

**Chairperson and Committee Members**  
CORPORATE BUSINESS COMMITTEE

21 NOVEMBER 2013

Meeting Status: **Public**

Purpose of Report: For Information

## **2014/15 ANNUAL PLAN PROCESS**

### **PURPOSE OF REPORT**

- 1 This report is to inform Council of the 2014/15 Annual Plan process currently underway to prepare the 2014/15 Draft Annual Plan for adoption in June 2014.

### **SIGNIFICANCE OF DECISION**

- 2 This report does not trigger the Council's Significance Policy.

### **BACKGROUND**

- 3 The delivery of an Annual Plan is a statutory requirement set out in section 95 of the Local Government Act 2002 (the "Act"). An Annual Plan relates directly to the Long Term Plan (LTP) which is reviewed every three years. Each Annual Plan covers one of the two intervening years between the adoption of the LTP. (In the year of an LTP no separate Annual Plan is required; Year One of the LTP is the Plan for that year).
- 4 The 2014/15 Annual Plan relates to Year Three of the 2012-32 LTP. Its purpose is to :
  - state the proposed annual budget and funding impact statement for the 2014/15 year, and identify any variation from the financial statements and funding impact statement included in Year Three of the 2012-32 LTP;
  - support the LTP in providing integrated decision-making and co-ordination of the resources of the Council; and
  - contribute to the accountability of the Council to the community, and extend opportunities for participation by the public in decision-making processes relating to the costs and funding of activities to be undertaken by the Council.
- 5 An Annual Plan must be prepared in accordance with the principles and procedures that apply to the preparation of the financial statements and funding impact statement included in the LTP; and contain appropriate references to the Council's activities for 2014/15 as set out in Year Three of the 2012 LTP.
- 6 Any significant variance in the Annual Plan from the corresponding year in the LTP may trigger the Council's Significance Policy and may require an Amendment to the LTP. An Amendment to the LTP is a separate statutory process which requires a special consultative procedure usually managed alongside the consultation on the Draft Annual Plan.

## CONSIDERATIONS

### Issues

- 7 The development of the 2014/15 Draft Annual Plan focuses on establishing the budget required to deliver the levels of service set out in Year Three of the LTP. Analysis of the budget will determine any rates impact and set rating percentage increases.
- 8 There are several dependencies in this process that must be considered, for instance: treasury management guidelines; forecasts and assumptions; the capital programme and asset management plans; activity management plans; and fees and charges schedules. The Council's financial strategy and rating policy, and the significance policy also require consideration in this analysis.
- 9 The Annual Plan sets out the activities the Council intends to deliver in the 2014/15 financial year to contribute to achieving its community outcomes and priorities. It includes a Statement of Service Provision and how the proposed levels of service will be measured across the Council's 16 activities.
- 10 Under the Local Government Act 2002 the purpose of local government includes a requirement for good quality local infrastructure, local public services, and performance of regulatory functions that are cost-effective for households and businesses. Good quality in this regard means that delivery must be efficient, effective and appropriate to present and anticipated future circumstances.
- 11 The purpose of local government is also to enable democratic local decision-making. Following detailed Council briefings and workshops in the early months of 2014, and adoption of the Draft Annual Plan in late March, a special consultative procedure will be undertaken (s83 of the Act) to provide community engagement and public participation in the decision-making process.

### Timeline

- 12 This consultation process will be undertaken during the month of April 2014. Submissions will be heard by the Council in late May, with the final document due for adoption in June 2014 before the start of the new financial year.
- 13 Part of the Annual Plan process will be an associated communications plan to ensure both internal and external requirements are met. Included in this are public notification in local newspapers, and a lift-out section at the beginning of the consultation procedure summarising the key points in the Plan.
- 14 The Local Government Act 2002 sets out specific actions in preparing, notifying and adopting the Annual Plan in non-LTP years. The following timeline for Council meets those requirements.
- 15 It is the role of the mayor to lead the development of the Council's LTP and Annual Plans, and the policies and budgets for consideration by the Council.

Oct 2013 – Jan 2014	SLT workshops (with the Mayor in attendance)
February – March 2014	Annual Plan Briefings / Workshops (twice weekly on Tuesdays and Thursdays)

2014	
20 March	Council meets to adopt 2014/15 Draft Annual Plan
28 March – 29 April	Special Consultation Procedure (SCP) begins from 28 March for a month Summary Document published at start of SCP Draft Annual Plan on website Organised engagement with the Public on the Plan and Submission process
20 – 22 May	Council hears submissions (Note: exact number of days/times tbc after submissions close)
5 June	Council meets to consider submissions
19 June	CBC meets to approve and recommend Annual Plan to Council
26 June	Council meets to adopt final version of 2014/15 Annual Plan
By 26 July	Annual Plan must be made available to the public within one month of adoption (hardcopy and website)
By 29 August	Letters sent to each submitter to advise them of the Council's response to their submission

- 16 A detailed list of issues to be covered at the Council Workshops will be developed with the Mayor during the SLT workshop process.

## Financial Considerations

- 17 There are no financial considerations in this report.

## Legal Considerations

- 18 The Annual Plan process is set out in section 95 and Schedule 10 of the Local Government Act 2002. The 2014/15 Draft Annual Plan must be released for public consultation in accordance with the Special Consultative Procedure requirements. The final 2014/15 Annual Plan must be adopted before the beginning of the 2014/15 financial year and made available to the public within a month of adoption by the Council.

## Delegation

The Corporate Business Committee is empowered to consider this information under clause 7.3 of the Governance Structure and Delegations (7 November 2013 version): "Authority to monitor Annual Plan implementation".

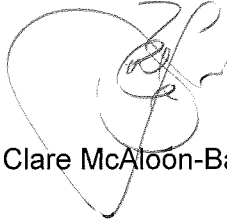
## Other Considerations

- 19 In addition to their involvement in the workshop process to develop the 2013/14 Draft Annual Plan, the Local Government Act 2002 requires that Community Boards give formal consideration as to whether they make a submission. An opportunity to do so will be provided for each Community Board.

## RECOMMENDATIONS

- 20 That the Corporate Business Committee note the timetable set out for the 2014/15 Annual Plan in report SP-13-1031.

**Report prepared by:**



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