

Report 12.374  
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File CFO/13/02/01-v5

Committee Council  
Authors Bruce Simpson, Chief Financial Officer

## **Anticipated cost of completing Wellington Local Government Review work**

### **1. Purpose**

The purpose of this paper is to advise Council of a budget adjustment of \$65,500 to cover the anticipated cost of completing the Wellington Local Government Review work

### **2. The decision-making process and significance**

The matter requiring decision in this report has been considered by officers against the requirements of Part 6 of the Local Government Act 2002.

#### **2.1 Significance of the decision**

Officers have considered the significance of the matter, taking into account the Council's significance policy and decision-making guidelines. Due to the procedural nature of this decision officers recommend that the matter be considered to have low significance.

Officers do not consider that a formal record outlining consideration of the decision-making process is required in this instance.

### **3. Background**

At a Council meeting on 23 May (Report 12.209) approval was given to fund \$241,000 to cover the cost of completing a review of the Wellington local government governance arrangements. The budget estimate was made on the best information available at the time and well before the initial review panel was brought together.

With the review panel now in place, a thorough review of the anticipated expenditure was conducted. As a result the following additional expense areas were noted:

Additional Panellist costs	29,000
Additional Professional advice	59,000
Additional Printing costs	8,500
Additional Support costs	6,000
Savings in public opinion & focus groups	<u>(22,000)</u>
Net increase	80,500
Less additional Porirua contribution	<u>15,000</u>
Additional GW funding required	<u>\$65,500</u>

The above adjustment results in the following summary position:

The originally approved budget	241,000
Plus additional costs noted above	<u>80,500</u>
	321,500
Less Porirua contribution	<u>( 30,000)</u>
Total GW contribution	<u>\$291,500</u>

The total budget and adjustments are included as attachment 1 to this paper.

#### **4. Source of Funding**

At this early stage in the 2012/13 financial year GW are forecasting income from the investment area to be ahead of budget. It is intended to use part of this additional income to offset the additional panel funding requirements with no net impact on rates for the year.

While technically this adjustment to the panel's budget does not require Council approval, as the work of the panel is of considerable political interest it is considered appropriate in this case that the Council agrees to the proposed budget adjustment.

#### **5. Communication**

No particular communication is anticipated.

#### **6. Recommendations**

*That the Council:*

1. *Receives the report.*
2. *Notes the content of the report.*

3. *Agrees to adjust the budget to \$321,500 for costs associated with the Wellington Region Local Government Review Panel, and notes that Porirua City Council will make a cash contribution of \$30,000 towards the cost.*

Report approved by:

**Bruce Simpson**  
Chief Financial Officer