REGULATORY SERVICES - DRAFT OPERATING BUDGET 2026/27

Department: Corporate and Regulatory

EXECUTIVE SUMMARY

1 This report provides an overview of the operating budgets for the Annual Plan 2026/27 for the Regulatory Services Group, as shown at **Attachment A**. A draft funding impact statement is shown at **Attachment B**. The following activities are provided for:

- Building Services
- Compliance Solutions
- Parking Services (Enforcement)
- Resource Consents

2 A schedule of proposed fees and charges for the 2026/27 year is also presented at **Attachments C and D**.

3 This report asks the Council to adopt the draft operating budget for the purposes of developing the Annual Plan 2026/27.

RECOMMENDATIONS

That the Council:

a) **Adopts** for the purposes of developing the Annual Plan 2026/27:

i) The draft 2026/27 operating budget for the Regulatory Services Group as shown/amended at Attachments A and B.

ii) The draft 2026/27 fees and charges schedules for the Regulatory Services Group as shown/amended at Attachment C and D.

OPERATING BUDGETS

4 The 2026/27 draft operating budget is $23.153 million. This is an increase of $758k (3.4%) from the 2025/26 year. The following sections explain the revenue and expenditure changes from the previous year.

Rates revenue

5 Rates revenue increased from $6.037 million to $6.316 million, an increase of $279k (4.6%).

External revenue

6 External revenue has increased from $15.930 million to $16.397 million, an increase of $467k (2.9%), primarily driven by increased parking infringement charges of $360k (11.3%) and LIM fees increase of $44k.

7 Towage revenue has increased by $21k (237%) due to increased towage volume and fees (set by legislation).

8 Dog Registration fees have increased by $41k (2.7%).

Expenditure

Personnel costs

9 Personnel costs have increased from $13.352 million to $13.748 million, an increase of $396k (3.0%), reflecting a general salary increase.

Operations and maintenance costs

10 Operations and maintenance costs have increased from $786k to $841k, an increase of $55k (7.0%), primarily due to an increase in Parking Services towage costs by $32k due to a higher than expected number of towed vehicles and an increase to the abandoned vehicle removal contract of $6k.

Consumables and General Costs

11 Consumables and general have increased from $1.804 million to $1.950 million, an increase of $146k (8.1%). Resource consent compliance expenditure has increased by $166k (42.8%) due to the requirements for planning consultants, with $240k added to align with actual activity costs. This is being partially offset by reduced spending in legal fees of $75k.

12 Parking services (enforcement) expenditure has increased by $48k (4.8%) driven by an increase to postage of $113k (149%) due to licence plate recognition (LPR) infringements being posted. This is partially offset by court lodgement fee costs reducing by $80k (18.8%). Debt collection commission fees are reduced by $31k (31%), reflecting actual costs.

Internal charges

13 Internal charges have increased from $6.126 million to $6.292 million, an increase of $166k (2.7%), reflecting a CPI increase to corporate charges.

FEES AND CHARGES

14 Fees and charges for the Regulatory Services Group have generally increased by 2.5-4.0%. There are some exceptions:

a) Alcohol licencing and environmental health fees are unchanged, as set by legislation.

b) Animal Services daily sustenance charges have increased by 50% to $15 per day to account for time spent by Animal Control Officers.

c) The removal of abandoned vehicles fee has increased by 292% to $200, to reflect actual towing costs.

d) Producer Statement Authors registration and renewal fees have increased by 20% to $180. This is the first increase in seven years, and still compares favourably to costs charged by other Councils.

15 New Building Services fees for non-consented, stand-alone dwellings have been introduced, which relate to new legislation on granny flats.

16 New Resource Consents monitoring fees have been introduced, which account for changes from the Resource Management (Consenting and Other System Changes) Amendment Act 2025. New fees have also been introduced relating to site contamination searches for multiple sites.

Signatories

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Attachments

	Title	Page
A	Draft Operating Budget 2026/27	
B	Funding Impact Statement - Regulatory Services	
C	Draft 2026/27 fees and charges - Building Schedule B	
D	Draft 2026/27 fees and charges - Regulatory Services	

SUMMARY OF CONSIDERATIONS

Fit with purpose of Local Government

This decision enables democratic local decision making and action by, and on behalf of communities, and promotes the social, economic, environmental and cultural well-being of communities in the present and for the future.

Fit with strategic framework

	Contributes	Detracts	Not applicable
Social Wellbeing Strategy	✓	☐	☐
Economic Development Strategy	☐	☐	✓
Environment Strategy	✓	☐	☐
Arts and Culture Strategy	☐	☐	✓
3 Waters Strategy	☐	☐	✓
Future Development Strategy	✓	☐	☐
Integrated Transport Strategy	☐	☐	✓
Parks and Recreation Strategy	☐	☐	✓
Other strategic projects/policies/plans	✓	☐	☐

The Regulatory Services Group activities primarily contribute to the objectives and priorities of the above strategies.

Māori Impact Statement

Council budgets impact broadly across all Dunedin communities, including Māori. The adoption of Te Taki Haruru – Māori Strategic Framework signals Council's commitment to mana whenua and to its obligations under the Treaty of Waitangi. Mana whenua and matāwaka will have the opportunity to engage in the Annual Plan 2026/27 consultation process.

Sustainability

The Annual Plan 2026/27 is not proposing any changes to that provided for in the 9 year plan 2025-34. Major issues and implications for sustainability are discussed in the Infrastructure Strategy and financial resilience is discussed in the Financial Strategy of the current 9 year plan 2025-34.

LTP/Annual Plan / Financial Strategy /Infrastructure Strategy

This report provides draft budgets for the Regulatory Services Group for inclusion in the Annual Plan 2026/27.

Financial considerations

Financial considerations are detailed in the report.

Significance

The 9 year plan 2025-34 budgets were considered significant in terms of the Council's Significance and Engagement Policy, and were consulted on. Variations to those budgets are discussed in this report. The draft budgets will be included in the Annual Plan 2026/27 and will be consulted on.

Engagement – external

There has been no external engagement in developing the draft budgets for the Regulatory Services Group.

SUMMARY OF CONSIDERATIONS
Engagement - internal Staff and managers from across Council have been involved in the development of the draft budgets.
Risks: Legal / Health and Safety etc. There are no identified risks.
Conflict of Interest There are no known conflicts of interest.
Community Boards Community Boards will have an opportunity to engage in the Annual Plan 2026/27 consultation process.