

REPORT 7
(1215/52/IM)

2009-19 LONG-TERM COUNCIL COMMUNITY PLAN FOR RECOMMENDATION TO COUNCIL

1. Purpose of Report

The purpose of the report is to recommend to Council the adoption of the 2009-19 long-term council community plan.

This report includes the following attachments:

- Funding and Borrowing Statements (appendix 1)
- Financial Statements (appendix 2)
- Statement of Significant Accounting Policies (appendix 3)
- Statement on Significant Forecasting Assumptions (appendix 4)
- Detailed project and programme budgets (appendix 5).

Note that the contents of this report are preliminary – they are subject to change as a result of presentations and decisions at this meeting.

2. Recommendations

That the Strategy and Policy Committee recommend that Council:

1. *Receive the information.*
2. *Note that during the consultation period new funding matters were agreed by the Strategy and Policy Committee (as detailed in Report 6, appendix 3). These budget changes have been included in the inflation adjusted Funding and Borrowing Statements and Financial Statements as detailed in appendices 1 and 2 of this report.*
3. *Agree that the inflation adjusted Funding and Borrowing Statements and Financial Statements as detailed in appendices 1 and 2 be included in the 2009-19 long-term council community plan (noting that any changes arising as part of these deliberations will be incorporated into the final statements presented to Council).*
4. *Agree that, having due regard to the requirements of section 100 of the Local Government Act 2002, the Council's forecasting assumptions and the Revenue and Financing Policy it is financially prudent not to set a level of operating revenue that meets the projected operating expenses of Council.*

5. *Recommend that Council agrees that for 2009/10 it is financially prudent to forecast a surplus of \$23.476m, comprising:*
 - a) *Unfunded depreciation on the following assets:*
 - (i) *Clearwater Sewerage Treatment Plant (\$2.768m)*
 - (ii) *Living Earth Joint Venture Plant (\$0.197m)*
 - (iii) *Transport Assets (\$7.521m).*
 - b) *Revenue received for capital purposes:*
 - (i) *NZTA capital subsidies (\$13.767m)*
 - (ii) *Housing capital grant and ring-fenced surplus (\$14.328m)*
 - (iii) *Development contributions (\$4.524m)*
 - (iv) *Bequests, trust and other external funding (\$0.745m).*
 - c) *Self Insurance Reserve (\$0.5m).*
 - d) *Unrealised fair value adjustment for loans and receivables (\$0.098m).*
6. *Recommend that Council agree the Statement of Significant Accounting Policies, and Statement of Significant Forecasting Assumptions as detailed in appendices 3 and 4.*
7. *Agree the project and programme budgets (attached as appendix 5) and that, subject to the deliberations on the recommended changes to budgets in reports on this agenda, consequential changes will need to be made and that these will be reflected in the activity budgets provided in the final long-term council community plan presented to Council for adoption on 29 June 2009.*
8. (a) *Agree that officers prepare the long-term council community plan 2009-19 (including the associated policies) based on the draft Long-term Council Community Plan 2009-19 and to reflected any changes agreed at this meeting of the Strategy and Policy Committee (16 June 2009); and*

(b) *Delegate to the Chief Executive Officer the authority to make editorial changes that may arise as part of preparing the final long-term council community plan document for Council.*

4. Background

The process for completing the 2009-19 long-term council community plan has been comprehensive. The steps Council has undertaken to date include:

- A series of Councillor workshops to: agree a set of principles through which the overarching approach to the draft long-term council community plan was mapped out; new priorities for the next three years were set; and high level budgets and options for savings and new funding were refined.
- A comprehensive early engagement exercise with Wellingtonians to test the strategic approach and the proposed savings, deferrals, and new funding options.
- Deliberations on the draft long-term council community plan at the Strategy and Policy Committee and Council.

- A formal consultation period with a series of meetings at Council and around the city to engage the community and seek feedback.
- Oral hearings over five days with over 100 people heard.

The Strategy and Policy Committee, having deliberated on any changes, is now required to report its recommendations to Council.

During the consultation period the Strategy and Policy Committee agreed a number of items that had funding components¹. The additional funding requirements for these have been included in the inflation adjusted Funding and Borrowing Statements and Financial Statements. Any changes to budgets arising as part of these deliberations will need to be incorporated into the final statements presented to Council.

Officers will prepare the final long-term council community plan 2009-19 document for the Council meeting of 29 June 2009 based on: the draft long-term council community plan; any changes to the draft plan agreed through this Strategy and Policy Committee meeting; any feedback received from Audit NZ during their 'hot review'; and any other minor editorial changes necessary to finalise the document before publication.

5. Conclusion

This report provides for the recommendation of the 2009-19 long-term council community plan to Council for adoption.

Contact Officers:

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¹ Golden mile, Karori Sanctuary, Carter Observatory funding.

Supporting Information

1) Strategic Fit / Strategic Outcome

The recommendations contained in this report support Council's overall strategic direction as outlined in the draft 2009-19 long-term plan and guides the development of the final plan.

2) LTCCP/Annual Plan reference and long term financial impact

N/A

3) Treaty of Waitangi considerations

There are no Treaty of Waitangi considerations.

4) Decision-Making

This is not a significant decision.

5) Consultation

a) General Consultation

The Special Consultative Procedure was used to consult on the draft long-term plan 2009-19.

b) Consultation with Maori

Consultation with Maori was undertaken.

6) Legal Implications

Council's lawyers have been consulted – as and where required - during the development of the 2009-19 long-term plan.

7) Consistency with existing policy

N/A