



FOREWORD

We have pleasure in presenting to you the Taranaki Regional Council's 2007/2008 Annual Plan. This is the first annual plan prepared pursuant to the Council's *2006/2016 Long-Term Council Community Plan*.

The intent of an annual plan is to present the year's budget and funding impact statement and to highlight any changes from the budgets and programmes outlined in the Long-Term Council Community Plan. Accordingly the regular reader will note that this *Annual Plan* is condensed from those produced previously. The budgets and programmes presented in this *Annual Plan* largely reflect those established in the *2006/2016 Long-Term Council Community Plan* adopted last year.

The Council undertook significant public consultation on the *2006/2016 Long-Term Council Community Plan* last year. Accordingly the focus of public consultation this year is on those areas in which the Council proposes changes from the *Plan*. Those differences are as follows.

The demands on the Council to provide transport services for the transport disadvantaged continue to grow beyond expectations. The Council is in the middle of a trial of improved bus services throughout the region. Provision has been made in this *Plan*

for those trials to be completed and in one or two areas for new routes and services to be trialled. The Ironside Society requested that the Council provide them with \$40,000 for the provision of transport services to the transport disadvantaged. This funding was included in the draft of this *Plan* with the Council seeking the community's views on whether it should proceed.

After public consultation the Council included \$40,000 for the Ironside Society and \$7,500 for MS Taranaki, subject to both organisations meeting all of the funding requirements of the Council and Land Transport New Zealand. Significantly both organisations must meet a requirement for an appropriate fare structure to be put in place before funding will be provided.

The net effect of the increased demand for services is a small increase in the passenger transport targeted rate over that forecast in the *2006/2016 Long-Term Council Community Plan* of \$32,250.

The Council has increased the funding for minor general river and flood control works by \$50,000 over the budget forecast for 2007/2008 in the *2006/2016 Long-Term Council Community Plan*. This is in response to the demand for these works from storm events.

There are no changes in the targeted rates for flood control works and Yarrow Stadium over the levels forecast for 2007/2008 in the *2006/2016 Long-Term Council Community Plan*.

The Council owns the region's port company, Port Taranaki Ltd, on behalf of the regional community. Historically Port Taranaki Ltd has contributed significant dividends to reduce the Council general rate requirement. These dividends were largely generated on the back of trade associated with the Maui gas field. As the Maui gas field reaches the end of its life Port Taranaki Ltd has had to diversify its trade base. This transition has resulted in reduced revenue, profits and dividends. Port Taranaki Ltd is successfully diversifying its trade base but in the short to medium term the ability of the company to deliver dividends is variable. Port Taranaki Ltd is forecasting higher dividends for 2007/2008 than outlined in the *2006/2016 Long-Term Council Community Plan*. This is good news for the Council as it can now hold its general rate change to the level outlined for 2007/2008 in the *2006/2016 Long-Term Council Community Plan* despite a few unexpected budget increases, notably for passenger transport services. This means a general rates increase of \$132,000 or 2.5% as previously projected. However the ability



of Port Taranaki Ltd to continue to deliver dividends at forecast levels is not guaranteed. Any shortfall in future dividends from Port Taranaki Ltd will need to be recovered from general rates.

Overall the Council remains in a strong financial and operation position to deliver on the plans and programmes agreed with the community through the many statutory planning processes that the Council is required to undertake.

The annual planning process provides an important opportunity for ratepayers and residents to examine and provide views on the Council's proposed activities in the forthcoming financial year, prior to the Council committing itself to a programme. The Taranaki Regional Council received 10 submissions on the draft of this *2007/2008 Annual Plan*. A number of minor changes were made to the *Annual Plan* as a result of public submissions. None of these affected the general rates for 2007/2008.

Working within proposed budgets however, specific allocations have been made for animal pest control programmes on a 13,000 hectare block in the White Cliffs area and to support the development of the Rotokare Sanctuary, following the construction of a predator proof

fence around the reserve by the Rotokare Scenic Reserve Trust.

The Council has worked hard to listen to the community and to put in place efficient and effective programmes which will benefit the region. The focus has been on our future as well as our present needs. With this *Annual Plan* the Taranaki Regional Council is satisfied that it is in a position to carry on the work of this, and previous Councils, in a professional and efficient manner.

This *Annual Plan* was adopted on 7 May 2007.

David Walter
Chairman

Basil Chamberlain
Chief Executive

COUNCILLORS

Your Councillors prepared this *Annual Plan* with the assistance of Council staff and many others. The Taranaki Regional Council has ten representatives elected by the community through local body elections every three years.



PURPOSE

Under the Local Government Act 2002, the Council is required to produce a long-term council community plan every three years, covering the next 10-year period. The Council is also required to prepare an annual plan for each financial year it does not prepare a long-term council community plan. The annual plans prepared in the years after the long-term council community plan will mainly contain budget, funding and financial statements for that year in support of the long-term council community plan. The Council is required to prepare and adopt its next long-term council community plan by 30 June 2009.

This is the first *Annual Plan* produced by the Taranaki Regional Council under its *2006/2016 Long-Term Council Community Plan*. The purpose of the *Annual Plan* is to provide an update by exception against the *Long-Term Council Community Plan*, which remains the substantive reference document. Much of the material in the *Long-Term Council Community Plan*, e.g. explaining why we do what we do, remains current.

This *Annual Plan* concentrates on one year – in this case 2007/2008 – and includes such information as the performance measures for our programmes in this year. Overall, the changes from what we had expected to happen in 2007/2008 are relatively minor. The one or two more significant changes are noted and explained within that group of activities.

The Taranaki Regional Council's *2006/2016 Long-Term Council Community Plan* is important as it presented the Council's strategic directions and programmes for the next decade. As the name suggests, the *Long-Term Council Community Plan* is a document put together by the Council and



the community. In it you will find a description of the activities the Council will be engaged in over the next 10 years, the objectives of those activities and their costs – as accurately as can be forecast over this period. But the plan does more than this – it describes how the Council, through its various activities and programmes will contribute to achieving the long-term outcomes for the community that the community itself has identified. Many of these activities focus on ensuring that Taranaki's natural environment and physical resources are sustainably managed for the long-term benefit of the community.

The *Plan* also describes how the Council with the help of the community and other organisations will work together to achieve these community outcomes.

There are a number of other more specific documents, plans and strategies that the Council has in place to help it carry out its work. These are also prepared and reviewed in consultation with the community. What the *2006/2016 Long-Term Council Community Plan* does is provide a basis for integrating and coordinating the activities and resources of the Council over the long-term.

The community outcomes contained within the Council's *Long-Term Council Community Plan* are reviewed every six years to ensure the Council is on track. Progress towards achieving these outcomes is reported on every 3 years.

The emphasis in preparing this *Annual Plan* has been to produce a straight-forward easy to read document. This has been aided by the Local Government Act 2002 which only requires the Council to present, in an *Annual Plan*, financial information and deviations from the adopted *Long-Term Council Community Plan*. That is what this *Annual Plan* presents.

Except where noted, the plans, strategies, programmes and targets established in the *Long-Term Council Community Plan* apply to this *Annual Plan* and the 2007/2008 operations of the Council. Therefore it is important that readers read the *Long-Term Council Community Plan* in conjunction with this *Annual Plan*.

Copies of the *Long-Term Council Community Plan* are available from the Council or from the Council's website (www.trc.govt.nz).

In terms of section 83(1) (a) of the Local Government Act 2002, the draft of this *Annual Plan* constituted the *Statement of Proposal*. That is, the draft *Annual Plan* included all of the information required in a *Statement of Proposal*.



PLANNING PROCESS

