WELCOME TO OUR ANNUAL PLAN FOR 2011/12.

This year’s plan recognises that the economy is subdued and rates affordability continues to be a significant issue for many households and businesses.

In response, we took a balanced approach – one that maintained services on which the city’s residents, businesses and visitors rely, allowed for investment to earthquake strengthen core infrastructure, while reducing costs by making some efficiencies and minor reductions to some services.

We heard from 789 submitters during the consultation period and many were first time submitters. The views of the community influenced our decisions - the final plan is not the same as the draft. After healthy debate, we’ve amended some proposals, decided not to proceed with some initiatives and fee increases, and increased our support for others. A summary of the changes made from the draft plan is outlined on page eight. I’m particularly pleased with increases for earthquake strengthening, community resilience and increases for cycling infrastructure.

The final result is a plan that allowed us to hold the average rates increase to 3.74 percent – below the level of inflation and less than the draft plan.

The amount of rates individual properties pay will vary. On average, the residential sector will have a 4.3 percent rates increase while the impact on the city’s commercial sector will be 1.1 percent.

Despite the lower increase for the commercial sector, the commercial sector will still pay more rates than a residential ratepayer on a property of equal value. This is because of the ‘differential’ – a part of our rating policy – that sees the commercial ratepayers pay 2.8 times more general rates on a property of equal value. The lower increase for the commercial sector is because we are in the final year of an agreed ten year plan taking the ratio from over 7:1 to 2.8:1. There are also specific rates that apply only to the commercial or only the residential sectors.

I’m looking forward to the coming year. We start work on the 2012-22 long term plan where budgets and rating policies will be examined in detail. We’ve begun this process with Towards 2040: Smart Green Wellington – where we further engage with you to set out the city’s strategic direction. The ten year budget will fund our priorities for the next few years. Please get involved with the Wellington 2040 project.

In 2011 our city will also host thousands of visitors as part of the 2011 Rugby World Cup. The spotlight of the world’s media will be focused on our compact cosmopolitan capital for several weeks and this presents a unique opportunity to showcase Wellington to the world. Thank you to all those who have volunteered to help visitors during RWC2011 and to the many other volunteers that make Wellington a safer, more cheerful, greener, healthier place to live work and play!

Thank you to those of you that took the time to have your say on this annual plan. Let’s look forward to a great year ahead.

CELIA WADE-BROWN