

**Mayor and Councillors**  
COUNCIL

21 MARCH 2013

Meeting Status: Public

Purpose of Report: For Decision

## **DRAFT 2013/14 ANNUAL PLAN**

### **PURPOSE OF REPORT**

- 1 To consider and formally resolve to adopt the Statement of Proposal for the 2013/14 Draft Annual Plan for public consultation between 28 March and 29 April 2013.

### **SIGNIFICANCE OF DECISION**

- 2 This report does not trigger Council's significance policy.

### **BACKGROUND**

- 3 The Local Government Act 2002 requires Council to adopt its 2013/14 Annual Plan by 30 June 2013.
- 4 Elected Members have reviewed and discussed the content of the provisional draft of the 2013/14 Annual Plan through Corporate Business Committee workshops held during February and March 2013. The workshops were open to the public and attended by officials from Kāpiti Coast Grey Power and the Council of Elders.
- 5 During that process Elected Members also identified the need to amend the 2012 LTP. That proposed amendment relates to a change to the revenue and financing policy and levels of service for solid waste. A separate paper on that amendment follows this agenda item.

### **CONSIDERATIONS**

#### Issues

- 6 During the 2013/14 Draft Annual Plan workshop process a number of issues were raised and discussed by Elected Members. All amendments and suggestions provided during those workshops have been incorporated and/or subsequent changes made to the content of the draft 2013/14 Annual Plan.
- 7 The development of an Annual Plan requires Council to publicly record its balanced budget considerations. Section 100, subsection 2 of the Local Government Act 2002 sets out the matters that need to be considered by the Council when it resolves that it is financially prudent not to fully fund operating expenses from operating revenue for any given period. These issues include:
  - the estimated expenses of achieving and maintaining the predicted levels of service provision set out in the Long Term Plan, including the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life; and

- the projected revenue available to fund the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their usual life; and
- the equitable allocation of responsibility for funding the provision and maintenance of assets and facilities throughout their useful life; and
- the funding and financial policies adopted under section 102.

### **Changes to Rating Policy**

#### Rating Boundary changes – Waikanae Urban/Rural Rating Boundary

- 8 As discussed during the 2013/14 Draft Annual Plan workshops it was proposed to amend the urban/rural rating boundaries in Waikanae as per the detailed map attached as Appendix C. It involves moving the Ferndale Subdivision from a rural village classification and the property owned by Waikanae North into the urban rating area.

#### Rating Boundary changes – Rural Village Differential

- 9 For the above rating boundary changes the development in Nikau Valley has expanded to include a rural residential subdivision in the area of Anlaby/Angus Roads. It is proposed that these areas be included in the Rural Village Differential area for Paraparaumu/Raumati as per the map attached as Appendix D.
- 10 The proposed amendments are included in the Rating Policy and Funding Impact Statement in Part Two of the 2013/14 Draft Annual Plan. The affected property owners will be advised in writing of the proposed change and will have the opportunity to make a submission to the 2013/14 Draft Annual Plan during the public consultation process.

#### Rural Village Differential – Proposed change from 65% to 70% of Urban Rates for Districtwide General, Regulatory Services and Local Community Rates

- 11 Another change to Rating Policies is the proposed change for the differential relating to the Rural Village differential from 65% to 70% of the urban rate for the Districtwide General Rate, Regulatory Services Rate and Local Community Rate. This was also proposed during the 2013/14 Draft Annual Plan Workshop. All of those affected ratepayers will be advised of the proposed change to their differential and the reasons for that change and will also have the opportunity to make submissions during the public consultation process.

#### Draft Annual Plan

- 12 The 2013/14 Draft Annual Plan is attached separately as Appendices A and B to this Agenda. The Council now needs to consider the attached documents with a view to adopting the 2013/14 Draft Annual Plan for release for public consultation.
- 13 Following the conclusion of this meeting there may be a number of minor editorial changes required to be made to the 2013/14 Draft Annual Plan prior to consultation. It is suggested that delegated authority be given to the Mayor, the Chair of the Corporate Business Committee, the Chief Executive, the Group Manager Strategy and Partnerships and Group Manager Finance to collectively make any required editorial changes that are identified at this meeting.

## Financial Considerations

- 14 The financial considerations have been previously discussed in open workshops and meetings. The financial implications of the proposed 2013/14 year programme are fully documented in the 2013/14 Draft Annual Plan.

## Legal Considerations

- 15 The 2013/14 Draft Annual Plan must be released for public consultation and comment in accordance with section 83 of the Local Government Act 2002, being the Special Consultative Procedure. The development of this document has been consistent with the Local Government Act 2002 intent to increase citizen participation. All workshops have been advertised and have been open to the public.
- 16 The proposed fees and charges as detailed in Part 2 of the 2013/14 Draft Annual Plan are also subject to public consultation. The proposed Resource Consent fees are set under Section 36 of the Resource Management Act 1991 and are subject to a special consultative procedure. The Resource Consent fee setting process will use the Annual Plan consultation process to avoid duplication).

## Delegation

### COUNCIL'S POWERS

- 11 This Framework recognises the provisions of Clause 32, Schedule 7 of the Local Government Act 2002 which states:**

32. *Delegations—*
- (1) *Unless expressly provided otherwise in this Act, or in any other Act, for the purposes of efficiency and effectiveness in the conduct of a local authority's business, a local authority may delegate to a committee or other subordinate decision-making body, community board, or member or officer of the local authority any of its responsibilities, duties, or powers except—*
- (a) *the power to make a rate; or*
  - (b) *the power to make a bylaw; or*
  - (c) *the power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan; or*
  - (d) *the power to adopt a long-term plan, annual plan, or annual report; or*
  - (e) *the power to appoint a chief executive; or*
  - (f) *the power to adopt policies required to be adopted and consulted on under this Act in association with the long-term plan or developed for the purpose of the local governance statement; or*
  - (g) *[Repealed]*
  - (h) *the power to adopt a remuneration and employment policy.*

## Consultation

- 17 The consultation associated with adopting the 2013/14 Draft Annual Plan will meet the statutory requirements of the Local Government Act 2002. The

2013/14 Draft Annual Plan has been prepared in a two part format and will be delivered to key agencies that have traditionally received Council's draft corporate planning documents and will also be available from Council on request and via the website.

- 18 In addition, the Local Government Act 2002 requires that the Council produce a summary document of the 2013/14 Draft Annual Plan and this will be produced in the Kapiti Observer on Thursday 28 March 2013.
- 19 The consultation period will officially commence on 28 March 2013 and the deadline for receiving submissions will be 29 April 2013. The Council will hear submissions on 21, 22 and 23 May 2013; consider submissions on 6 June 2013 and adopt the 2013/14 Annual Plan and Levy the Rates on 20 June 2013.

### Tāngata Whenua Considerations

- 20 Implicit in the delivery of the proposed 2013/14 work programme is the need to work with all three Iwi. Te Whakaminenga o Kāpiti contributed their thoughts (both in Maori and English) on the general future of the Kāpiti Coast to the 2012 LTP – pages 8-12 of Part One refer. They will be invited to make a submission to this process.

### Publicity Considerations

- 21 A public notice will appear in the Kapiti Observer on Thursday 28 March 2013 advising that the Summary Document as required under section 89 of the Local Government Act 2002 has been published in the same edition of that newspaper.

### Other Considerations

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

## RECOMMENDATIONS

- 23 That having regard to the matters set out in Section 100 Subsection 2 of the Local Government Act 2002 the Council resolves that it is financially prudent to not fund all of its operating expenses from operating revenue (through not fully funding depreciation) for the 2013/14 year for the reasons set out in Part 2 of the 2013/14 Draft Annual Plan and also covered within this report.
- 24 That the Council gives delegated authority to the Mayor, the Chair of the Corporate Business Committee, the Chief Executive and the Group Managers, Strategy and Partnership and Finance to act as an Editing Sub-Committee. They are collectively delegated the power to make any required editorial changes that are identified at this meeting to the Statement of Proposal for the Draft 2013/14 Annual Plan.
- 25 That the Council approves as the Statement of Proposal:
  - the 2013/14 Draft Annual Plan document developed by the Kapiti Coast District Council for public consultation and comment in accordance with section

83 of the Local Government Act 2002, being the Special Consultative Procedure noting that:

- 25.1 the 2013/14 Draft Annual Plan describes what the Council will do to contribute to the Community Outcomes developed by the community during 2011/12 and is published in two parts: Part One provides a descriptive outline of the proposed programme and budget and Part Two provides detailed financial and policy information of the proposed programme for 2013/14;
- 25.2 the document has been developed with full commitment to the community vision, to taking a sustainable development approach and to the cultural, economic, environmental, and social wellbeing of the Kapiti Coast;
- 25.3 the document will be released for public consultation and comment in accordance with section 83 of the Local Government Act 2002, being the Special Consultative Procedure from 28 March to 29 April 2013;
- 25.4 the Council will hear submissions on 21, 22 and 23 May 2013;
- 25.5 the Council will consider submissions on 6 June 2013;
- 25.6 the Council will adopt the 2013/14 Annual Plan and Levy Rates on 20 June 2013.

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Attachments:

Appendix A – 2013/14 Draft Annual Plan Part One

Appendix B – 2013/14 Draft Annual Plan Part Two

Appendix C – Proposed changes to the urban / rural rating boundaries for Waikanae

Appendix D – Proposed changes to the Rural Village Differential Boundary for Paraparaumu/ Raumati