

6. DRAFT ANNUAL PLAN 2008/09

General Manager responsible:	General Manager Corporate Services, DDI 941-8528
Officer responsible:	Corporate Finance Manager
Author:	Ian Thomson, Solicitor

PURPOSE OF REPORT

1. The purpose of this report is to put before the Council the draft Annual Plan 2008/09.
2. Attached to the report are documents providing Councillors with information on the following matters:
 - (a) Appendix 1: Amendments to fees and charges.
 - (b) Appendix 2: The financial information supporting the draft plan, including the proposed rating levels, funding overview, capital programme, and planned revenue and expenditure by activity for 2008/09.
 - (c) Appendix 3: Statement of Proposal and Summary of Information in respect of the draft Annual Plan 2008/09.
3. Councillors will be asked to:
 - (a) Approve the amended fees and charges.
 - (b) Approve the rates requirement.
 - (c) Approve for distribution and consultation the Statement of Proposal and Summary of Information for the draft Annual Plan 2008/09.

EXECUTIVE SUMMARY

4. The draft Annual Plan for 2008/09 proposes a rate increase of 7.58%.
5. The total rates revenue budgeted for is \$243.4 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. This is a lower rate increase than was predicted in the LTCCP for this financial year.
6. The attached documents are the result of work carried out by Councillors and staff over recent months.
7. It is recommended that the following process be adopted for public consultation in accordance with the special consultative procedure:
 - (a) Public notice in the "Star" on Thursday 14 March 2008, "The Press" on Saturday 15 March 2008 and on the Council's website on or before Monday 17 March 2008.
 - (b) The Statement 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 March edition of "City Scene".
 - (c) Submissions to be received by Monday 21 April 2008.

FINANCIAL IMPLICATIONS

8. Financial issues are dealt with in the attached documentation.
9. Section 95 of the Local Government Act 2002 requires the Council to prepare and adopt an Annual Plan for each financial year. The Council must use the special consultation procedure and adopt its Annual Plan before 1 July 2008.
10. The Council is intending to consult with its ratepayers in respect of other decisions that it proposes to make at the same time that the Council adopts its Annual Plan 2008/09. Section 83A of the Act allows the Council to use the special consultative procedure at the same time as, or combined with, any other special consultative procedure that it is required to carry out.

BACKGROUND

11. Section 95 of the Local Government Act 2002 sets out the purpose of an Annual Plan. So far as the Council's Annual Plan 2008/09 is concerned, its purpose is to:
 - (a) Contain the proposed annual budget and funding impacts statement for the 2008/09 year;
 - (b) Identify any variation from the financial statements and funding impacts statement included in the 2006-16 LTCCP in respect of the 2008/09 year;
 - (c) Support the LTCCP in providing integrated decision-making and co-ordination of the resources of the Council;
 - (d) Contribute to the accountability of the Council to its community; and
 - (e) Extend opportunities for participation by the public in decision-making processes relating to the costs and funding of activities to be undertaken by the Council.

12. The 2008/09 Annual Plan to be adopted by the Council:
 - (a) Has been prepared in accordance with the principles and procedures that apply to the preparation of the financial statements and funding impact statement included in the 2006-16 LTCCP (as amended);
 - (b) Contains appropriate references to the 2006-16 LTCCP in which the Council's activities for the 2008/09 year are set out; and
 - (c) Includes the information required by Part 2 of Schedule 10 of the Act (forecast financial statements and funding impact statement).

13. Section 96 of the Local Government Act 2002 states that the effect of an Annual Plan adopted by a local authority is to provide a formal and public statement of that authority's intention in relation to the matters covered by the Plan.

STAFF RECOMMENDATION

It is recommended that the Council resolve to:

- (a) Approve the rate requirement of \$243.4 million (net of GST) for the year 2008/09.
- (b) Approve the draft Annual Plan 2008/09.
- (c) Approve for distribution and consultation the Statement of Proposal and Summary of Information in respect of the Annual Plan 2008/09.
- (d) Adopt the following timetable for consultation:
 - Public notification ("The Star", "The Press" and the Council's website) by Monday 17 March 2008.
 - Closing date for submissions: Monday 21 April 2008.
 - Hearing of submissions: Monday 12 May to Wednesday 14 May 2008 (three days).
 - Council meeting to formally adopt the Annual Plan 2008/09: Wednesday 25 June 2008.
- (e) Authorise the General Manager Corporate Services to make any necessary amendments to the documents referred to in this resolution.