

2017/18 Annual Plan update

TO All Community Boards
FROM Angela Jane - Group Manager Governance and Strategy
DATE 30 March 2017
SUBJECT **2017/18 Annual Plan update**

1 Purpose of report

The purpose of the report is to provide Community Board members with the status of the 2017/18 Annual Plan and a summary of the rating projections within the April Council report. Community Board members are encouraged to read the Council agenda report for fuller details.

2 Background

Council at its 4 April 2017 meeting will determine if formal public consultation is required on the Annual Plan as a whole (triggered by the total average rate increase projection) or any specific funding proposals within it (a variety of reasons can determine if significance is triggered).

Unless there are significant or material differences from year three of the 2015-2025 long term plan, there is no requirement to consult. If, through the budget review process, significance or materiality is identified, these differences are the only things included in the consultation.

The way in which the Council is able to consult is less restrictive than it has been previously, and the Council is able to tailor consultation to the issue. This tailoring is guided by the Council's Significance and Engagement Policy, available on the Council's website.

3 Issue

The 2017/18 Annual Plan requires finalising so that consultation can occur, if it is deemed necessary, and the financial statements prepared for the June adoption meeting.

If Council determines that the projected overall rate increase or a local rate increase is too high then the Council may seek from the Community Boards deferrals from 2017/18. Staff will email all elected members following the 4 April Council meeting with the outcome of that meeting.

4 Discussion

Since the February 2017 combined elected member workshop the following items have been put forward for inclusion:

- Thames Security Cameras Stage 2 \$26,058
- Thames bus trial funding \$39,000
- Thames indoor sports additional operational funding \$41,613
- "The Treasury" grant funding - Council and Thames Community Board \$30,000 each
- Coromandel Hall foundations renewals \$250,000
- Tairua/Pauanui walkway grant \$50K funded from retained earnings
- Royal Billy Point boat ramp and jetty upgrade \$65,000 to advance design and resource consent (rest of project deferred to 2018/19)

- Kennedy Park carpark reseal \$25,951
- Whitianga Town Centre Stage 2 \$715,941
- Mercury Bay coastal erosion programme (\$336,767)

The Mercury Bay coastal erosion programme and Whitianga Town Centre Stage 2 projects are both considered for significance in the Council agenda report.

The rating projections at this time

The average total rate projection for the district is at 3.2%. This does not include the Whitianga Town Centre Stage 2 expenditure.

The full list of average local rates and the combined average district and local rate is below:

Community Board area	Local CB rates only	District plus CB area rates
Thames	10.38%	4.56%
Coromandel-Colville	-2.57%	1.33%
Mercury Bay	10.12%	4.08%
Tairua/Pauanui	1.08%	2.13%
Whangamata	1.83%	2.32%

The Mercury Bay projected local rate at this time includes the expenditure for funding the Mercury Bay coastal erosion programme (alternative options for funding this programme are included in the Council agenda report) but excludes the Town Centre Stage 2 expenditure.

Average rate increases are not an ideal measure as no ratepayer is the average. Averages do however give the best overall position and historically the average total rate increase has been used to describe the change in rates for this district and in many cases across the country. The rating comparisons to 2016/17 for each of the main rate types for each Community Board area are included in **Attachment A**.

5 Suggested Resolution(s)

That the Tairua-Pauanui Community Board:

1. Receives the '2017/18 Annual Plan update' report, dated 31 March 2017.
2. Responds to the direction given by Council at the 4 April 2017 Council meeting.

References-Tabled/Agenda Attachments

Attachment A Rates comparison data

Attachment A

Rates comparisons - 2016/17 and projected 2017/18

Thames

Rate sample by property type	2016/2017	2017/2018	% Inc/Dec	\$ Inc/Dec
Residential LV \$140k	\$2,512	\$2,627	4.59%	\$115
Residential LV \$225k	\$2,771	\$2,898	4.59%	\$127
Residential LV \$400k	\$3,204	\$3,357	4.78%	\$153
Rural LV \$4.2m	\$10,164	\$10,941	7.65%	\$777
Commercial LV \$3m	\$23,273	\$23,721	1.93%	\$448

Coromandel

Rate sample by property type	2016/2017	2017/2018	% Inc/Dec	\$ Inc/Dec
Residential LV \$140k	\$2,470	\$2,516	1.87%	\$46
Residential LV \$225k	\$2,861	\$2,903	1.48%	\$42
Residential LV \$400k	\$2,823	\$2,858	1.22%	\$34
Rural LV \$4.2m	\$6,645	\$6,545	-1.50%	-\$99
Commercial LV \$3m	\$21,339	\$21,177	-0.76%	-\$162

Mercury Bay

Rate sample by property type	2016/2017	2017/2018	% Inc/Dec	\$ Inc/Dec
Residential LV \$140k	\$2,487	\$2,572	3.42%	\$85
Residential LV \$225k	\$2,695	\$2,784	3.31%	\$89
Residential LV \$400k	\$3,021	\$3,120	3.28%	\$99
Rural LV \$4.2m	\$7,076	\$7,427	4.96%	\$351
Commercial LV \$3m	\$21,278	\$21,431	0.72%	\$153

Tairua-Pauanui

Rate sample by property type	2016/2017	2017/2018	% Inc/Dec	\$ Inc/Dec
Residential LV \$140k	\$2,556	\$2,615	2.30%	\$59
Residential LV \$225k	\$2,760	\$2,817	2.05%	\$57
Residential LV \$400k	\$3,077	\$3,131	1.75%	\$54
Rural LV \$4.2m	\$6,291	\$6,310	0.31%	\$19
Commercial LV \$3m	\$21,207	\$21,125	-0.38%	-\$81

Whangamata

Rate sample by property type	2016/2017	2017/2018	% Inc/Dec	\$ Inc/Dec
Residential LV \$140k	\$2,462	\$2,523	2.46%	\$61
Residential LV \$225k	\$2,655	\$2,714	2.21%	\$59
Residential LV \$400k	\$2,951	\$3,007	1.90%	\$56
Rural LV \$4.2m	\$5,685	\$5,712	0.49%	\$28
Commercial LV \$3m	\$20,989	\$20,914	-0.36%	-\$75

