

## 9. DRAFT 2007/08 ANNUAL PLAN & AMENDMENTS TO 2006/16 LTCCP

<b>General Manager responsible:</b>	Acting Chief Executive
<b>Officer responsible:</b>	Manager
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### PURPOSE OF REPORT

1. The purpose of this report is to bring before the Council the draft 2007/08 Annual Plan and proposed amendments to the 2006-16 LTCCP. Those amendments cover the funding proposals for the development of Jade Stadium, the establishment of Council controlled companies, the proposed sale of an endowment property and a new Development Contributions Policy.
2. Attached to the report are documents providing Councillors with information on the following matters:
  - Appendix 1: Amendments to fees and charges other than environmental and approvals fees.
  - Appendix 2: Amendments to regulatory services fees and charges (a copy of the report to be presented on 23.03.07)
  - Appendix 3: A financial overview covering the proposed rate increase and information on the Council's expected revenue and expenditure for 2007/08.
  - Appendix 4: Statement of Proposal for the draft 2007/08 Annual Plan.
  - Appendix 5: Statement of Proposal for the proposed amendments to the 2006-16 LTCCP, covering the new Development Contributions Policy, funding proposals for the development of Jade Stadium, the establishment of Council-controlled companies and the sale of the endowment property.
  - Appendix 6: Summary of information covering all the above Statements of Proposal.
3. Councillors will be asked to:
  - (a) approve the amendment of the fees and charges.
  - (b) approve the rates increase.
  - (c) approve the proposed amendments to the 2006-16 Long Term Council Community Plan (LTCCP).
  - (d) approve the draft 2007/08 Annual Plan.
  - (e) approve for distribution and consultation the Statements of Proposal and Summary of Information for the draft Annual Plan, the proposed amendments to the LTCCP and the funding proposals for the development of Jade Stadium.

### EXECUTIVE SUMMARY

4. The draft Annual Plan for 2007/08 proposes a rate increase of 7.35%, 0.57% more than budgeted for in the 2006-16 LTCCP. The total rates revenue budgeted for is \$221,093 million. The reasons for the increase have been discussed with Councillors and the increase is further referred to in the financial overview attached as Appendix 3.
5. A separate Statement of Proposal has been prepared in respect of the funding proposals for the development of Jade Stadium. This is because the matter is significant and there is a need to provide persons who may be affected by or have an interest in this decision to be provided with detailed information about it.
6. A Statement of Proposal has been prepared in respect of the other proposed amendments to the 2006-16 LTCCP. These cover the proposed sale of an endowment property, the establishment of Council-controlled companies and the new Development Contributions Policy.

7. The attached documents are the result of work carried out by Councillors, Audit New Zealand and staff over recent months. Information received and considered by Councillors is referred to in the background section of this report. The Development Contributions Policy is the result of work done by Councillors, staff and others asked to review the Council's current policy. Again, reports have been prepared for and considered by Councillors recently, as well as a seminar held.
8. It is recommended that the following process be adopted for public consultation in accordance with the special consultative procedure:
  - (a) Public notice in the "Christchurch Star" on Thursday 5 April 2007, "The Press" on Saturday 7 April 2007 and on the Council's website on or before Monday 10 April 2007.
  - (b) The Statements of Proposal and Summary of Information be available for public inspection at the Civic Offices, Service Centres, libraries and on the Council's website. The Summary of Information will be further distributed by way of publication in the April edition of "City Scene".
  - (c) Written submissions to be received by Tuesday 8 May 2007.

#### **FINANCIAL AND LEGAL CONSIDERATIONS**

9. Financial issues are dealt with in the attached documentation.
10. The Council is required by sections 84 and 85 of the Local Government Act 2002 to use the special consultative procedure before decisions are made with regard to the Annual Plan, matters of significance and amending the LTCCP.
11. Where the Council is required to use the special consultative procedure in respect of a number of decisions to be made, it may carry out the consultation required at the same time (section 83A of the Act).

#### **BACKGROUND**

12. On 8 March 2007 Councillors received and considered a report on funding proposals for the development of Jade Stadium. They resolved to support the further development of the Stadium as outlined in the report and noted that it would require an amendment of the Council's LTCCP. Councillors also supported the funding proposals, subject to the outcome of a special consultative procedure.
13. On 14 December 2006 Councillors received and considered a report on the proposed sale of a Council-owned endowment property known as "Cairnbrae", situated near Methven. They resolved to sell the property subject to including in amendments to the LTCCP a statement of the Council's intention to sell and the use to which the proceeds will be put.
14. On 15 March 2007 Councillors received and considered a report on the establishment of Council-controlled companies for CCHL. They resolved to support in principle the establishment of five new companies and to include this proposal in the draft 2007 amendments to the LTCCP and the special consultative procedure to be used for them.
15. On 23 March 2007 Councils will receive and consider reports on the establishment of a further four Council-controlled companies. If this is supported, again in principle, the proposal will be included in the draft 2007 amendments to the LTCCP and the special consultative procedure referred to in paragraph 14.

#### **STAFF RECOMMENDATIONS**

It is recommended that the Council:

- (a) Approve the rates increase of 7.35% for the year 2007/08.

- (b) Approve the proposed amendments to the 2006-16 LTCCP including:
- Funding proposals for the development of Jade Stadium
  - Proposed sale of an endowment property
  - Proposed establishment of Council controlled companies
  - A new Development Contributions Policy.
- (c) Approve the draft 2007/08 Annual Plan.
- (d) Approve for distribution and consultation the Statements of Proposal and Summary of Information in respect of the proposed amendments to the 2006-16 LTCCP, 2007/08 Annual Plan and the funding proposals for the development of Jade Stadium.
- (e) Adopt the following timetable for consultation:
- Public notification (Christchurch Star, The Press and the Council's website): by Monday 10 April 2007.
  - Submissions close: Tuesday 8 May 2007.
  - Submissions heard (Annual Plan and LTCCP amendments, but not the Development Contributions Policy): 28-30 May 2007 (three days).
  - Submissions heard (Development Contributions Policy): 31 May-5 June 2007 (three days).
  - Council meetings: 7-8 June 2007
  - Seminar: 14 June 2007
  - Report to Council: 25 June 2007
  - Final decision: 28 June 2007
- (f) Authorise the General Manager, Corporate Services, to make any necessary amendments to the documents referred to in this resolution.