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Introduction

The Long Term Council Community Plan (Community Plan) sets out the vision and strategic direction for Dunedin city over the next ten years. The plan is based on the community outcomes agreed with the citizens of Dunedin in a planning and visioning process that started in 2002. This process has continued through Community Plans adopted by the Dunedin City Council, following public consultation, in 2003/04 and 2006/07 and now reviewed for 2009/10 -2018/19 this year. The Dunedin City Council is one of many stakeholders involved in establishing a vision for Dunedin city and one of two stakeholders who are legislatively required to produce a Community Plan under the Local Government Act 2002, the other being the Otago Regional Council. The Dunedin City council is legislatively required to promote the economic, environmental, social and cultural well-being of the residents of Dunedin. This means that the Dunedin City Council facilitates the agreement of the well-being outcomes for the city and leads the process of community consultation on outcomes. The outcomes guide the work of the Council and long term planning. A list of stakeholders involved in the well-being and community outcomes processes can be found at the end of the first volume of the plan.

Sustainable Development is an important theme within the Community Plan for 2009/10 - 2018/19 with a sustainable development framework for the Council currently being established. A key directive of the Local Government Act 2002 is that local authorities focus on facilitating sustainable development for people and their environment, by taking a balanced approach to promoting social, economic and environmental well-being for present and future generations. An outline of the proposed framework can be found at the beginning of Volume One.

The Community Plan is published in two volumes this year. The first volume is focused on community outcomes and the vision for the city, with the second volume containing more detailed information about the Dunedin City Council's activities, financial management, policies and planning to assist in achieving the vision laid out in the first volume.

The Community Plan 2009/10 – 2018/19 incorporates the Annual Plan 2009/10 and is effective from 1 July 2009.

This Community Plan document was adopted by the Dunedin City Council on 22 June 2009.

Overview of Volume

This volume of the 2009/10 – 2018/19 Community Plan contains information about the Council's activities and plans for the next ten years. The volume is split into five sections.

Section One provides information about the Council's activities. These are divided into eight broad groups of activities determined by the outcome areas they primarily contribute services under. Each of these eight groups is described in a separate chapter of the section. The individual activities within each group represent a service or group services provided by the Council. For each activity we describe the relationship to community outcomes, the level of service provided, service performance measures, asset management information, service issues, future plans and projects, key achievements, sustainability activity and a summary of financial information at the group level.

Section Two provides financial information relating to the council's activities at a consolidated level. This includes financial forecasts, debt analysis, accounting policies, capital expenditure programmes, information about inflation adjusters and forecasting assumptions risks and uncertainties.

Section Three contains information about the rating method, funding impact statement and funding principles.

Section Four contains summaries of Council policies, including the revenue and funding for each activity, policies on financial significance, investment liability management, partnerships with the private sector, development contributions, rates remission and postponement, Maori capacity to participate in council decision-making, assessment of water and sanitary services, Resource Recovery and Waste Management Strategy 2006 and information regarding Council Controlled Organisations.

Section Five provides Schedules of Fees and Charges and proposed Council grants to community organisations.

Mayor's Introduction



As we plan for Dunedin's future, we must remain confident despite these uncertain times.

In preparing this Long-Term Council Community Plan, the Council acknowledges the challenges ahead as it provides leadership to ensure this vibrant city remains so.

A year can be a long time in the life of local government and bring many changes, as this past year has done. Twelve months ago, few would have predicted the world's economy would have suffered the

major setbacks which have occurred.

The international economic climate and the pressures created by it mean, more than ever, elected members must act judiciously and in the best interests of Dunedin. The challenge for Councillors and the community is to steer a wise course between cautious spending in volatile times and continuing to fund the projects and activities upon which this city's future relies.

As always, there will be a wide range of residents' views on what should be the Council's priorities. There will be people who say the Council should stop spending in every area except its core business - such as water, wastewater and roading.

However, others will say that in tough financial times, it is even more important that central and local government use their ability to stimulate the economy by continuing to fund worthwhile activities and improvements.

I am mindful that during the last recession, building work undertaken by the Council and the University of Otago helped maintain the city's workforce.

Other influencing factors which lie ahead include possible changes to the legislation which governs local authorities. Following last year's general election, we have a new National-led Government. Already this Government is signalling some changes for local authorities, but the principles and details of these changes are as yet unknown.

If central Government wishes to devolve further responsibilities to local government, then we believe it must also provide the funding for those responsibilities to be carried out. Local bodies can no longer shoulder the burden of extra costs, and if these are not met by central

Government, the only alternative is to pass them on to residents.

The Council must keep a positive attitude and still look to, and plan for, the future. This can be done while acknowledging the straitened circumstances felt by sectors of our community.

This year, the forward planning stretches even further as the Council, as required by law, updates its Community Plan, which looks 10 years ahead. This plan sets out how we intend to continue providing essential services and what new projects should be funded.

Much publicity and public feedback has centred on the new multi-purpose, roofed stadium planned for Dunedin.

In February, the Council reiterated its support for the construction of the Awatea Street stadium complex. This decision is subject to a range of conditions, including the commitment of outside funding and the resolution of planning issues.

In coming to this majority view, the Council considered a vast amount of detailed information. Elected members were also very aware of the strong feeling in the community, both for and against the project.

In reaching this decision, the Council has tried to exercise its best judgment across all the issues.

The Council's rates and funding working party will continue to look at ways to reduce ratepayers' share of the capital cost. Despite this, the cost to the ratepayer as outlined in the 2008/09 Annual Plan has not increased due to lower interest rates. This means the owner of an average residential property, worth \$291,000, would pay \$66 annually for the duration of construction and the 20 year loan period.

In supporting this project, the Council is sending a strong signal that it will not let Dunedin falter in the face of hard times. The stadium will not only be a tremendous asset for the years ahead, but will also stimulate the local economy now by creating work for people in the construction sector and for related businesses. More background on the issues can be found on page 9 of this volume.

Other major capital items in the draft plan include the start of stage two of the Tahuna Waste Water Treatment Plant (\$74.5 million) upgrade and work on strategic roading corridors (\$22.7 million). There will also be significant expenditure on the redevelopment of the Otago Settlers

Museum (\$32.5 million), the Dunedin Centre (\$45.3 million) and Logan Park (\$15.7 million).

Ratepayers currently face a 7.0% overall increase in rates in the next financial year. This is made up of a 6.4% rise in general and community services rates, and 7.9% for targeted rates, which includes spending on the Tahuna wastewater improvements.

These increases follow the sustained efforts of both Council staff and elected members to cut costs and limit spending where possible. However, we cannot pare expenditure back to such a point where services suffer and we stop investing in ways to safeguard Dunedin's future prosperity and appeal.

As the Chief Executive discusses in his introduction, in January the Council adopted a set of five sustainability principles which will guide all future decision-making. These will help ensure we leave for future generations a city resilient enough to cope with change and ready to capitalise on opportunities.

I thank those of you who participated in the public consultation on this plan. A list of changes to the Draft Plan brought about by the consultation process can be found in Volume One, page 7. By working in partnership we can be assured Dunedin can continue to rise to the challenges which lie ahead.

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Peter Chin – Mayor

Chief Executive's Introduction



Maintaining essential services and visionary new projects are part of Council planning for the decade ahead.

This is a review year for the Long-Term Council Community Plan, with the Council required to produce a revised plan spanning 2009/10 to 2018/19. The Community Plan identifies the priorities and outcomes sought by the community, and the way these are implemented and measured. It also provides a long-term focus for the Council's decisions and activities.

The Plan outlines the “big picture” and shapes how Dunedin will progress over the next decade.

In preparing this Community Plan, turbulent economic times both globally and nationally have made the task for staff and Councillors even more difficult than usual. The Council does not operate in a vacuum and factors such as construction and labour costs, the exchange rate and oil prices have a major flow-on effect for its activities and spending.

Growing community expectations are frequently coupled with the call for lower rates. The reality is the annual budget cannot be cut without dropping service levels and residents have made it clear that is undesirable.

On behalf of Dunedin residents, the Council is responsible for providing and maintaining long-life assets. As part of this year's plan preparations, the Council took a close look at the three categories of capital expenditure over the next decade - Core Essential, Core Discretionary and Discretionary.

Core Essential services include the provision of water, wastewater and stormwater disposal, roading and Civil Defence. Core Discretionary centres on providing a certain level of service for facilities such as libraries, museums, swimming pools, parks and reserves and economic development funding.

Discretionary activities include community grants, seal extensions and some major projects such as the multi-purpose stadium in Awatea Street and the Logan Park redevelopment.

In considering priorities, the Council has an obligation to not only ensure the safe and efficient provision of essential services, but also to stimulate growth and contribute to residents' sense of well-being.

For these reasons, a diverse range of projects is signalled for the next 10 years. One of the most significant is the planned construction of a \$198 million multi-purpose roofed stadium. As discussed in the Mayor's introduction, the Council has voted to proceed with this project, subject to a range of further conditions being met.

The Council believes the stadium will be a valuable asset for this community and a drawcard to the region. Work continues to limit the cost to ratepayers and to attract as much external funding as possible. More details can be found on Volume 2, Section 1 page 29.

Other major projects signalled include \$74.5 million to install secondary treatment at the Tahuna Waste Water Treatment Plant, \$22.7 million for roading strategic corridors and \$22.6 million for the safety improvements on the Otago Peninsula.

The plan also includes spending \$45.3 million for the Dunedin Centre redevelopment and \$32.5 million for the Otago Settlers Museum upgrade over the next decade.

Acknowledging the challenges ahead for businesses, the Council has increased the Economic Development Unit's Industry Project Fund by \$461,000 from 2009/10 – 2011/12.

Unfortunately, most building consent fees are set to rise as the Council is forced to recoup the cost of meeting more stringent requirements imposed through central Government legislation. Planned increases in resource consent fees have now been scaled back in response to the economic downturn.

In considering the 10-year Plan the Mayor and Councillors paid particular attention to affordability and debt. Before making their decisions they considered the proportion of household income that is needed to service rates in the 70 census area units of the city. They noted that the burden does not shift markedly in percentage terms over the decade but that there are some census area units where the burden is greater. The central Government's rates rebate scheme is available which can provide up to \$530 per annum by way of rates relief on application.

The Council recognises that its ambitious capital expenditure plans over the next three years will cause breaches, albeit modest and short term, in prudential financial ratios. However, it also recognises that no further large projects are planned within the decade, so that by its end, the same ratios will have reduced below the limits. A fuller analysis of the financial overview can be found on page 144 of this volume.

As always, the Council's intention is to make decisions that provide the best choices and results for current residents, without jeopardising resources and opportunities for future generations. In January, the Council approved five sustainability principles to be considered in all its decision-making, as it moves towards a vision of a more sustainable Dunedin.

These principles mean the Council will look at how each project or service fits in terms of efficiency, affordability, environmental care, supporting people and endurance.

Work on the Three Waters Strategy is an example of this thinking. The strategy involves an innovative approach to managing the city's drinking water, wastewater and stormwater by looking at the three systems together.

A draft strategy should be completed by October 2009. The strategy aims to meet the present and future needs of the community in a sustainable way, while also reducing risks associated with climate change.

A 7.0% overall increase in rates is signalled for 2009/10. Rates as a percentage of household income would be 3.1% for the median residential household in Dunedin.*

The Council is aware of the higher rates increases in the first four years compared to later years. Continued efforts will be made to smooth these rate increases.

Consultation on the draft community plan resulted in 812 submissions covering 206 subjects. As a result of the submissions process a number of small changes have been made to this document, including an increase in community grants and events funding and the addition of a new redevelopment project at the Regent Theatre. The new project consists of redevelopment of the fly tower and stage to meet health and safety and touring production requirements. Funding for initial design work and the capital cost of the project is shown in this ten year plan, however the project will be subject to community consultation in next year's 2010/11 Annual Plan consultation and the outcome of fundraising by the Otago Theatre Trust.

The Community Plan now sets out the Council's programme for the next ten years. I look forward to working with the councillors, staff and residents of Dunedin in continuing to improve our city for present and future residents.



Jim Harland – Chief Executive

* Based on the median residential property value of \$250,000 and the median household income from the March 2006 Census, inflated by 3% per annum for three years.

Members of Council and Community Boards

Members Of Council



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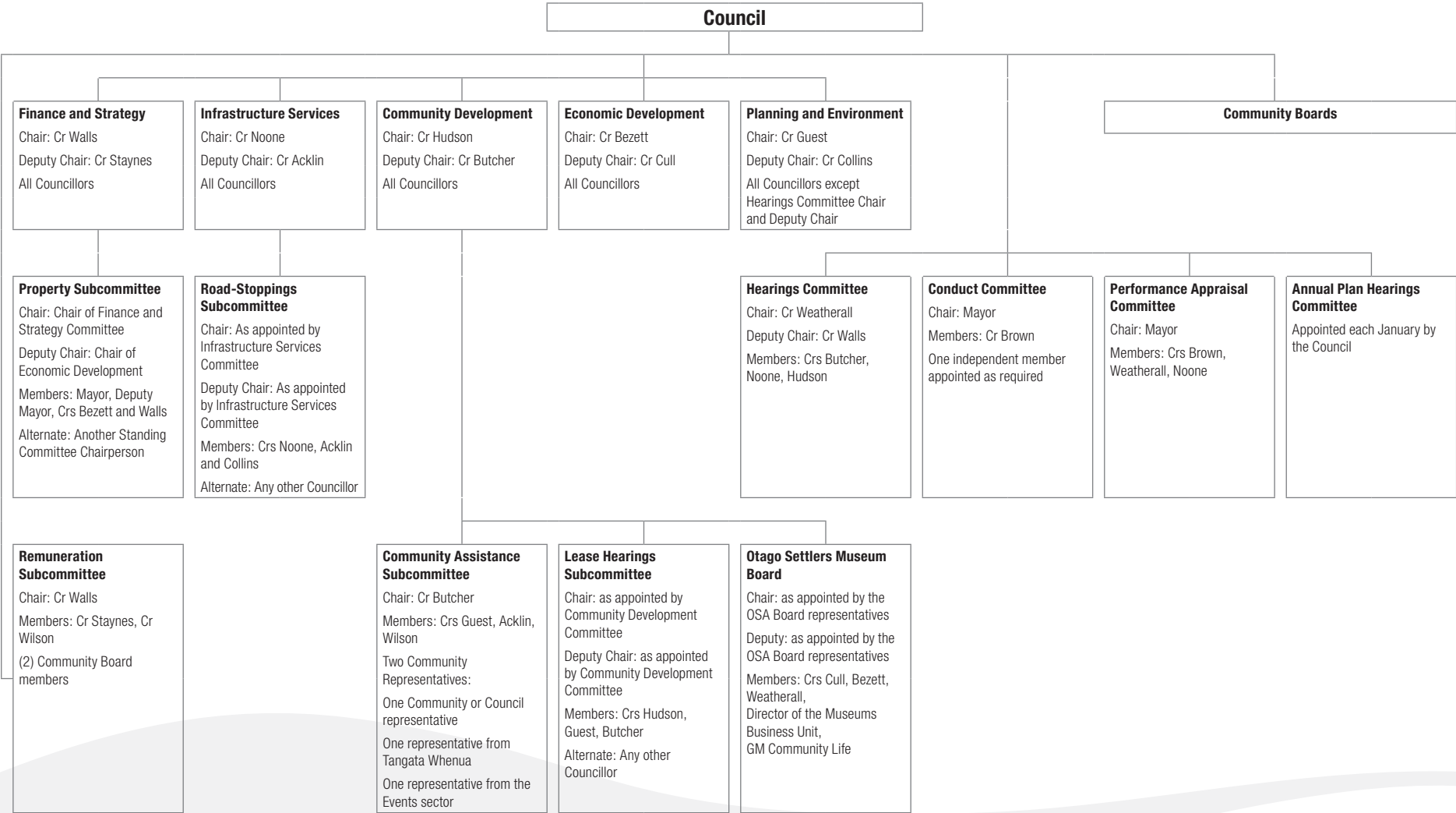


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<i>Mosgiel/ Taieri</i>	Barry Barbour (Chair) 488 4306 (w) 486 1737 (h) 0274 394 615	Chris Adams 489 3916 (w) 489 0347 (h) 0274 331 656	Martin Dillon 489 5277 (h) 0274 337 800	Bill Feather 489 5842 (h)	Vacancy	Sandra Wilson 489 1783 (w) 489 4462 (h) 0274 894 462	Cr Syd Brown 489 5601 (h) 027 436 0104
<i>Otago Peninsula</i>	Irene Scurr (Chair) 454 6198 (h) 021 188 9807	Bill Allen 476 1960 (h)	John Bellamy 476 1606 (w) 476 1483 (h)	Christine Garey 478 1133 (h) 0274 478 876	Natalie Karaitiana 478 1033 (h) 027 316 2018	Lox Kellas 478 0209 (h) 027 248 9789	Cr John Bezett 454 3493 (h) 477 9046 (w)
<i>Saddle Hill</i>	Keith McFadyen (Chair) 481 1333 (h) 0274 448 913	Ernie Ball 456 3354 (h)	Pamela Jemmett 479 8447 (w) 489 0453 (h) 027 452 4199	John Moyle 488 2317 ext 5 (w) 488 0651 (h) 027 230 7779	Jonathan Usher 477 1994 (w) 489 8681 (h) 021 462 442	Scott Weatherall 481 1766 (h) 027 440 4700	Cr Colin Weatherall 481 1487 (h) 481 1887 (w) 021 717 070
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Council Structure



Dunedin City Council Organisational Chart

