in accordance with the Council's Treasury Management Policy.*

Report prepared by:

David Benham
Chief Executive

Attachment 1: Greater Wellington Regional Council's Annual Plan 2010/11