

7. RECONSIDERATION OF BUDGETS

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The purpose of this report is to outline a request from the Annual Plan Subcommittee. This request is for Standing Committees to reconsider those budgets for which they are responsible.

BACKGROUND

The Annual Plan Subcommittee is faced with some significant rate increases, particularly in year two, and is now asking Standing Committees to assist in identifying possible savings. The Subcommittee has not specified a savings target but has identified areas where savings could be achieved.

The Community and Leisure Committee, the Arts, Culture and Heritage Committee, the Parks, Gardens and Waterways Committee and the Sustainable Transport and Utilities Committee have been asked to:

- review all operating budgets (particularly year 2); and
- review all new initiatives (both funded and unfunded).

In addition the following specific requests have also been made:

The Sustainable Transport and Utilities Committee to review:

- licensing of waste operators;
- hazardous waste charges (incentive and disincentive charges);
- water pipe renewal; and
- new street lighting.

The Community and Leisure Committee to review:

- social initiatives spending;
- Jellie Park upgrade; and
- sports promotion.

The Parks, Gardens and Waterways Committee to review:

- land purchases; and
- Port Hills Reserve maintenance.

In order to achieve a 1% rates reduction, the operating savings would have to total \$1.4M and in the capital budget a \$1M capital savings equates to a 0.05% rates reduction per annum.

PROCESS

It has been suggested that Committees approach the review as follows:

- Reconsider the new initiatives (see schedule) and the items noted above. Are these items and new initiatives essential or discretionary?
- Reconsider the draft 2002/03 budgets. Are there any low priority items in the draft budgets which could be deferred or deleted? (refer to Draft Budgets)
- Consider the long term operating projections. Are there items in years 2 and 3 which could be deferred or deleted? (refer to Long Term Projections)

The results of this review will be fed through to the Annual Plan Subcommittee meeting which will take place at 9am on **Thursday 14 March 2002**.

ATTACHMENTS

- New initiatives (changes currently included in the draft budgets by the Annual Plan Subcommittee).
- Long Term Projections.

Recommendation: That the Committee review its budgets in the manner prescribed above.

Chairman's

Recommendation: That the above recommendation be adopted.