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**REPORT 7**  
*(1215/52/IM)*

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## **ADOPTION OF THE 2008/09 ANNUAL PLAN**

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### **1. Purpose of Report**

This report provides for the formal recommendation of the 2008/09 Annual Plan.

### **2. Recommendations**

It is recommended that the Committee:

- 1. Agree the projects and programmes budgets and the Forecast Funding Impact Statements attached to this report.*
- 2. Recommend that Council adopt the 2008/09 Annual Plan as per the draft plan with the changes agreed by the Strategy and Policy Committee meeting of 18 June 2008.*

### **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 and the Forecast Funding Statements are attached. Any changes to these as a result of decisions at this meeting will be tabled.

Once agreed, officers will prepare the report for Council and prepare the contents of the final annual plan.

#### ***3.1 Amendments to Draft Annual Plan Budgets***

During the presentation of the Draft Annual Plan budgets the Chief Executive outlined the proposed budget management strategy for the development of the 2008/09 Annual Plan that maintained rates at an affordable level. As part of this budget management strategy, the Chief Executive set out a series of internal efficiency and capacity creation initiatives that would be progressed by management. Principally, these initiatives involved reviewing / reconsidering aspects of the Council's procurement and contracting practices. The focus of these initiatives was on looking at the way that the Council conducted its

business with suppliers rather than focusing on potential cuts to existing service levels. For example, during March Council officers presented an initiative to reconsider the Council's annual property revaluation cycle and recommended a shift away from the current status quo to a three yearly cycle consistent with all other local authorities. A number of these initiatives and reviews have been completed and the appropriate budget adjustments reflected in the final Annual Plan budgets. The Committee will note that a number of project budgets will have changed since the Draft Annual Plan although the overall consolidated Council budget position is unchanged (except for the impact of new initiatives). These budget changes result from:

- Changes arising from the completion of aspects of the budget efficiency exercises (principally, insurance, Facilities Maintenance Aggregation, reviewing the Quotable Value contract etc.)
- Consequential reduction in the allocated budget efficiency target
- Consequential reallocation of overheads / organisational costs in line with Council's allocation methodology.

Overall, the budget efficiency initiatives have identified sufficient level of budget savings and adjustments necessary to maintain the 2008/09 rates funding requirement within the level set by Council during the Draft Annual Plan consultation.

Contact Officer: *Brian Hannah, Principal Advisor Accountability and Helen Rogers, Financial Controller*

## **Supporting Information**

**1) Strategic Fit / Strategic Outcome**

*The recommendations contained in this report support Council's overall strategic direction as outlined in the 2006-16 long-term 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 2008/09 Draft Annual Plan.*

**b) Consultation with Maori**

*As above.*

**6) Legal Implications**

*Council's lawyers have been consulted during the development of the 2008/09 Annual Plan.*

**7) Consistency with existing policy**

*N/A*