

SOUTH WAIRARAPA DISTRICT COUNCIL

21 MARCH 2018

AGENDA ITEM B1

ADOPTION OF 2018-28 LONG TERM PLAN SUPPORTING DOCUMENTATION AND CONSULTATION DOCUMENT

Purpose of Report

To adopt the 2018/28 Long Term Plan Consultation Document and Supporting Documentation for public consultation.

Recommendations

Officers recommend that the Council:

1. *Receives the information.*
2. *Adopts Part 1 including the Community Outcomes.*
3. *Adopts Part 2 Significant Activities including Statements of service performance targets and Funding Impact Statements.*
4. *Adopts Part 3 Financial Information including Financial Assumptions, Accounting Policies, Prospective financial statements, Prospective Funding Impact Statement, and Capital Projects listing.*
5. *Adopts Part 4 including the Funding and Financing policies and Financial Strategy.*
6. *Adopts Part 5 Infrastructure Strategy.*
7. *Adopts Part 6 including the Fees and Charges schedule 2018/19.*
8. *Adopts the 2018/28 Long Term Plan Supporting Documentation to the Consultation Document.*
9. *Adopts the 2018/28 Long Term Plan Consultation Document.*

1. Executive Summary

The 2018/28 Long Term Plan (LTP) process consists of the preparation and audit of a series of documents, collectively known as the "Supporting Documentation" and a separate Consultation Document (also audited).

The "Supporting Documentation" and Consultation Document have been reviewed by Audit New Zealand.

The supporting documentation has been collated into a single pack for ease of review.

2. Discussion

2.1 Policies and Strategies for Adoption

The following policies and strategies have been previously circulated and reviewed and now require formal adoption.

Community Outcomes

Council has a role in achieving the community outcomes via significant activities. These were discussed at a LTP workshop and were unchanged.

The community outcomes, along with the Vision, Mission, Values and four pillars of the Strategic Plan have been the foundation for the preparation of the 2018/28 LTP.

The community outcomes for the South Wairarapa are as follows:

*Healthy and Economically Secure People
Educated and Knowledgeable People
Vibrant and Strong Communities
Sustainable South Wairarapa
A place that is accessible and easy to get around*

A copy of the Vision, Mission, Values and Strategic Plan is included in Appendix 1.

2.2 Summary of Significant Activities including Levels of Service

The LTP includes narrative and Statements of Service Performance for each Significant Activity. These have not been circulated previously but levels of service are generally consistent with the previous Annual Plan and Annual Report. In a few areas, we have adjusted the target key performance indicators (KPIs) to be more realistic e.g. where customer satisfaction was previously 59% it is not realistic to expect this to jump to 90% so we have put in a stepped change from 59% to 65%, then 70%, then 75% etc. to make the improvement path more realistic and achievable.

The Funding Impact Statements for each Significant Activity are also included in this section of the LTP document.

The Significant Activity narrative, Levels of Service and Prospective Funding Impact Statements is included in Appendix 2.

2.3 Financial Information and Assumptions

The financial information section of the LTP also includes the significant forecasting assumptions and accounting policies.

This section includes the following prospective financial statements for the years ending 30 June 2018 to 30 June 2028:

Prospective Statement of Financial Performance, Prospective Statement of Comprehensive Revenue and Expense and Changes in Equity and Prospective Cashflow Statement.

Also included are the Prospective Statement of Financial Position as at 30 June 2018 through to 30 June 2028, the Prospective Capital Expenditure from 2018 through to 2021, and the Prospective Statement of Special and Separate funds covering the period from 30 June 2018 to 30 June 2028.

The Funding Impact Statement (rates) covers the proposed rates for the LTP period including rates examples for the 2018/19 year.

The Financial assumptions and Prospective Financial Statements are included in Appendix 3.

2.4 Funding and Financing Policies

The following policies have been previously reviewed at LTP workshops and are now included in the supporting documentation for approval:

- Significance & Engagement Policy
- Revenue and Financing Policy
- Liability and Management Policy
- Investment Policy
- Development Contributions and Financial Contributions Policy
- Remission & Postponement of rates on Maori freehold land policy
- Remission of rates policy
- Postponement of rates policy
- Long Term Plan Disclosure Statement

These funding and financial policies are included in Appendix 4.

2.5 Financial Strategy

This has been previously reviewed at a LTP workshop including some minor changes since this strategy was adopted for the previous LTP. The major change was to update the population projections based on the report from ID Consultants.

A copy of the updated strategy is included in Appendix 4.

2.6 Infrastructure Strategy

The first draft of this strategy was previously reviewed at an LTP workshop. Since that review the population projections have been updated to reflect the ID Consultants forecasts, climate change assumptions have been updated based on the latest information from the Ministry for the Environment, and the water and wastewater CAPEX graphs and expenditure summaries have been updated to incorporate all CAPEX. Previously the graphs only included reticulation renewals CAPEX. In addition there have been some minor changes to wording throughout the document to provide more information to readers.

A copy of the updated strategy is included in Appendix 5.

2.7 Fees and Charges 2018/19 year

This section has been previously circulated and reviewed at a LTP workshop and is included in Appendix 6.

2.8 2018/2028 Supporting Documentation

Together all of the above documents make up the Supporting Documentation to the Consultation Document for the 2018/28 LTP referred to in recommendation 7 above. Together they fulfill the requirements of Schedule 10 of the Local Government Act 2002 with regard to disclosure to support the LTP consultation document.

2.9 2018/2028 Consultation Document (CD)

The draft Consultation Document has been reviewed at a previous LTP workshop. Some changes have been made since the last review including updated rating examples to make the estimated impact on individual ratepayers clearer.

The CD is currently undergoing the final audit review and it is expected only minor changes to wording may be required. Final changes will depend on audit feedback.

The draft CD is included in Appendix 7.

3. Appendices

Appendix 1 – **Part 1** 2018/28 LTP Consultation Supporting Documentation including Community Outcomes

Appendix 2 – **Part 2** 2018/28 LTP Consultation Supporting Documentation – Significant Activities

Appendix 3 – **Part 3** 2018/28 LTP Consultation Supporting Documentation – Financial Information

Appendix 4 – **Part 4** 2018/28 LTP Consultation Supporting Documentation - Funding and Financing Policies and Financial Strategy

Appendix 5 - **Part 5** 2018/28 LTP Consultation Supporting Documentation - Infrastructure Strategy

Appendix 6 - **Part 6** 2018/28 LTP Consultation Supporting Documentation – including Fees and Charges

Appendix 7 - Draft 2018/28 LTP Consultation Document

Appendix 8 – 2018/28 LTP Consultation timetable

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