

Report 14.302
Date 17 June 2014
File SP/11/01/01

Committee Council
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Adoption of the GWRC Annual Plan 2014/15

1. Purpose

To adopt the Greater Wellington Regional Council Annual Plan 2014/15.

2. Background

The Local Government Act 2002 requires the Council to prepare and adopt an Annual Plan for each financial year. The Annual Plan must be adopted before the commencement of the year to which it relates.

The purpose of the Annual Plan, as defined by section 95(5) of the Local Government Act 2002 is to:

(a) contain the proposed annual budget and funding impact statement for the year to which the annual plan relates; and

(b) identify any variation from the financial statements and funding impact statement included in the local authority's long-term plan in respect of the year; and

(c) support the long-term plan in providing integrated decision-making and co-ordination of the resources of the local authority; and

(d) contribute to the accountability of the local authority to the 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 local authority.

Councillors have been through a comprehensive process to develop the Annual Plan. This has included: reviewing all existing activities and levels of service; considering issues and options; reviewing the financial context; considering

proposed service improvements and savings; considering draft budgets; reviewing the structure and content of the Annual Plan; and considering public submissions on the Annual Plan.

On 6 March 2014, Council approved the draft Annual Plan 2014/15 with a rates income increase of 6.1% (as compared to 10.4% as set out for Year 3 of the Long Term Plan) and a 2.5% increase in the bulk water levy.

Submissions were then invited on the draft Annual Plan. A total of 85 submissions were received. The Annual Plan Hearing Committee heard 34 oral submissions and considered all submissions on 27 May 2013.

The Annual Plan Hearing Committee reviewed and considered all the written submissions, the matters raised by oral submissions, and the additional information and consultation responses provided. Consideration was given to each separate topic identified in the summary of submissions, along with officers' recommendations.

The Annual Plan Hearing Committee concluded (**Report 14.294**) that:

- *Based on reduced costs and better than expected passenger numbers, there should be no public transport fare increases in 2014/15*
- *A minor error relating to the Rimutaka Summit site should be corrected given that development will be largely complete by 30 June 2014*
- *The Plan should be amended to reference GWRC's continuing participation in the Wellington Regional Recreation Initiatives Group*
- *Enviroschools should be provided with an additional \$30,000 funding in 2014/15 to enable training, specialist support and expanded capacity, based on regular reports through the year on progress on the achievement of agreed KPIs*

Council approved the rate income increase of 5.7% and the bulk water levy increase of 2.5% for 2014/15 on 12 June (**Report 14.291**). Council also approved:

- *the re-budgeted capital and operating expenditure*
- *no passenger transport fare increase for 2014/15 and an additional \$30,000 to the Enviroschools programme*
- *the full repayment of outstanding forestry debt from the proceeds of the sale of forestry cutting rights*
- *\$500,000 from the forestry cutting rights surplus being transferred to a forestry capital project reserve to be utilised for capital projects required on the forestry land, and any remaining funding surplus from the forestry cutting rights surplus being transferred to an above*

ground asset insurance fund to be utilised to manage the ongoing insurance programme of council.

3. Comment

The Annual Plan 2014/15 is provided in Attachment 1 (enclosed separately). It incorporates the budget agreed by Council on 12 June 2014 and the recommendations of the Annual Plan Hearing Committee. A number of other minor changes have been made to correct errors, update information, improve consistency, and to provide further explanation of changes. The Chair's Message has also been updated.

4. Communication

Following Council adoption of the Annual Plan 2014/15 a media statement will be released.

All submitters who made submissions on the draft Annual Plan will, subsequent to this meeting, receive a response outlining the decision of the Council and the key changes made to the draft Plan.

5. The decision-making process and significance

Officers have considered the need to take account of the community's views and preferences in relation to these matters. The Local Government Act 2002 requires the use of the special consultative procedure. This report details that consultation process.

This decision is of high significance within the meaning of the Local Government Act 2002, and has followed the process specifically outlined in the Local Government Act 2002, including the use of the special consultative procedure.

6. Recommendations

That the Council:

- 1. **Receives** the report.*
- 2. **Notes** the content of the report.*
- 3. **Agrees** that the matters in the report require the Council to make a decision with a high degree of significance.*
- 4. **Adopts** the Annual Plan 2014/15 (Attachment 1).*
- 5. **Delegates** to the Chair the ability to make minor editorial changes prior to publication to correct errors and improve public understanding.*
- 6. **Authorises** the Chief Financial Officer to enter into any debt facilities , or borrowing that are required to implement the Annual Plan for the 2014/15*

year that are in accordance with the Council's Treasury Management Policy.

Report prepared by:

Report approved by:

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Attachment 1: Greater Wellington Regional Council's Annual Plan 2014/15 (enclosed separately)