



Horizons Regional Council Community Plan 2009 - 2019

COMMUNITY PLAN

2009–2019

July 2009

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Message from the Chairman and Chief Executive

Producing a ten year Long-term Council Community Plan (LTCCP) for our region was always going to be a challenge during these tough times.

The impacts of the recession are being played out on a daily basis and the impacts of this are being felt by the ratepayers of our region and the future is still far from certain. We have had to make decisions based on the knowledge that the economic environment may not improve in the foreseeable future. For example, this is likely to impact on the returns of our modest investments in such institutions as the Port of Wellington where we are a 25% shareholder. Revenue sources such as the Port Company, like all investments that some of us may have, are not producing the returns that they did two years ago.

The sale of Horizons minor shareholding in the Port of Napier has been under consideration, but this will not take place unless there is a compelling and appropriate business case that shows that such a decision would benefit our region.

Council has been guided in its decision making by the 118 submissions that it received during the consultation phase of the process. Local government in New Zealand runs a very open form of government and the public is able to scrutinize and critique our plans for the future. This is democracy at its very best and we at Horizons Regional Council listen and act on the advice of our ratepayers. The public submissions sent a clear message to Council that in determining the final plan, it had to take account of the economic environment, but at the same time retain a commitment to some of the excellent projects which are benefiting our region now and will do so in the future.

The Council took longer than normal to consider the submissions and to make a final determination on the LTCCP and consequently it was late adopting the Plan. This resulted in Council missing the Local Government Act 2002 statutory deadline of adopting the LTCCP by 30 June 2009. While Council is committed to meeting such deadlines, it formed the view that this was an exceptional situation that required extra time to make the right decisions.

You will note in the final plan that we reinstated the \$85,000 grant to the Rangitikei Environment Group to control old mans beard and invested an additional \$125,000 to control invasive weed species which threaten the living heritage of the region. We are putting some extra money into public passenger transport in Palmerston North. Conversely we are reducing expenditure in the policy, education and information areas of our business.

Overall the Council will collect just over \$29.7 million in rates in the coming year, with modest rises over the next two years. The council acknowledges the genuine hardship that many ratepayers face, and to ease this burden, Horizons is reducing from 3% to 2%, the charge applied to people who pay their rates by direct debit.

While the Council has made savings it has maintained its commitments to some key initiatives such as flood plain management, pest control and the Sustainable Land Use Initiative (SLUI). This particular programme continues to attract good support from both the community and central government and is widely acknowledged as a first rate environmental project that benefits both the urban and rural community. However, to ease some of the financial pressure, Horizons Regional Council is extending out the target date for its completion from 10 to 15 years. But at the same time we are extending the areas of the region to which SLUI can be applied.

The upgrading of various river schemes in the Region remains of high importance and over the life of this plan, the biggest single item of expenditure is \$40 million on the Lower Manawatu Scheme (LMS). This project, like all 'schemes', will be financed by a combination of loans, repayable over 30 years and rates. Twenty percent of the funding from rates will come from the general rate, while the balance will come from specific scheme rates by those who contribute to the flood risk or those benefit from the flood protection.

The LTCCP also recognises that One Plan, designed to provide long term environmental benefits, will have a much longer life than originally envisaged.

This LTCCP is a plan for the uncertain times we live in. It reflects a prudent financial approach, but has taken the sensible strategy to continue to invest in core, highly beneficial projects and services which have significant community support.



A handwritten signature in black ink, appearing to read 'Garrick Murfitt'.

Garrick Murfitt
CHAIRMAN
7 July 2009



A handwritten signature in black ink, appearing to read 'Michael McCartney'.

Michael McCartney
CHIEF EXECUTIVE
7 July 2009