

9. ANNUAL PLAN/AMENDED LTCCP PROCESS 2007/08

General Manager responsible:	General Manager, Corporate Services, DDI 941-8540
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PURPOSE OF REPORT

1. To recommend a process for developing and approving the 2007/08 Annual Plan, as well as any amendments to be made to the current Long-Term Council Community Plan (LTCCP) resulting from the new Development Contributions Policy (DCP).

EXECUTIVE SUMMARY

2. The Council is required to publish an Annual Plan each year.
3. When the LTCCP was approved there were effectively two DCPs. One covered the "old" Christchurch City, the other covered the former Banks Peninsula District Council (BPDC). We commented that we would be working this year to incorporate the BPDC policy into our policy and that this would result in an amendment to the LTCCP. Both issues can be dealt with fairly simply and do not require elaborate processes.

FINANCIAL AND LEGAL CONSIDERATIONS

4. The process the Council follows must comply with the requirements of the Local Government Act 2002. The recommended process is the result of input from Council Secretariat, Corporate Performance, Corporate Finance, Strategy and Policy and Legal Services.
5. The Local Government Act (LGA) 2002 only requires the Council to consider a single year's financials as part of an Annual Plan. Therefore, the Annual Plan will only address 2006/07 operating and capital expenditure.
6. The approach therefore will be as the Council actioned the 2004/05 Annual Plan:
 - (a) There have been no changes to LTCCP Levels of Service (LOS), therefore the Capex and Operating budgets in the 2006/16 LTCCP for 2006/07 are effectively set.
 - (b) What will be presented to the Council in March will be the 2006/07 budget adjusted to reflect:
 - (i) any timing changes to the capital programme
 - (ii) any cost changes to LOS that have not been able to be covered by either inflation provisions included in the 2006/07 LTCCP budget, or through efficiency savings.
 - (c) Any impact on the DCP resulting from the absorption of the BPDC DCP, or any changes to the DCP following the Council deliberations on the findings of the DCP Working Party.
7. Any changes to the LTCCP resulting from the DCP findings, or cost increases that cannot be covered by inflation or savings, or indeed any substitutions, can be addressed by including an updated list of financials for the 2007/16 years.
8. We will therefore need to produce an Annual Plan (including any updated financials as above) and a new DCP, both of which will be open to public consultation as per the timetable in Appendix 1.
9. Attached for Councillors' information is a copy of two slides presented to Councillors in November 2004 (Appendix 2) as part of their induction programme. They provide the legal context and framework for Councils to effectively adopt their Annual Plan. They highlight the legislative view that Annual Plans are **not** an opportunity to undertake significant change to an existing LTCCP.

10. It is appropriate that a moratorium be placed on significant formal consultation to the Council during the submission period for the Annual Plan/amended LTCCP. (This would not prevent operational consultations from occurring, but will reduce the burden on the Council during a busy period. It also minimises any confusion arising in the minds of stakeholders or the community.)

STAFF RECOMMENDATIONS

It is recommended that the Council:

- (a) Receive the report.
- (b) Adopt the timeline and process set out in Appendix 1.