
**DRAFT LONG TERM COUNCIL COMMUNITY PLAN
2006/07 – 2015/16: STATEMENT OF PROPOSAL
(INCLUDING AUDIT NZ'S REPORT)**

1. Purpose of Report

This report provides for the adoption of the Draft Long Term Council Community Plan 2006/07 – 2015/16 statement of proposal (LTCCP), including Audit New Zealand's Report.

Please note that a copy of the

2. Executive Summary

The Council is required to adopt a LTCCP by 30 June 2006. The special consultative procedure must be used to adopt the LTCCP. This requires the adoption and public consultation on a statement of proposal – a draft of the LTCCP.

The process for completing the draft LTCCP has been comprehensive. The Strategy and Policy Committee deliberated on the content at its meeting on 1-3 March 2006 and made recommendations to the Council. The Council then provisionally adopted the document on 8 March 2006, "subject to final audit clearance and subject to Council decision on any new agenda items considered at the Council meeting on 22 March 2006."¹

Subsequent to the 8 March 2006 Council meeting, the auditors have completed their review, and have advised that they expect to issue an unqualified audit opinion. The Council is now required to formally adopt the audited draft LTCCP. Once adopted, the document will be published and released for consultation from 12 April to 12 May 2006.

3. Recommendations

It is recommended that the Council:

1. *Receive the information.*
2. *Note that on 8 March 2006 the Council adopted the Draft Long Term Council Community Plan 2006/07 – 2015/16: statement of proposal subject to final audit clearance.*

¹ Note that there are no new agenda items.

3. *Note that Audit New Zealand has completed their review and have indicated that they expect to issue an unqualified report at this meeting.*
4. *Adopt the Draft Long Term Council Community Plan 2006/07 – 2015/16: statement of proposal as per the resolution of 8 March 2006, with the addition of the Auditor's Report (and consequential changes as contained in the appendices of this report).*

4. Background

4.1 Statutory basis

The Council is required to adopt an LTCCP by 30 June 2006. The special consultative procedure must be used to adopt the LTCCP.

At its simplest the purpose of the LTCCP is to provide a collection of statements that describe the level of service for each of the Council's activities for the next three years. These are set in the context of the community's long term aspirations, the Council's priorities and budgetary projections. They are underpinned by a collection of funding and financial policies.

Legislation also requires the draft LTCCP to be audited and that it contain a report from the auditor on:

- The extent to which the statement complies with the requirements of the Act
- The quality of the information and assumptions underlying the forecast information provided in the statement
- The extent to which the forecast information and proposed performance measures will provide an appropriate framework for the meaningful assessment of the actual levels of service provision.

4.2 Process to date

The process for completing the draft LTCCP has been comprehensive. The Strategy and Policy Committee deliberated on the content at its meeting on 1-3 March 2006 and made recommendations to the Council. The Council then provisionally adopted the document on 8 March 2006, "subject to final audit clearance and subject to Council decision on any new agenda items considered at the Council meeting on 22 March 2006."

5. Discussion

Since the 8 March meeting Audit New Zealand have completed their audit work and referred the draft LTCCP to the Office of the Auditor General (OAG) for review. The OAG are reviewing all draft LTCCPs before audit opinions are issued. The Council received feedback from Audit New Zealand and the OAG on 15 March 2006. No substantive issues were raised which could impact on the audit opinion. Some minor improvements were recommended and these have been incorporated into the draft LTCCP.

In line with the resolution of 8 March 2006 the following changes have been incorporated into the Draft LTCCP:

- Changes to reflect decisions made at 8 March 2006 Council meeting
- Changes requested by Audit New Zealand during completion of the audit
- Supplementary information completed after 8 March 2006 Council meeting; and
- Minor editorial changes.

Where more than minor changes have been made, the relevant section of the document has been attached for the Council's confirmation. Accordingly, the following sections are included in the appendices:

- Statement of Accounting Policies (additional disclosure of opening balance sheet position)
- Funding and Financial Statements (consequential amendments relating to 8 March 2006 decisions); and
- Rating Mechanisms (new section explaining rating types recommended by Audit NZ)
- Mayor and CEO messages (new section completed after 8 March meeting)
- Financial Summary (new section completed after 8 March meeting)
- Audit NZ's Report (to be tabled).

A full copy of the draft LTCCP and Audit NZ's Report will be tabled at the 22 March 2006 meeting.

6. Conclusion

Following an extensive process the Council is asked to adopt the Draft LTCCP including a report from its auditor.

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