improvements in the overall well-being of Wellington and its residents? The report is made available on our website and through libraries and service centres.

Our approach for 2011/12

AFFORDABILITY IS A KEY ISSUE FOR THE COMMUNITY.

The impacts of the economic downturn continue to flow through to households and businesses making rates affordability a continuing challenge.

At the same time we face significant budgetary pressures from interest and depreciation costs, from inflation, from meeting the costs for leaky buildings and from service level increases that were agreed in recent years.

OUR RESPONSE HAS BEEN TO TAKE A BALANCED APPROACH.

All planning and budget processes involve choices. We’ve developed this plan with a clear set of choices in mind. In their simplest form those choices are; to make reductions to services to cut rates levels; borrow more and increase rates to ramp up investment in additional facilities and services; or strike a balance – focus on efficiencies and modest cuts to some services to contain higher rates increases.

In developing this plan we took the third approach. This is based on research that Wellingtonians value the quality of the services in the city and by-and-large see them as offering value for money.

The balanced approach includes:

a) Delivering affordable rates levels by making efficiencies in the way we do our work, making sure fees and charges are set at appropriate levels, deferring non-urgent work, and making modest reductions to one or two dimensions of some services where these do not unduly impact on the overall service experience and outcomes sought for the city. This is favoured ahead of wholesale cuts to entire services that could make Wellington less vibrant and less prosperous.

b) Strengthening infrastructure and facilities. Maintaining existing services and infrastructure costs money. We’ll continue that in the coming year and have also budgeted additional funding in key areas to ensure they remain in good condition and that they build on the city’s resilience (eg earthquake strengthening key parts of our water network).

c) Planning for the future by making the most of the long-term benefits from the city’s international exposure through the Rugby World Cup, and by reviewing the operating environment, considering evidence for change and planning for the 2012 long-term plan.

See the section on ‘key variances’ for specific proposals that relate to these areas of focus.