

REPORT 5
(1215/52/IM)

RECOMMENDED ADOPTION OF THE 2010/11 ANNUAL PLAN

1. Purpose of Report

This report provides for the formal recommendation of the 2010/11 Annual Plan by the Strategy and Policy Committee to Council.

Note that the contents of this report are preliminary, reflect the draft plan, and are subject to change as a result of decisions at this meeting.

2. Recommendations

That the Strategy and Policy Committee recommends to Council:

- 1. Agree the projects and programmes budgets, the Forecast Funding Impact Statements and the schedule of fees and charges attached to this report (noting that any changes arising as part of these deliberations will be incorporated into the final statements presented to Council).*
- 2. Agree that officers prepare the 2010/11 Annual Plan based on the 2010/11 draft Annual Plan and reflect any changes agreed at this meeting of the Strategy and Policy Committee (1 June 2010).*
- 3. Note that as a result of the '2010 Budget' Goods and Services Tax (GST) will increase from 12.5% to 15% with effect from 1 of October 2010. This will necessitate changes to the GST component of rates, fees and user charges, which will be incorporated into the final statements presented to Council.*
- 4. Note that the 2010/11 Annual Plan does not include any provision of costs associated with the Government proposal on weathertight homes.*

3. Background

Having completed the special consultative procedure and deliberated on changes, the Committee is required to report its recommendations to Council.

The projects and programmes budgets, the Forecast Funding Statements and schedule of fees and charges are attached. Any changes to these as a result of decisions at this meeting will be included in the final 2010/11 Annual Plan for adoption at Council on 25 June 2010.

On 20 May 2010, the government announced as part of its budget that goods and services (GST) will increase from 12.5% to 15%, with effect from 1 October 2010. GST is charged on rates and most Council charges, and therefore will necessitate changes to the GST component of rates, fees and user charges. Any changes to rates fees and charges arising as a consequence of this change will be reflected in the annual plan for adoption.

The Council has agreed to support the Government's proposed financial assistance package on weathertight homes. The annual plan for 2010/11 does not reflect any costs arising from the Government's proposal. It is not expected that the implementation of the Government scheme will have any material impact in 2010/11.

4. Conclusion

This report recommends officers prepare the 2010/11 Annual Plan based on the 2010/11 draft Annual Plan and any changes agreed at this meeting of the Strategy and Policy Committee (1 June 2010).

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Supporting Information

1) Strategic Fit / Strategic Outcome

The recommendations contained in this report support Council's overall strategic direction as outlined in the 2009-19 LTCCP.

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 2010/11 Draft Annual Plan.

b) Consultation with Maori

As above.

6) Legal Implications

The Council is required to adopt an annual plan by 30 June 2010.

7) Consistency with existing policy

N/A