



FOREWORD

We have pleasure in presenting to you the Taranaki Regional Council's *2008/2009 Annual Plan*. This is the second annual plan prepared by the Council 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*. The budgets and programmes presented in this *Annual Plan* largely reflect those established in the *2006/2016 Long-Term Council Community Plan*.

The Council undertook significant public consultation on the *2006/2016 Long-Term Council Community Plan*. Accordingly the focus of public consultation this year was on those areas in which the Council proposed changes from the *Plan*.

Overall the programme of works and services for 2008/2009 is very much as forecast for 2008/2009 in the *2006/2016 Long-Term Council Community Plan*. That is, for 2008/2009 the Council has produced a "business as usual" plan.

Despite some increasing demand for services, especially passenger transport services, and increasing imposed costs (e.g., KiwiSaver, audit of the long-term council community plan and reporting on community outcomes), the Council is aiming to deliver the forecast level of services and programmes with the same small change to general rates as forecast for 2008/2009 in the *2006/2016 Long-Term Council Community Plan*. This is a pleasing result to present to the regional community.

The demand on the Council to provide passenger transport services (buses) across the region continues to grow at a significant rate. Furthermore the cost of providing these services has also been increasing.

As noted in the *2006/2016 Long-Term Council Community Plan* the Council is undertaking a trial of passenger transport services. The trial is due to be completed by 30 June 2008. After careful evaluation of the results to date, this *Plan* presents the proposed levels of service for 2008/2009 onwards.

The budgets for these services have been confirmed following the completion of a recent

tendering process. The most notable outcome of this was the award of a contract to Tranzit Coachlines for future New Plymouth bus services.

Funding of the net cost of passenger transport services is by way of Land Transport New Zealand subsidies and local funds (targeted rates). Bus services in the New Plymouth and North Taranaki areas have long been funded by a targeted rate in those areas. This targeted rate is to increase by \$125,000. The provision of bus services into the South Taranaki area has resulted in the creation of a new targeted rate for South Taranaki. For 2008/2009 the rate is proposed to be \$22,500.

Increasing demands on the Council's transport planning resources and on the total mobility paratransit services are also placing slightly higher than anticipated demands on the Council's general rate requirement.

Water quality protection remains a core focus especially for the ring plain streams. The level of fencing and planting of riparian land by the region's landowners continues to grow. The Council has estimated that the supply

of riparian plants will increase by \$200,000. These plants are funded by their sale to landowners.

The need to maintain the region's river and flood control protection has continued at reasonably stable levels. However in the last year or so the Council has used accumulated reserve funds (North Taranaki/Waitara River Control Scheme reserve) to part fund this expenditure. This funding is unsustainable. Accordingly the Council has moved to fully fund this expenditure in 2008/2009 by increasing the level of targeted rate by \$130,000.

In the *2006/2016 Long-Term Council Community Plan* the Council forecast general rates to increase by \$129,750 for 2008/2009. Despite the increased demands outlined above the Council is pleased to be able to hold the general rates increase to the forecast level.

The Council's general rate requirement is significantly reduced by the dividends it receives from Port Taranaki Ltd. For 2008/2009 these dividends are forecast at \$2.6m. Port Taranaki Ltd operates in a highly competitive commercial environment that is subject to continual change. Therefore the continued profitability of Port Taranaki Ltd is hard to guarantee. Should circumstances change then the port may not be able to deliver dividends at forecast levels. Any reduction in port dividends will directly impact upon the general rate requirement.

For the first time since 2002/2003 the effect of increasing costs has necessitated an increase in the charge-out rates and fixed minimum charges for the processing of resource consents and the monitoring of compliance with resource consent conditions. By most measures the Council's charges are lower than the rest of the country.

Overall the Council remains in a strong financial and operational 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 13 submissions on the draft of this Plan. A number of minor changes were made as a result of the public consultation process. The changes had no effect on the level of general rates. This *Annual Plan* was adopted on 12 May 2008.

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.



David MacLeod
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 eleven 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 second *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 2008/2009 – 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 2008/2009 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 relationship between the Council's legislative mandate, its various plans and strategies, its *Long-Term Council Community Plan* and annual plans is outlined in Figure 1.

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 2008/2009 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, this *Annual Plan* also constitutes the *Statement of Proposal*. That is, this *Annual Plan* includes all of the information required in a *Statement of Proposal*.



PLANNING PROCESS

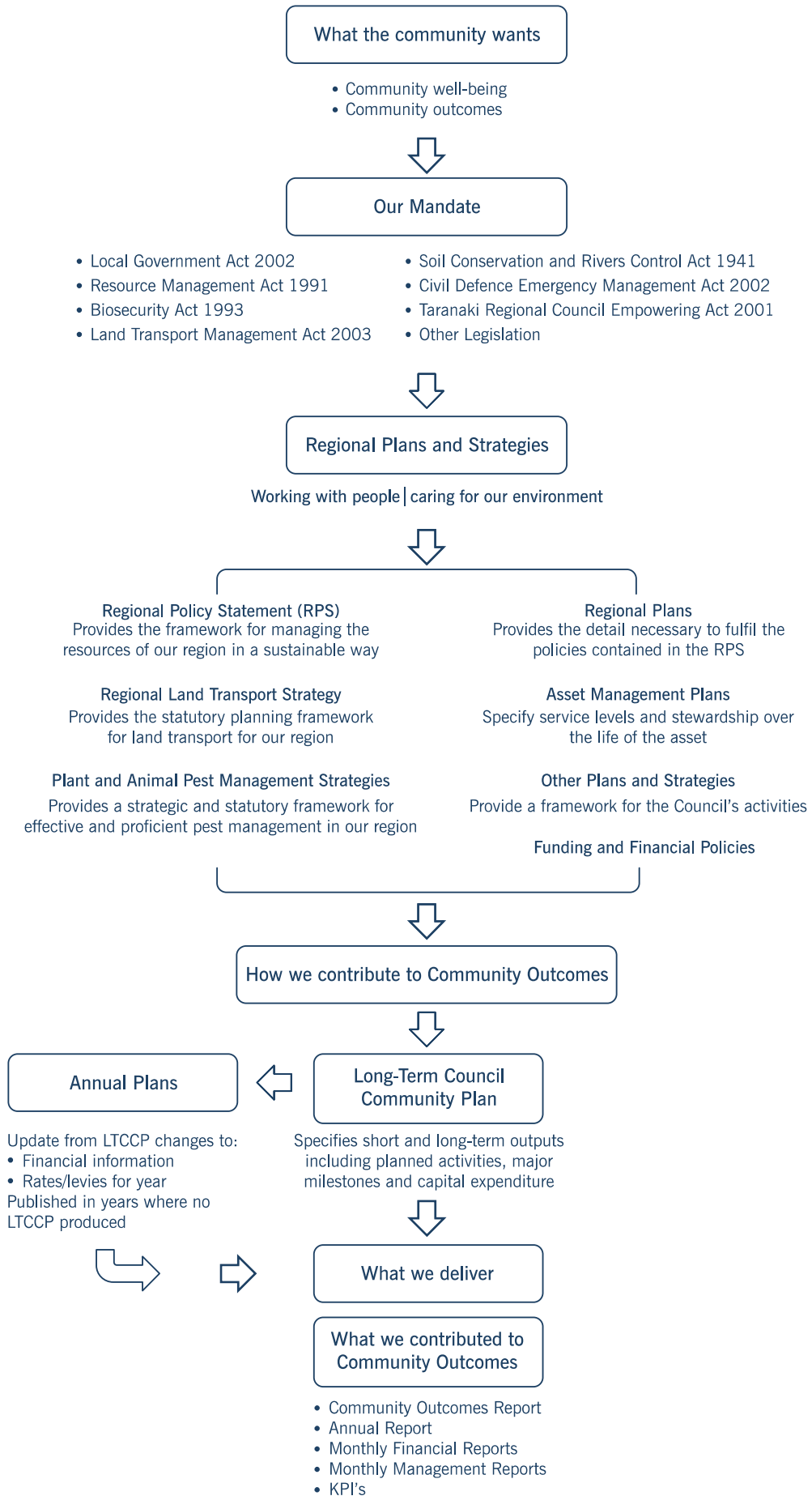


Figure 1: The Taranaki Regional Council planning process