

Introduction



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What is a Long Term Plan?

The 2015/16 – 2024/25 Long Term Plan sets out the Council's financial strategy for the next 10 years and contains information on the changes the Council plans to make to achieve this strategy, how we will measure our performance, the projects that the Council plans to carry out over the next 10 years and financial information including draft budgets, funding sources and changes to rates. The 2015/16 – 2024/25 Long Term Plan (LTP) also contains the Annual Plan for the 2015/16 year with information on fees and charges for the 2015/16 year. An LTP is a public accountability document and provides a basis for the community to assess their Council's performance.

An LTP is prepared and consulted on under the Local Government Act 2002 special consultative procedure every three years. An Annual Plan is prepared in each of the intervening years. The Annual Report for each year closes the planning loop by reporting back against the appropriate year's Long Term Plan or Annual Plan.

Amendments made to the Local Government Act 2002, in August 2014, resulted in new consultation processes and changes to the draft LTP documents used for public consultation and added new content requirements.

- Councils were required to prepare a 30 year infrastructure strategy for water supply, sewerage and the treatment and disposal of sewage, stormwater drainage, flood protection and control works, the provision of roads and footpaths. Note: flood protection and control works is not a service provided by the Dunedin City Council.
- Councils were also required to develop and adopt a Significance and Engagement Policy by 1 December 2014. This policy replaced the previously required Significance Policy.
- Councils must include for each year of the 10 year plan the projected number of rating units within the local authority at the end of the preceding financial year.
- A consultation document replaced the draft long term plan and summary documents and took a more tightly focused approach to the communication of major LTP issues to the community.
- The special consultative procedure was altered to allow Councils to use methods other than formal written submissions and hearing to obtain feedback during the LTP consultation period.

Structure of the LTP documents

The LTP is published in two volumes.

Volume 1 contains:

- An introduction from the mayor
- Introductory information about the Council and its structure
- The independent auditor's report on the LTP
- Section 1 of the LTP, Major Issues and Strategies.

Section 1 provides an overview of the major issues faced by the city and the Council. This includes a summary of the major issues consulted on with the community and the results of this consultation process. There is also a city profile with demographic and socio-economic information on the city; an outline of the Council's strategic framework, including the city vision and community outcomes; and full versions of the Financial Strategy and the newly required 30 year infrastructure strategy.

Volume 2 contains:

- Sections 2-7 of the LTP.

These sections provide more detailed information about the Dunedin City Council's activities, financial management, and the policies and planning to achieve the city vision and manage the issues set out in Section 1 of the LTP.

The LTP was adopted by the Dunedin City Council on 29 June 2015.

Introduction from the Mayor

Developing Dunedin's annual budget involves a balancing act between affordable rates, debt reduction and investment in enhanced city facilities and services for the future. Additionally a Long Term Plan (LTP) involves planning in order to spread those more or less evenly over a 10 year time frame.

On that basis, the draft budget the Council put out for consultation in March 2015 proposed a 3.8% rates increase for the next financial year. That was higher than our 3% limit because of two factors – a reduction in dividends from the Council owned companies and a different way of funding the Forsyth Barr Stadium. The Council decided that the spending that made up the 3.8% rise was all essential if the city was to maintain services and take advantage of the opportunities like the Gigatown win, the UNESCO Creative Cities of Literature designation and accelerating the Portobello Rd safety improvements.

Also included in the consultation document were a couple of unfunded items the Council was sympathetic to, but which it felt it didn't have funding for. They were the proposed Taieri aquatic centre and the University of Otago Oval cricket lights. The Council specifically asked for feedback on these projects.

Between developing the proposed LTP in January and hearing community feedback in May, much more was achieved. Among other things our Arts and Culture Strategy was signed off, more research and analysis was done on the aquatic facility plans and Otago Cricket submitted a new funding proposal. Additionally Council's full past year financials were crystalized. Operational efficiencies and lower debt draw-downs, including \$1.8 million savings in interest - a result of strenuous staff budgetary efforts – provided Council with more financial leeway – some \$2 million.

There were three broad ways that money could be used. The first is debt repayment.

Our current Financial Strategy calls for any savings or underspend be considered first for debt repayment. However under the Council's debt repayment programme the city holds no debt beyond a 20 year timeframe and some of it will be repaid sooner than that. We are already repaying debt at a steady rate with a target of reduction to \$230 million by 2021. In the coming year for instance we will pay off \$7 million.

If the Council even more aggressively increased that repayment it would lose other opportunities.

The second option is a reduced rates rise. For context, the 20 year average movement in the Local Government Cost Index – that's the costs faced by local government - has been 3%. This differs from the Consumer Price Index (CPI) because the Council is buying

concrete, bitumen and pipes, rather than groceries. So a 3% rate rise simply keeps us where we are. Generally if we want to invest in, enhance and improve the city we will need to go above that.

If our only aim is to keep rates rises down we would only be looking at costs, not the value of investing in the city.

The third option is community investment.

If we want to make Dunedin an attractive place to work, live, study and visit, modest investments will be necessary.

The Council chose community investment - spreading the funding across some previously unfunded projects – funding (with conditions) for the cricket lights, towards concept development for the Taieri Aquatic Centre and resourcing the Arts and Culture Strategy.

All these projects are investments in the development of the city. The sped up work on the Portobello Road safety improvements will actually save money over the term of the project, is an investment in safety and a key piece of tourist infrastructure.

Accelerating the upgrade of the city centre protects and supports the vitality of downtown retailing and commerce.

All of the new spending that was put in place following submissions has been funded from savings identified during the course of the year. The rates increase that was signalled at 3.8% was held. That enables the Council to maintain affordability – a substantial portion of our community is on fixed incomes – with modest investment.

Over the last three to four years the Council has reined in spending, kept rates increases below where they were projected to be and push a more aggressive debt repayment programme than before.

For the coming years we have also been able to start investing in community infrastructure as well – enhancing our city “offering” for both existing citizens and for the new citizens, visitors and businesses we want to attract.



Dave Cull | Mayor of Dunedin

Members of Council and Community Boards

Members of Council



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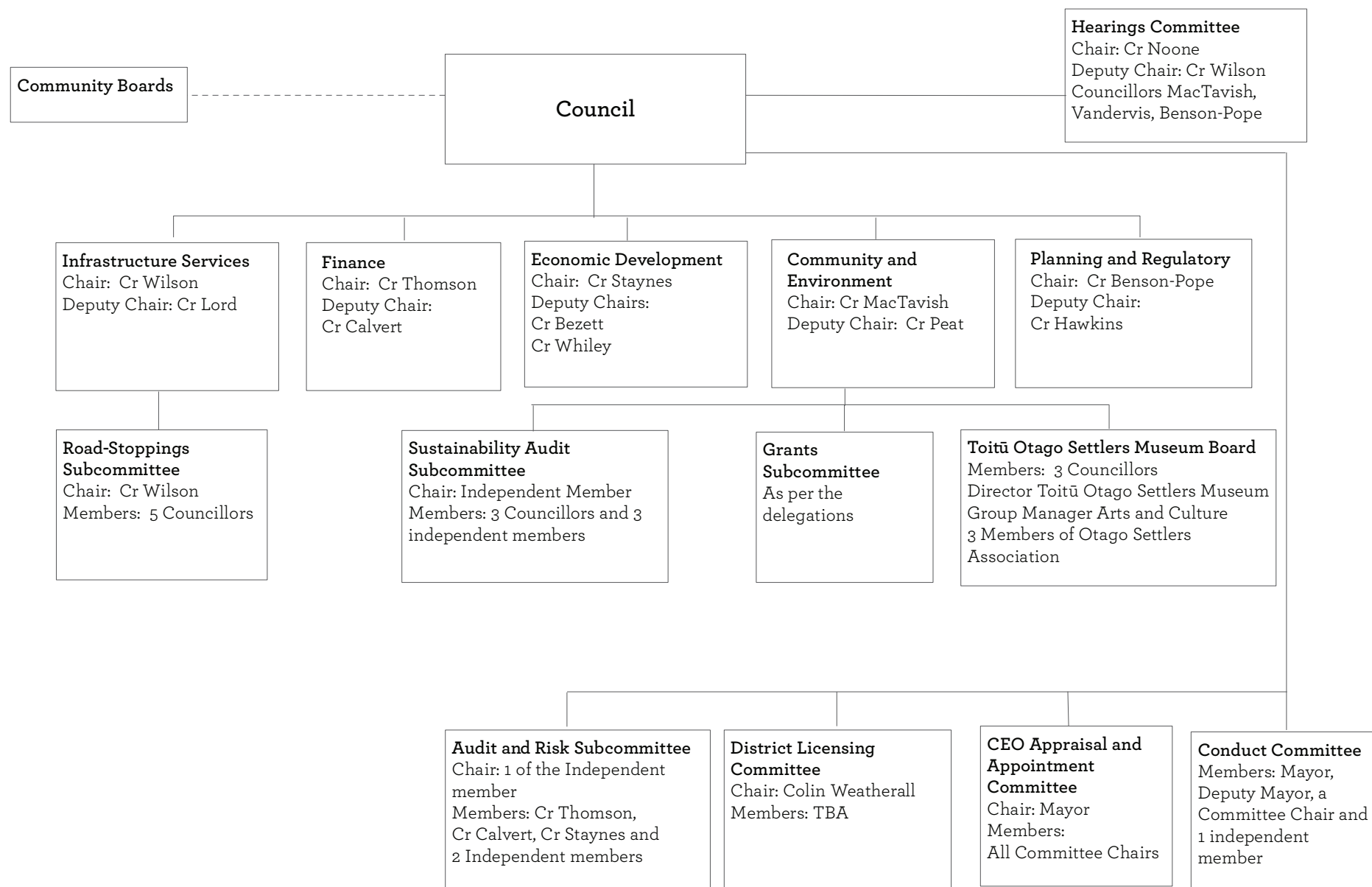
Community Board Members

Chalmers	Mosgiel/Taieri	Otago Peninsula	Saddle Hill	Strath Taieri	Waikouaiti Coast
Steve Walker (Chair) H: 472 8409	Bill Feather (Chair) H: 489 5842 M: 027 598 1011	Christine Garey (Chair) H: 478 1133 M: 027 447 8876	Scott Weatherall (Chair) H: 481 1766 M: 027 440 4700	Barry Williams (Chair) H: 464 3718	Gerard Collings (Chair) H: 465 7604 W: 470 7494 M: 027 484 8800
Mel Aitken M: 021 190 5754	Blackie Catlow H: 486 1102 W: 489 4456 M: 027 489 4456	Lox Kellas H: 478 0209 M: 027 248 9789	Pam Jemmett H: 489 0453 W: 479 8447 M: 027 452 4199	Russell Anderson H: 489 1470 M: 027 224 8034	Mark Brown H: 482 2833 W: 482 2011
Peter Cole H: 472 7505 M: 021 025 42108	Martin Dillon H: 489 5277 M: 027 433 7800	Hoani Langsbury H: 478 0906 W: 478 0352 C: 027 430 6025	Keith McFadyen H: 481 1333 C: 027 444 8913	Bevan Dowling H: 03 444 4745	Alasdair Morrison H: 482 2505 M: 027 435 4384
Trevor Johnson H: 471 0632 C: 027 284 8611	Sarah Nitis H: 484 7632 M: 027 5433 903	Christine Neill H: 478 0878 M: 027 223 4824	John Moyle H: 488 0651 W: 488 2317 ext. 5 M: 027 230 7779	Karen Dunn H: 464 3176 M: 021 084 38832	Richard Russell H: 465 7663 M: 021 444 421
Ange McErlane H: 472 7873 M: 027 438 0601	Maurice Prendergast H: 489 8612 M: 027 434 5545	Paul Pope H: 478 0630 M: 027 466 8446	Leanne Stenhouse H: 481 1400 M: 021 117 5195	Noel Matthews H: 464 3755 M: 027 251 0049	Tracey Scurr H: 465 8204 W: 465 7953 M: 027 497 8032
Raewynne Pedofski H: 472 8551 W: 472 7789 M: 027 201 4386	Mark Willis H: 489 4531 M: 021 990 032	Edna Stevenson H: 478 0543 M: 027 478 0543	Jonathan Usher H: 489 8681 M: 021 462 442	Joan Wilson H: 464 3473 M: 027 454 3620	Geraldine Tait H: 482 2517 M: 021 217 5492
Cr Andrew Noone H: 465 7157 M: 027 430 1727	Cr Kate Wilson H: 464 3797 M: 027 443 8134	Cr Neville Peat H: 478 0803	Cr Andrew Whiley H: 454 2262 M: 027 465 3222	Cr Mike Lord H: 486 2730 M: 027 438 0297	Cr Andrew Noone H: 465 7157 M: 027 430 1727

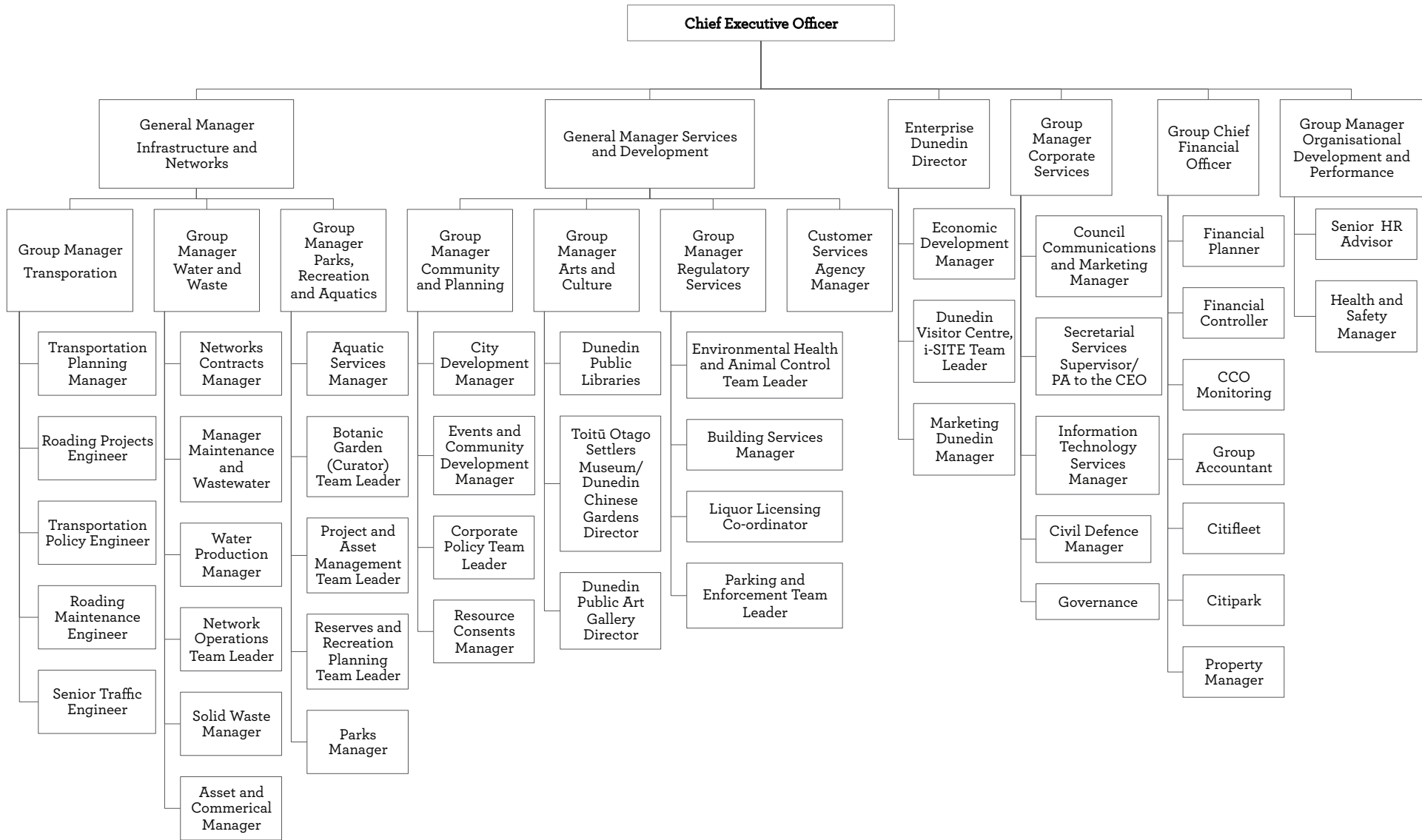
Dunedin City Map – Central Dunedin and Community Board Boundaries



Council Committee Structure



Dunedin City Council Organisation Chart



Audit Opinion

To the reader

Independent auditor's report on

Dunedin City Council's 2015-25 Long Term Plan

I am the Auditor General's appointed auditor for Dunedin City Council (the Council). Section 94 of the Local Government Act 2002 (the Act) requires an audit report on the Council's Long Term Plan (the plan). I have carried out this audit using the staff and resources of Audit New Zealand. We completed the audit on 29 June 2015.

Opinion

In my opinion:

- the plan provides a reasonable basis for:
 - long term, integrated decision making and coordination of the Council's resources; and
 - accountability of the Council to the community;
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on Section 3, pages 191 to 194 (Volume 2) represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 and accurately reflect the information drawn from the Council's audited information.

Uncertainty about achieving the total savings in the Long Term Plan

Without modifying our opinion, we draw your attention to the fact that the Council needs to find approximately \$101 million of savings and efficiencies throughout the 10 year period of the long term plan to meet its aim of keeping rate increases within 3% and to complete its planned renewal programme.

On pages 3 to 6 of Section 1 of the Long Term Plan, the Council discusses the major issues it faces over the life of the plan and how it plans to address them.

Within this discussion, the Council outlines that the level of rates it has forecast in the Long Term Plan exceed its desired 3% limit on rates increases, in seven out of 10 years of the plan. There is a gap of \$74 million of savings required from 2016/17 to enable forecast rates to be reduced to come within the Council's desired 3% limit. This is set out in Table 1 on page 3 of Section 1 of the Long Term Plan.

The Council also outlines the significant level of renewals required over the next 30 years and the need to catch up on an estimated \$60 million backlog of renewals in the water and waste area. This includes assets that have exceeded their useful lives and are/or are not capable of delivering suitable service levels. The Council has forecast extra spending over the next 30 years, but there is still a gap (\$88 million) between the Council's proposed funding levels (\$612 million) and the theoretical cost of the renewals needed (\$700 million). The Council notes that it expects that, through a combination of refining cost assumptions and delivering projects for less money, it can close the 16% gap between theoretical and actual cost to allow the backlog of renewals to be caught up by 2039/40. This gap totals \$27 million over the 10 years of the Long Term Plan.

The Council is committed to consulting the community if the 3% rates target cannot be met without reducing services or where it considers "exceptional circumstances" require a rate greater than 3%.

We draw your attention to these matters because, if the Council is not able to realise such savings, it may well adversely impact on rates, levels of service, and debt projections.

In drawing your attention to these uncertainties, we are not commenting on the merits of the content that they reflect. We consider the disclosures in the Long Term Plan to be adequate.

This opinion does not provide assurance that the forecasts in the plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee complete accuracy of the information in the plan.

Basis of Opinion

We carried out our work in accordance with the Auditor General's Auditing Standards, relevant international standards and the ethical requirements in those standards.

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate audit procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our audit procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;

- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face over the next 30 years;
- the information in the plan is based on materially complete and reliable asset and activity information;
- the Council's key plans and policies have been consistently applied in the development of the forecast information;
- the assumptions set out within the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted and complies with generally accepted accounting practice in New Zealand;
- the rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the plan;
- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and
- the relationship between the levels of service, performance measures and forecast financial information has been adequately explained within the plan.

We did not evaluate the security and controls over the electronic publication of the plan.

Responsibilities of the Council and auditor

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures and other actions relating to the preparation of the plan;
- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the preparation of a plan that is free from material misstatement.

I am responsible for expressing an independent opinion on aspects of the plan, as required by sections 94 and 259C of the Act. I do not express an opinion on the merits of the plan's policy content.

Independence

We have followed the independence requirements of the Auditor General, which incorporate those of the External Reporting Board. Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council or any of its subsidiaries.



Ian Lothian

Audit New Zealand

On behalf of the Auditor General, Dunedin, New Zealand



Section 1 – Major Issues and Strategies

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Introduction

This section provides the economic, social, cultural and environment context for the LTP. The major content pieces include the major issues that were consulted on with the public during the LTP consultation and the results of consultation and decision-making, a summary of the Council's strategy framework and approach to sustainability and a profile of the city, the Council's financial strategy, the Council's 30 year infrastructure strategy and an update on Maori capacity to participate in decision-making. Background related to the Council's overall direction is given by the summary of the Council's strategy framework and approach to sustainability. The profile of the city provides demographic, social and economic information about life in Dunedin and identifies some of the challenges and opportunities faced by the city.

Underpinning all of this is the purpose of local government as stated in the Local Government Act 2002:

- (a) to enable democratic local decision-making and action by, and on behalf of, communities; and
- (b) to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

This purpose is taken into consideration during the development of and in decision-making on the LTP.

Major Issues

The Council consulted on a number of major issues, all of which were intrinsically linked to the financial strategy, the newly required 30 year infrastructure strategy and balancing affordability against the need to continue to take the city forward.

The issues consulted on included the Council's approach to debt management, setting limits on future rates increases, funding of infrastructure renewals expenditure, implementation and funding of decision-making regarding the continued operation of the stadium, issues arising from the development of the infrastructure strategy, funding options for major projects and gauging public opinion about possible funding of new unfunded projects. These issues were described in the consultation document along with options for managing them. A questionnaire was included in the submission form to capture community opinion. The results for the questionnaire are shown later in this section. A copy of the consultation document can be found on the Council website, www.dunedin.govt.nz.

Financial Strategy

When the Council makes a spending decision it must weigh affordability against a range of expenditure needs and obligations around maintaining, renewing and upgrading the core infrastructure it already has, as well as looking to meet community aspirations for new and improved community infrastructure.

None of these decisions can be taken in isolation and that is where the DCC's overarching Financial Strategy is needed. It outlines key financial targets for the Council to meet as it weighs spending decisions in an environment of financial constraint.

Dunedin has come through an intensive period of capital projects and improvements, such as the Forsyth Barr Stadium, Toitu Otago Settlers Museum, Dunedin Town Hall and convention facilities, and extensive water and waste water upgrades. All these projects have pushed up debt levels but the city is now moving into a phase where the focus is on debt reduction.

Two key tenets of the strategy are setting limits on future rates increase and debt levels. The foundation for managing these parameters were laid out in the Financial Strategy developed for the previous LTP.

The Council's stated aim is to keep rate increases as affordable as it can and to only exceed a self-imposed 3% per annum maximum increase in exceptional circumstances. The coming financial year is an example of this with the Council setting a 3.8% rate increase reflecting two main issues – a different way of funding the Forsyth Barr Stadium and reduced income from Dunedin City Holding Limited (DCHL).

How we plan to meet our commitment

Table 1 shows the savings required to be made in order to deliver on the proposed rates increase limit compared to the forecast rates. At present the 10 years of the plan involve a rate increase greater than 3% in seven years and we would need to take \$74 million out over the 10 years.

Table 1: Proposed rates and rates increase limit/forecast rates and rates increase limit comparison

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Quantified Rates Limit \$ million	130	134	138	142	146	150	155	160	165	170
Proposed Rates Increase Limit %	3.8%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Forecast Rates \$ million	130	136	143	149	154	161	165	171	175	180
Forecast Rates Increase %	3.8%	4.9%	5.0%	4.0%	3.9%	4.5%	2.3%	3.9%	2.3%	2.7%
Savings Required \$ million per annum	0	2	5	7	8	11	10	11	10	10

For the past three years, 2012/13 – 2014/15, we have met the limits in rates increases set out in the previous Financial Strategy, despite predicted rates rises being much higher. This means that rates are \$19 million less than they would have been without the savings that the Council directed be made.

The proposed rates rises are just that – they are not set in stone. Each year the Council reviews its budgets and will continue to take a hard look at what we do and how we do it, including how we buy goods and services and whether there are better ways to provide services to the public at a lower cost. It is envisaged the savings found will mean rates rises fit within the proposed limits.

To reach the limits we will:

- generally not inflation adjust budgets where possible
- continue to seek efficiency gains
- to use Council's assets in a more efficient manner
- find ways to increase revenue
- assess the costs and benefits of all Council investments to ensure we are maximising their return
- make sales of surplus assets that are not required for any strategic purpose.

And – if we think there are 'exceptional circumstances' or we cannot make the target without reducing services – we will consult with the community. This will be done via an annual plan consultation process, with the circumstances and related issues described in the consultation document.

The level of rates increases depends on what the community wants in the way of services and facilities. Adding new projects and lifting service levels add costs which usually have to be passed on through rates rises. Trying to meet growing community expectations can lead to forecast rates increases which are higher than our self-imposed limits. When this happens, we are also committed to having a conversation with our residents about this.

The Council proposed one key change to the Financial Strategy parameters, regarding the target level for total debt by 2021. This would be lifted from \$200 million to \$230 million to account for the transfer of \$30 million debt to the Council from Dunedin Venues Limited (DVL) – the owners of the Forsyth Barr Stadium – to leave them with a more realistic level of debt. This move has no overall effect on the Council's group debt.

The alternative option was to bring forward the \$230 million target to 2019 but that would have required lifting the rate increase limit to 4% per year rather than the current 3% per year. This would have allowed 1% each year to be applied to debt repayment.

Under the Financial Strategy the capital expenditure emphasis will now be on infrastructure assets renewals, such as renewing and upgrading Dunedin's underground waste water system which is more than 100 years old in places. The Council proposed that this should be funded out of rates, rather than borrowing.

The Council has also committed to running an operating surplus of greater than zero over a moving three year period. This means ensuring operating revenues meet operating expenses. The Council also intends to fund all depreciation from its operating budget.

Investments held by the Council, through DCHL and city property investments, along with the equities and fixed interest deposits held by the Waipori Fund, are designed to provide a long term revenue stream that is higher than the cost of debt. This produces a net financial gain to the city, which in turn provides a subsidy to rates.

Infrastructure Strategy

Providing essential infrastructure such as roads, footpaths, water supply and waste water and stormwater services – collectively called 3 Waters – is a core part of Council activity. Dunedin's aging infrastructure means careful, strategic asset renewal is needed, along with well-planned maintenance.

By developing a 30 year Infrastructure Strategy as part of the LTP, Council was able to take a long term strategic view and provide greater certainty for financial planning by outlining when operational and capital spending is most likely to be needed during that time. A full copy of the Infrastructure Strategy can be found later in this section.

The forecast expenditure will keep service levels where they are, so any additional services would increase costs or require other work to be reprioritised. Any unexpected events, requiring unplanned spending on assets, would have to be managed in a similar way.

The Infrastructure Strategy highlighted a backlog of an estimated \$60 million worth of renewals in the 3 Waters area, due to the number of assets that have become due for renewal in a short period of time. These include cast iron water mains built in the 1920s and 30s which are not delivering suitable water pressure, and earthenware sewer pipes dating back to the early 1900s.

The Council's preferred approach to managing this is to step up spending over the next eight years and then hold it at that level until 2033. Spending will step up from \$11.7 million to \$22.2 million. This change will allow the Council to catch up the renewals backlog and manage any expenditure peaks and troughs in the longer term.

Even with this extra spending there is still a gap (\$88 million) between the Council's proposed funding levels (\$612 million) and the theoretical cost of the renewals needed (\$700 million). It is expected that, through a combination of refining cost assumptions and delivering projects for less money, the Council can close the 16% gap between theoretical and actual cost to allow the backlog of renewals to be caught up by 2039/40. The Council acknowledges the risk surrounding this and a significant forecasting assumption regarding closing the gap has been included in the LTP. The audit opinion in the consultation document noted the quantum of savings required across the 10 years of the plan as an emphasis of matter.

We are confident that the funding gap can be closed through a combination of reviewing the cost assumptions to reflect packaging of procurement, network rationalisation and programme optimisation, as well as by delivering projects at reduced cost through smarter procurement and multi-service projects (including place-based planning) which will enable smoothing of the required spend. Furthermore, the market has been primed for the delivery of increasing capital works programmes. Over the next one to two years, as further condition assessment continues to improve our knowledge and efficiencies of a new structure are bedded in, our ability to meet the 16% target and therefore catch up the backlog by 2040 will become clearer.

Stadium

A review of the operation and ownership of the stadium leading up to the drafting of the LTP highlighted a range of issues that needed to be resolved.

Stadium budgets were too optimistic and required annual ratepayer top ups. The level of rent payments, amount of debt and a lack of funding for future asset renewals had to be addressed.

The Council proposed making a suite of changes including making the stadium's owners, Dunedin Venues Limited (DVL), and the stadium operators, Dunedin Venue Management Limited (DVML), subsidiaries of Dunedin City Holdings Limited (DCHL), reviewing the rent charged to the operator, DVML, transferring \$30 million of debt to the DCC and making an allowance of \$10.5 million for maintenance and renewals over the next 10 years from 2015/16 to 2024/25.

In summary, the following changes were proposed and have now been confirmed by the Council.

- Dunedin Venues Limited (DVL – the stadium owner), and Dunedin Venues Management Limited (DVML – the stadium operator), become subsidiary companies of Dunedin City Holdings Limited (DCHL). In addition, their boards will be restructured and made independent. These changes will clarify responsibilities and lines of accountability and provide the commercial focus required to run the Stadium. This means that the governance arrangement for the Stadium companies will be consistent with all other Council companies.
- The current rent charged to DVML is \$4 million a year. The rent will be reviewed to ensure it is set at a market level with the expectation of a rent reduction.
- The current level of debt sitting with DVL (the Stadium owner) is too high and unsustainable for a company owning this type of asset. Therefore, \$30 million of debt will be transferred from DVL to the Council; reducing DVL's debt to equity ratio (an accounting ratio) to a more appropriate amount.
- An allowance is made in the budget of \$10.5 million for maintenance and renewals, spread over 10 years between 2015/16 and 2024/25.

The Council's aim is to have the \$30 million of stadium debt repaid by 2031. The Council has taken a staged approach to achieve this. From 2015/16 to 2021/22 the ratepayer contribution towards the Stadium will be \$11,350,000. At this level, the \$30 million of Stadium debt would be repaid over a 20 year term. From 2021/22 to 2030/31, the ratepayer contribution increases to \$12,150,000 annually. This increase in ratepayer contribution applied to Stadium debt from 2021/22 enables debt to be repaid over a 16 year period (namely by 2031) but allows for smoothing of the rate increases over the period of the LTP budgets.

Other options were consulted on, including closing down and demolishing the stadium. This option was ruled out by the Council.

The other main option available was to stick with the status quo which would have left the stadium owners and operators continuing to need unbudgeted annual ratepayer top ups to meet unrealistic budgets.

Other Consultation Items

The Council asked for feedback from the community on potential changes to funding for several major projects and on several items that were of significance to the community, some of which were not funded in the draft LTP budget.

Funding Options for Major Projects

The Council asked for feedback from the community on potential changes to funding for several projects.

- Central City Plan
- Strategic Cycle Network
- Portobello Road Safety Improvements
- South Dunedin Community Complex
- Funding for City of Literature initiatives
- Funding for the implementation of the Gigatown Plan
- Funding for Otago Museum Projects
- Support for the Dunedin Hospital Therapeutic Pool.

Unfunded Projects

The Council asked for feedback from the community on potential funding for several unfunded projects.

- Upgrading of aquatic facilities in Mosgiel
- Installation of lighting for cricket games at the University of Otago Oval
- Transport safety and accessibility projects in the Mosgiel Town Centre and the University and Polytechnic area.

The results of the LTP consultation and decision making processes are described in the next part of this section.

Results of Consultation

Consultation on the LTP was undertaken between Saturday 28 March and Tuesday 28 April 2015.

During this time 2,178 submissions were received from the public. This is the largest number of submission the Council has received during a draft annual plan or LTP consultation. Comparisons with previous years are shown below.

Consultation	Number of Submissions Received	Number speaking at Hearings
2015/16 – 2024/25 Draft Long Term Plan	2,178	147
2014/15 Draft Annual Plan	1,119	176
2013/14 Draft Annual Plan	262	108
2012/13 – 2021/22 Draft Long Term Plan	1,024	200

Submitters made a total of 3,074 comments on 158 different topics.

The Council received large numbers of pro-forma forms on two topics – Unfunded Aquatic Facilities in Mosgiel – Four New Pool option (around 1,000 hard copy forms) and Portobello Road Safety Improvements – Acceleration of the project (430 on line pro-forma submissions).

During the consultation period nine consultation events were held (public meetings or pop up stalls at public events or shopping centres). This resulted in 849 one to one contacts between the community and elected members. Comments received at these events were provided to the Councillors to inform the deliberation process, along with 55 comments received via social media and the results of a Peoples' Panel Survey on LTP issues completed by 177 panel members.

The LTP submission form contained a questionnaire section with 16 questions relating to the options for the major issues and projects noted in the LTP consultation document and 2,093 submitters chose to complete all or part of the questionnaire.

Results of Consultation and Decision Making

A summary of responses to the submission questionnaire are shown on the next pages. The Council decision on these items is shown in the last column.

Further details regarding decision-making are shown in the Group of Activity section under the group to which the project relates.

A complete record of decision-making can be found in the Minutes of the Draft Long Term Plan Deliberations 18 -22 May 2015 which are available on the Council website.

Summary of results and decision-making on submission form questionnaire items

1	Debt		No. of responses	Council Decision
	Option 1	Proposed – Reducing debt to \$230 million by 2021	287	Confirmed for inclusion in the 2015/16 -2024/25 LTP
	Option 2	Reduce debt to \$230 million by 2019, by making the annual rate increase 4% per year to allow additional rates to be applied to debt repayment	110	

2	Rates increases		No. of responses	Council Decision
	Option 1	Proposed – 3% unless exceptional circumstance	286	Confirmed for inclusion in the 2015/16 -2024/25 LTP
	Option 2	4% unless exceptional circumstance	124	

3	Stadium		No. of responses	Council Decision
	Option 1	Proposed – Stadium owned by DCHL; \$30 million debt transferred to the Council, funding for renewals allowed in budget:\$10.5m over 10 years; more achievable budgets and additional ratepayer funding	334	Confirmed for inclusion in the 2015/16 -2024/25 LTP
	Option 2	Close down the Stadium, demolish and sell (land and materials)	45	
	Option 3	Status quo/do nothing – unbudgeted top ups will be required	32	

4	Infrastructure Renewals		No. of responses	Council Decision
	Option 1	Leave renewals funding at present levels (Service levels will trend down under this option)	61	
	Option 2	Proposed – Step up renewals funding over the 10 years of the LTP	205	Confirmed – The Council adopts the Infrastructure Strategy as consulted on, noting that this incorporates the proposed Infrastructure Renewals Water and Waste Option 2 to step up renewals funding
	Option 3	Add additional funding to the draft budgets to catch up backlog more quickly in the next five years	70	

5	Funding Infrastructure Renewals		No. of responses	Council Decision
	Option 1	Proposed – Fund the additional renewals expenditure by rates	294	Confirmed for inclusion in the 2015/16 -2024/25 LTP
	Option 2	Fund the additional renewals expenditure by debt	24	

6	Central City Plan		No. of responses	Council Decision
	Option 1	Proposed – Paver renewals are accelerated and completed between 2018/19 – 2020/21, urban amenity funding is reprofiled and accelerated between 2018/19 – 2023/24	183	The Council approved the adoption of the Central City Plan; and confirmed the proposed option for the Central City Plan for inclusion in the 2015/16 -2024/25 LTP
	Option 2	Paver renewals are completed between 2017/18 – 2024/25, Urban amenity funding is evenly spread between 2018/19 – 2024/25	135	

7a	Strategic Cycle Network – Project Funding		No. of responses	Council Decision
	Option 1	Proposed – Increase the Council's contribution to \$650,000 per year	466	Confirmed for inclusion in the 2015/16 -2024/25 LTP
	Option 2	Reducing the Council's contribution	91	
	Option 3	Maintaining the Council contribution at \$340,000 per year	105	
	Option 4	Increase the Council's contribution to maintain the existing \$1 million spend per year	48	

7b	Strategic Cycle Network – City to Harbour Pedestrian/Cycle Bridge	No. of responses	Council Decision
	Do you agree with the proposal to include a pedestrian/cycleway bridge from the city to the harbour		Confirmation of decision to include bridge (the resolution regarding this is on the next page)
	Yes	253	
	No	151	

A report on the City to Harbour Pedestrian /Cycle Bridge Funding advised the Councillors that the proposed City to Harbour pedestrian/cycle bridge has been shortlisted for \$3 million of funding through the Urban Cycleways Programme. The Council endorsed this proposal and resolved that the Urban Cycleways Programme funding component of the strategic cycle network project be reprofiled as shown below.

Urban Cycleways Programme Funding	2015/16	2016/17	2017/18	Total
Draft 2015/16 – 2024/25 Long Term Plan	\$793,000	\$774,000	\$756,000	\$2,323,000
Final 2015/16 – 2024/25 Long Term Plan	-	\$200,000	\$2,800,000	\$3,000,000

The funding profile for the entire strategic cycle network project, with the changes made from draft to final budgets, is shown below.

	2015/16 Budget \$	2016/17 Budget \$	2017/18 Budget \$	2018/19 Budget \$	2019/20 Budget \$	2020/21 Budget \$	2021/22 Budget \$	2022/23 Budget \$	2023/24 Budget \$	2024/25 Budget \$
Draft 2015/16-2024/25 Long Term Plan	2,378,000	2,354,000	2,351,000	1,567,000	1,571,000	1,579,000	1,589,000	1,602,000	1,620,000	1,672,000
Final 2015/16-2024/25 Long Term Plan	2,435,000	1,772,000	4,469,000	1,567,000	1,571,000	1,579,000	1,589,000	1,602,000	1,620,000	1,672,000

8	Portobello Road Safety Improvements		No. of responses	Council Decision
	Option 1	Proposed – Bring funding forward and complete the project earlier	818	Confirmed for inclusion in the 2015/16 -2024/25 LTP
	Option 2	The original plan – project completed over 10 years	136	

9	South Dunedin Community Complex		No. of responses	Council Decision
	Option 1	Proposed – Continue planning and consultation for a South Dunedin community complex funded from the sale of an operational or investment property	239	Confirmed for inclusion in the 2015/16 -2024/25 LTP
	Option 2	Continue planning and consultation for a South Dunedin community complex funded by debt	31	
	Option 3	Status Quo/Do nothing	107	

10	City of Literature		No. of responses	Council Decision
	Option 1	Proposed – Provide additional rates funding to support the work programme for the Dunedin City of Literature Trust	198	Confirmed for inclusion in the 2015/16 -2024/25 LTP
	Option 2	Not to provide any additional funding to the Dunedin City of Literature Trust	162	

11	Gigatown		No. of responses	Council Decision
	Option 1	Continue the existing level of funding	185	
	Option 2	Proposed – Increase funding by \$185,000 in 2015/16	220	Confirmed for inclusion in the 2015/16 -2024/25 LTP

12	Otago Museum		No. of responses	Council Decision
	Option 1	Fund 13 projects across the next 10 years	92	
	Option 2	Proposed – Fund six projects over the next three years	213	Confirmed for inclusion in the 2015/16 -2024/25 LTP
	Option 3	Not to provide any funding for these projects	82	

13	Dunedin Hospital Therapeutic Pool		No. of responses	Council Decision
	Option 1	Proposed – Underwrite the operating costs for the pool by up to \$100,000 per year for three years from 2015/16 -2017/18	394	Confirmed for inclusion in the 2015/16 -2024/25 LTP Funding is subject to satisfactory progress by the Trust monitored on an annual basis in achieving its fundraising target and providing a sustainable operating budget
	Option 2	Not to provide any financial support	0	

14	Unfunded Mosgiel Aquatic Facilities	No. of responses	Council Decision
	Do you think that the Council should fund improvements to aquatic facilities in Mosgiel?		Decision taken to put placeholder budget of \$6 million in 2018-19 for new Aquatic Facilities in Mosgiel. (See full account of decision-making below)
	Yes	1191	
	No	129	

If yes, which option?		No. of responses	Council Decision
Option 1	Upgrade existing pool	113	See full account of decision-making below
Option 2	Two new pools	51	
Option 3	Three new pools	57	
Option 4	Four new pools	1001	

That the Council agree to:

- 1 support in principle the development of a new aquatic facility complex for Dunedin in Mosgiel
- 2 fund up to \$300,000 from the 2015 under-spend to progress geotechnical investigations and designation of a site, development of design and capital and operating budgets, liaison and communication of progress
- 3 approves an interest free loan of \$50,000 to the Taieri Community Facilities Trust (TCFT) for operational costs to be repaid from early fundraising received once the Council confirmed a decision to proceed
- 4 acknowledge the substantial progress that TCFT has made in developing the proposal and thank them for their contribution completing the first stage of the proposal
- 5 request that staff and TCFT work on the development of a new Memorandum of Understanding to be presented to Community and Environment Committee at a later date for ratification.”

And subsequently:

- 1 That the Council includes in the LTP a placeholder of \$6 million in 2018-19 for new Aquatic Facilities in Mosgiel noting that staff would:
 - a) work closely with the Taieri Community Facilities Trust; and
 - b) report back concept design options and costs by 30 October 2015; and
 - c) report back developed design options and costs by 30 April 2016.
- 2 That the Council confirms that the capital expenditure on new aquatic facilities in Mosgiel is subject to the Taieri Community Facilities Trust achieving a fundraising target of \$7.5 million, and final Council approval of the project.”

The Council also noted information on the funding options for a new aquatic facility in Mosgiel.

15	Unfunded Cricket Lighting for University Oval		No. of responses	Council Decision
	Option 1	Fully fund the purchase and installation of lights	94	
	Option 2	Provide partial funding	208	Funding of up to \$1 million from any underspend in the 2014/15 year for the establishment of cricket lights at the University of Otago Oval. If the underspend proved to be less than anticipated, the sum provided would be reduced accordingly. Subject to a number of conditions*
	Option 3	Do not provide any funding	163	

* The funding would be subject but not limited to the following conditions:

1. that the Otago Cricket Association need to demonstrate that they were in a position to guarantee meeting match preparation payments
2. that the light stands were specifically branded as approved by the Council
3. subject to Otago Cricket meeting the balance of fundraising required
4. subject to the works to increase ground seating capacity being completed as agreed, at Otago Crickets cost

5. that the lighting design specifically meets the Council requirements for operational efficiency and not focus on actual costs alone
6. that the Council's lighting design requirements include consideration of feedback from the Council's Dark Night Sky Advisory Group and other sports users of the grounds.

16 Unfunded Transport Projects				
16a	University of Otago and Otago Polytechnic area		No. of responses	Council Decision
	Option 1	Provide \$1.05 million in budgets for safety and accessibility improvements	158	That the Council continues to note the unfunded Tertiary Precinct Transportation project (option a) as a line item in the 2015/16 – 2024/25 LTP; and That the Council request staff continue to work with project partners, to scope funding requirements and timing, and report back no later than XXX for development of the 2018/21 – 2027/28 LTP.
	Option 2	Do not provide any funding	180	

16b	Mosgiel Town Centre		No. of responses	Council Decision
	Option 1	Provide \$2 million in budgets for safety and accessibility improvements	170	The Council notes and supports in principle the Mosgiel Town Centre Upgrade as a line item in the current Regional Land Transport Plan and requests a report back in time for the 2016/17 annual plan process with more detail on the proposed scope, budget and timing.
	Option 2	Do not provide any funding	177	

Other decisions made during the deliberations

City Safety

Grant funding from Ministry of Justice Crime Prevention and Community Safety Grant has ceased. The Council approved \$40,000 annual funding to be included in the LTP for the continuation of City Safety Initiatives and in particular the CSO patrols.

Ara Toi Ōtepoti – Our Creative Future Dunedin Arts and Culture Strategy

In May 2015, following consideration of a report on Ara Toi Ōtepoti – our creative future: initial actions for adoption, the Council resolved to provide the following funding to the Community Development activity to implement the initial actions from the strategy:

- a further \$100,000 for community arts development
- \$50,000 for the establishment and operation of an Urban Dream Brokerage franchise
- \$25,000 to advance Ara Toi's public art objectives.

This city wide strategy was adopted in April 2015 and also has links with the Economic Development Strategy and work streams in Enterprise Dunedin.

Cosy Home Charitable Trust Funding

The Council approved funding of \$50,000 to the Cosy Home Trust from the Consumer Electricity Fund and asked that the Trust demonstrates the achievement of independent funding to enable achievement of the Trust's goals before renewal of this funding in future years.

Warm Dunedin Scheme

The Council resolved to continue the scheme in the 2015/16 year with the existing debt level being carried forward.

Dunedin Public Libraries

The Council resolved to maintain the existing levels of \$913,200 for Dunedin Public Libraries collections for 2015/16 and 2016/17, and \$68,200 for Heritage Collections by drawing down funds from the Reed Trust and RJ Trust. The Council also resolved to maintain the current opening hours of the McNab Room within existing budgets.

Matters referred to Community Boards from the Deliberations

Management of sycamore trees in the Port Chalmers Community Board area.

Waikouaiti waste transfer station – requirements to be discussed with the community by the Waikouaiti Coast Community Board.

Matters referred to Standing Committees from the Deliberations

A submission from Trustpower Limited concerning the commercial rating differential in the Strath Taieri district has been referred to the Finance Committee.

Reports requested from the Deliberations

Central City Plan – staff are to continue to work with project partners, to scope funding requirements and timing, and report back no later than for development of the 2018/19 – 2027/28 LTP.

Ara Toi Ōtepoti – Our Creative Future, the Dunedin arts and culture strategy – a report requested for inclusion in the 2016/17 Annual Plan discussions on future funding levels.

South Dunedin Community complex – staff are to report further on the practicality and cost of locating the South Dunedin Library complex in the South City Mall.

Unfunded transportation projects – a report requested in time for the 2016/17 annual plan process with more detail on the proposed scope, budget and timing of both the Mosgiel Town Centre Upgrade and the Tertiary Precinct Safety and Accessibility Upgrade.

Unfunded transportation projects – Tertiary Precinct Safety and Accessibility Upgrade – a request for staff continue to work with project partners, to scope funding requirements and timing, and report back no later than for development of the 2018/21 – 2027/28 LTP.

Strategic Framework

Our Vision: Dunedin is one of the world's great small cities.

We have a thriving economy, a connected and supportive community and a distinctive built environment. We are active, safe and healthy, vibrant and creative, and sustainable and resilient. We are a city of learning and we value and protect our natural environment.

To help direct the city's limited resources towards achieving this vision, the Council, along with the community and stakeholders, has been developing a strategic framework with key priorities for investment, effort and development.



Five of the key strategies are now in place:

- the 3 Waters Strategic Direction Statement 2010-2060 sets out how we will ensure the city has safe, reliable and affordable water services
- the Spatial Plan shapes how we'd like Dunedin's places and spaces to develop
- the Economic Development Strategy sets out priorities for increasing jobs, income and investment
- the Social Wellbeing Strategy outlines how we'll foster inclusive communities and quality lifestyles
- the 30 year Integrated Transport Strategy sets priorities for how the safe and efficient movement of people and goods will be supported.

The Arts and Culture Strategy – Ara Toi Ōtepoti: Our Creative Future, which will guide future support and investment in arts and culture, was adopted by the Council on 28 April 2015. Work has begun on the last two pieces of the strategic framework 'puzzle' – the Environment and Parks and Recreation Strategies. These will outline how we will enhance our spectacular natural environment and make Dunedin a fun, green and active city, respectively.

All of the strategies, and the Council's decision-making in general, are underpinned by two key principles: sustainability, and respect for the Treaty of Waitangi.

Through the Long Term Plan, and within the parameters of its Financial Strategy, the Council outlines its commitment to resourcing the activity to deliver the city's strategic priorities.

Within the current financial environment, the Council cannot fully resource each priority at once. While each priority will be resourced to some degree by the Council and the wider community, the Council has identified areas on which to focus its constrained resources over the next three years. These are:

- supporting economic development, for example implementing the Gigatown Plan to maximise the benefits of Dunedin having the fastest internet in the Southern Hemisphere
- improving the look and feel of the central city and local centres, continuing the Warehouse Precinct revitalisation, supporting the restoration and re-use of built heritage and central city amenity improvements
- improving the sustainability of the city's resource use and enhancing our biodiversity and natural environment

- improving the efficiency, convenience and safety of the transport network, including funding for the strategic cycle network and exploring transfer governance of public transport from the Otago Regional Council
- continuing to pay down Council debt while limiting rates increases to affordable levels.

While making decisions in alignment with the strategic framework, that seek to deliver the community outcomes developed through the 'Your City Our Future' engagement process, the Council is committed to maintaining the core levels of service expected by the community and meeting legislative requirements.

Community Outcomes



At the centre of the strategic framework are the set of 'community outcomes' that the Council and community agreed upon following the 'Your City Our Future' engagement process in 2010. While legislation has moved on and the strategic framework has been developed since the outcomes were first established, they remain relevant as they describe what Dunedin will look like as one of the world's great small cities and are the ultimate goals the Council is aiming to help deliver. These outcomes are:




- a thriving and diverse economy; Dunedin has an ambitious, prosperous, diverse and resilient economy that builds on its strengths
- a connected community; Dunedin's communities are connected by effective transportation and communications, linked locally, nationally and internationally
- a safe and healthy city; Dunedin is a clean, green, crime-free city where people feel safe and enjoy a healthy lifestyle
- a distinctive built environment; Dunedin is a compact city with a vibrant centre for people to work, live and play; complemented by thriving suburban and rural centres
- a valued and protected natural environment; Dunedin is recognised as a place with outstanding natural environments and significant biodiversity. Our distinctive rural and coastal landscapes are sustainably managed and protected
- a supportive community; Dunedin's citizens feel included and connected with their wider community and enjoy a good quality of life
- a vibrant and creative city; Dunedin is a city known for its diverse and engaging arts and culture
- a city of learning; Dunedin is a leading city of education, and its community engages in lifelong learning




- an active city; Dunedin's people lead active, healthy and enjoyable lifestyles
- a sustainable and resilient city; Dunedin is a resilient city with communities prepared for the impacts of climate change and extreme natural events, and reduced reliance on non-renewable resources.



The Council is only one of many organisations who work towards achieving these outcomes. A summary including the outcome priorities which describe what our city will be like and the indicators we use to measure the city's progress towards achieving this can be found on the next page. More detail on these outcomes can be found in the 2012/13 -2021/22 LTP, Section 1, pages 21-35.

Summary of Dunedin City's Community Outcomes (as agreed for the 2012/13 – 2021/22 LTP)

Outcome	Vision/definition	Priorities/Outcome Goals (What our will city be like)	How will we know we are making a difference (Community Outcome Indicators)
A THRIVING AND DIVERSE ECONOMY 	Dunedin has an ambitious, prosperous, diverse and resilient economy that builds on its strengths.	A city that grows businesses and industries through added value/productivity.	<ul style="list-style-type: none"> • Growth in full time equivalent jobs • Growth in real GDP per capita • Growth in the number of Dunedin businesses awarded Callahan Institute Research and Development Grants • Growth in total visitor nights • Growth in the value of international education
		A city that encourages employment opportunities for everyone.	
		A city that actively attracts visitors, skilled staff and entrepreneurs and investors.	
		A city that encourages creativity, research, and entrepreneurial excellence and ambition.	
		A city where alliances between local businesses, community, education and research providers offer mutual benefit.	
A CONNECTED COMMUNITY 	Dunedin's communities are connected by effective transportation and communications, linked locally, nationally and internationally.	Dunedin's transport network is integrated and responsive to changing needs and future challenges.	<ul style="list-style-type: none"> • Means of travel to work/school (mode of commute) • Perceptions of convenience of public transport (% agree) • Frequency of bus use (at least once per week) • Number of international flights per week • Passenger loadings (international and domestic) • Value of goods loaded at Port Otago (\$ million) • Increase in length of cycle lanes (on and off road) • Road safety crash statistic measures: • Number of injury crashes (number of casualties) • Pedestrian vs vehicle casualties • Cyclist vs vehicle casualties
		Dunedin is safe and easy to get around for cyclists and pedestrians.	
		Communications networks, roading, air, and port links are world-class, efficient and safe.	
		Dunedin's public transport system meets the community's needs.	

Outcome	Vision/definition	Priorities/Outcome Goals (What our will city be like)	How will we know we are making a difference (Community Outcome Indicators)
A SAFE AND HEALTHY CITY 	Dunedin is a clean, green, crime-free city where people feel safe and enjoy a healthy lifestyle.	Dunedin has resilient water supply, wastewater and storm water infrastructure that meets best practice environmental standards.	<ul style="list-style-type: none"> • Total recorded crime (reported incidents) • Feel safe in city centre during the day • Feel safe in city centre during the night • Feel safe at home during the day • Feel safe at home during the night • Experience of barriers to general practitioners (% no barrier) <p>Some indicators previously used for water and waste services are now mandatory DIA measures and are reported at activity level.</p>
		A clean city with high-quality solid waste and recycling infrastructure.	
		Dunedin is a place where people are safe in their homes, work and public spaces.	
		Dunedin's housing is warm and healthy.	
		People have access to affordable healthcare services, and existing hospital services and medical research capacity are retained.	
A DISTINCTIVE BUILT ENVIRONMENT 	Dunedin is a compact city with a vibrant centre for people to work, live and play; complemented by thriving suburban and rural centres.	Dunedin is enhanced through quality architectural, urban and landscape design.	<ul style="list-style-type: none"> • Perception of the value of the city's architecture (% positive) • Number of properties and structures protected under District Plan that are demolished
		Dunedin's built heritage is valued and heritage buildings are in active reuse.	
		Dunedin's central city area is the vibrant focal point for urban life, supported by a hierarchy of successful suburban and rural centres.	
		Development respects the unique character of Dunedin as a compact harbour city enclosed by hills.	
A VALUED AND PROTECTED NATURAL ENVIRONMENT 	Dunedin is recognised as a place with outstanding natural environments and significant biodiversity. Our distinctive rural and coastal landscapes are sustainably managed and protected.	Our rural and coastal landscapes are protected and maintained.	<ul style="list-style-type: none"> • Air quality-number of days PM10 Standards exceeded • Recreational water quality (number of times it is not safe to swim at popular swimming locations) • Areas of Significant Conservation Value (hectares and km) • Total area of indigenous habitat in Dunedin protected by the District Plan, DCC reserve land and land held under QEII covenants and other statute-based protective mechanisms
		Dunedin's wildlife and natural habitats (flora and fauna) are respected and enhanced.	
		Dunedin's people value the natural environment and are the custodians of a regenerative and flourishing natural environment.	
		We lead by example in environmental practices and promote awareness of impacts of human activity on our local environment.	

Outcome	Vision/definition	Priorities/Outcome Goals (What our will city be like)	How will we know we are making a difference (Community Outcome Indicators)
A SUPPORTIVE COMMUNITY 	Dunedin's citizens feel included and connected with their wider community and enjoy a good quality of life.	A city that supports strong and connected neighbourhoods and communities. People have a sense of belonging and actively contribute to the wider community and volunteering is encouraged. People are empowered to participate in decision-making and have open access to information. Dunedin communities are inclusive of all people, and the relationship with Kai Tahu is strong. People enjoy a standard of living to enable them to have a positive quality of life and exercise genuine choices.	<ul style="list-style-type: none"> • Perceptions of quality of life (% extremely good or good) • Residents sense of community within their local community • Residents perception that Dunedin recognises and supports cultural diversity
A VIBRANT AND CREATIVE CITY 	Dunedin is a city known for its diverse and engaging arts and culture.	Dunedin has a diverse range of arts and cultural facilities and activities, which are accessible to all. Dunedin celebrates the unique identity, character and history of the diverse communities and cultures that makeup Dunedin. Dunedin's legacy of creative and artistic activity is supported and promoted. Dunedin is a city where art is truly valued and integrated in the design and development of the city.	<ul style="list-style-type: none"> • Number of residents employed in the arts/creative sector (FTE) • Perception that Dunedin is a creative city • Perceptions of city vibrancy – Dunedin is a fun city (% positive)
A CITY OF LEARNING 	Dunedin is a leading city of education, and its community engages in lifelong learning.	Dunedin maintains its reputation as a leading provider of education. Dunedin harnesses and shares the knowledge of its tertiary, research and creative sectors. Dunedin provides opportunities and environments that encourage learning and are accessible to all. Dunedin encourages and offers opportunities for interaction and links between the education/learning sector and the community.	<ul style="list-style-type: none"> • Number of tertiary enrolments per year

Outcome	Vision/definition	Priorities/Outcome Goals (What our will city be like)	How will we know we are making a difference (Community Outcome Indicators)
<div>AN ACTIVE CITY</div> <div></div>	Dunedin’s people lead active, healthy and enjoyable lifestyles.	<div>A city with a range of recreational, sporting and leisure facilities and opportunities, which are accessible to all.</div> <div>Our city has environments that encourage physical activity and recreation</div> <div>We promote and encourage sporting and recreational events and opportunities.</div>	<div>• Frequency of physical activity (% of nearly every day)</div> <div>• Perception of overall health (rate health as excellent, very good or good)</div> <div>• Ratio of sportsfields to population (hectares per 1,000 population)</div> <div>• Participation at Council-owned pools (total attendances)</div> <div>• The Botanic Garden maintains a grading of “International” Significance from the New Zealand Gardens Trust</div>
<div>A SUSTAINABLE AND RESILIENT CITY</div> <div></div>	Dunedin is a resilient city with communities prepared for the impacts of climate change and extreme natural events, and reduced reliance on non-renewable resources.	<div>Dunedin is a city where reliance on non-renewable energy sources and oil based products is reduced, and Dunedin’s outlying communities and townships are self-sufficient.</div> <div>Dunedin is well prepared to face changing needs and challenges.</div> <div>Dunedin residents prefer to purchase goods and services from within the Otago region.</div> <div>Dunedin has a high quality and secure supply of food from local suppliers and producers.</div>	<div>• Decrease in the waste sourced from within Dunedin and disposed of to DCC landfills in Dunedin (kg/person/year)</div> <div>• Increase in the quantity of diverted material collected via the DCC’s collection service for diverted material</div> <div>• Decrease in the number of dry weather sewerage overflows from the DCC’s sewerage system, expressed per 1,000 sewerage connections (required under DIA mandatory measures).</div> <div>• Increase in the percent of Dunedin residents who walk, jog, cycle or take public transport to work (Census)</div> <div>• Increase in the percent of Dunedin residents agreeing that Dunedin is a sustainable city (Residents’ Opinion Survey)</div> <div>• Increase in the percent of Dunedin residents who feel a sense of community with others in their local neighbourhood (Quality of Life Survey)</div>
These three core sustainability values can be applied to all of Dunedin’s community outcomes:			
Dunedin is a city where:			
We build strong communities, and enable community action on sustainability and resilience issues			
We support our local economy, and enable local business resilience			
We protect and regenerate our natural resources			

Sustainability

Sustainability as a key principle

The Council has adopted sustainability as one of two key principles that cut across all the work we undertake as a key component of our strategic framework. There are three key reasons for this:

- the ambitions of our community
- the legislative requirements
- good business practice.

Taking a sustainability-focused approach is about how we need to change the way we do things to ensure that future generations are not negatively impacted by decisions we make today.

Our vision as a community for a more sustainable Dunedin is set out under the “A Sustainable and Resilient City” community outcome: “Dunedin is a resilient and city with communities prepared for the impacts of climate changes and extreme natural events and reduced reliance on non-renewable resources.” The aim is to ensure that we take account of the impacts of all decisions and actions on ourselves, our children and our children’s children. This outcome was developed in 2010 and sustainability has become an increasingly important theme in community submissions to the Council.

The Local Government Act 2002 sets a clear direction for local authorities to take a sustainable approach. It requires local authorities to take account of the interests of, and impacts on, future as well as current communities when making decisions. The Act also states that local authorities should ensure prudent stewardship, the efficient and effective use of resources, and take a sustainable development approach. This means taking into account the social, economic, and cultural interests of people and communities, the need to maintain and enhance the quality of the environment, and the needs of future generations.

Sustainability is now widely regarded as good business practice, offering efficiencies, better outcomes and a long-term, strategic approach.

What does the sustainability principle mean in Dunedin?

The Council’s vision for a more sustainable Dunedin is driven by the legislation and underpinned by three concepts consistent with the United Nations’ 1987 Bruntland Report’s definition of sustainability:

- responsible resource use and resilience
- taking a long-term view and considering future generations
- taking account of social, economic, environmental and cultural effects of our decisions.

What is happening in Dunedin around sustainability?

The Council recognises the importance of understanding, and responding to, the risks and benefits for the communities of Dunedin in order to make Dunedin a sustainable and resilient city. The Council is taking steps to embed sustainability into its city decision-making, with the sustainability principle a key aspect of its strategic framework and a sustainable perspective taken in all of the Council’s key strategies, policies and plans as these are updated.

There are a growing number of sustainability initiatives taking place across the many different areas of the Council’s work, and the intention is for sustainability to be integral to all Council’s activities. Some of these initiatives appear in other parts of the Long Term Plan, and in the Council’s strategies, policies and plans.

There are some key initiatives of note. At the city level, work that tackles core sustainability challenges for Dunedin is underway, including: moving towards a low-carbon economy, progressing work to facilitate use of more active transport modes, planning for climate change adaptation, improving the quality of our housing, supporting the city to have strong and resilient communities, and managing and minimising our use of key resources like energy and waste. A Sustainability Audit Subcommittee has been established to monitor and report to the Council on how effectively we’re meeting the Local Government Act requirements and respecting the sustainability principle. The Subcommittee is also tasked with a resilience planning responsibility. The Council also has an organisational commitment to reducing greenhouse gas emissions from its operations to help reduce costs and achieve sustainability goals. The Council’s emissions have been measured and independently verified by Enviro-Mark Solutions Limited and the Council has been certified under the internationally-recognised Certified Emissions Measurement and Reduction Scheme (CEMARS). The measurements showed that Council’s largest emission sources are landfill, electricity and LPG, and a plan has now been put in place to reduce non-landfill emissions by 20% from 2013/14 levels within five years.

City Profile

Dunedin – Past

Otago Harbour and its surrounds have long been a magnet for settlement. Successive settlement by Waitaha, Kāti Mamoe and Kāi Tahu established the area's cultural landscape ahead of European settlement by whalers in the early 1830s. Farming began soon after around Waikouaiti and in 1848, Frederick Tuckett chose the site of what is now modern day Dunedin at the head of the Otago Harbour.

Originally settled by the Free Church of Scotland, Dunedin was soon made capital of the Otago province. In 1861, the discovery of gold at Gabriel's Gully brought a growth spurt which saw Dunedin become the country's first city based on population growth. Dunedin quickly became a strong financial base and a centre for industry and engineering, as well as an export centre for agriculture and other primary industries that flourished around the province. All this new found wealth was reflected in many fine private and public buildings that sprang up in Dunedin during its Victorian and Edwardian heyday, leaving a lasting legacy that means we have a modern city that happily embraces its rich and distinct built heritage.

Dunedin – Present

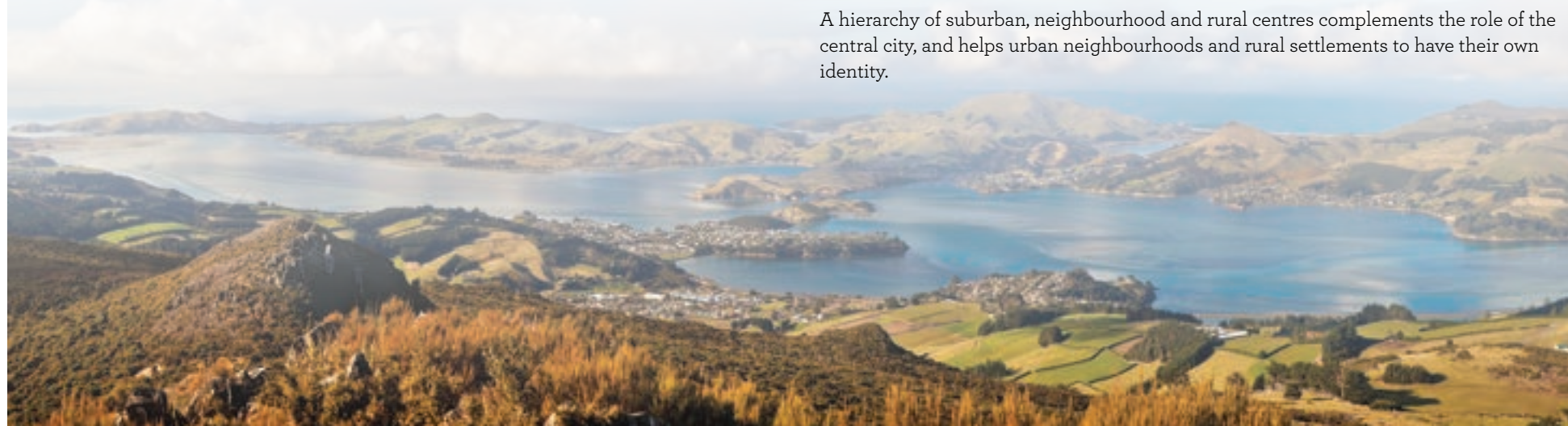
Now, more than 165 years later, Dunedin continues to evolve. The amalgamation of borough and district councils in the 1980s made Dunedin one of New Zealand's largest territorial authority areas, covering 3,340 km – from north of Waikouaiti, to the Taieri River in the south, and the Rock and Pillar Range in the west.

Approximately 95% of Dunedin's total area is zoned rural with vast tracts of productive land which contributes to the economy of the city through farming, forestry and tourism. This rural environment is also important for biodiversity, recreation, water catchments and other ecosystem services. Despite the large rural footprint, approximately 96% of the population live in urban areas.

The city's built environment is dominated by urban Dunedin which remains the focus for social, economic and cultural life. The city's urban character is based on its hilly topography, waterways and connection to the coast, Otago Harbour and the rural hinterland. The central city contains a well-planned network of streets with open spaces, green spaces and distinct residential and business areas – featuring many heritage houses and commercial buildings.

Unlike other New Zealand cities, Dunedin has maintained, for the most part, a well-established hierarchy of commercial centres, each with various economic and social functions, and has stayed free of suburban shopping malls. Dunedin's vibrant central city, centred on the Octagon, provides a heart and focus. It caters for major city events and, with Moray Place, provides a hub for cafes, bars, and arts and cultural activities. The Octagon, George Street, the Exchange and the University provide clear focal points for the central city.

A hierarchy of suburban, neighbourhood and rural centres complements the role of the central city, and helps urban neighbourhoods and rural settlements to have their own identity.



Population and Demography

Dunedin’s unique population characteristics include slower than average population growth, a larger student population, a less ethnically diverse population and fewer migrants when compared to the New Zealand population. As with New Zealand’s population, Dunedin’s population is ageing with a falling proportion of working age people, changing household composition, and declining household size.

Population Growth

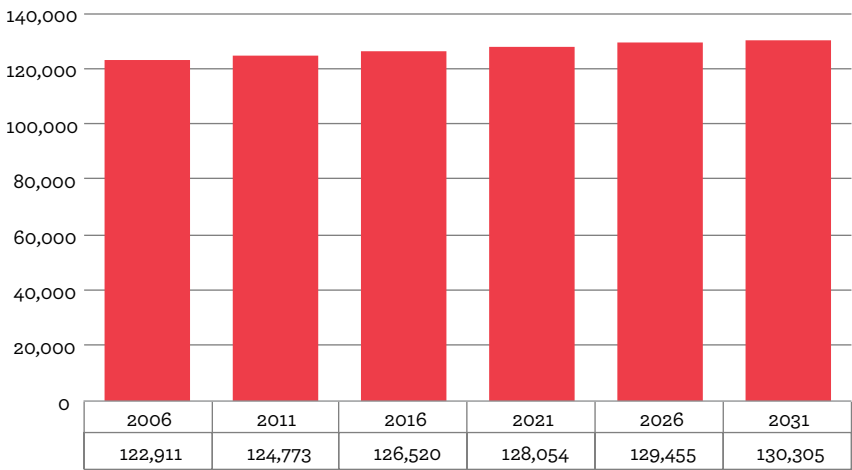
Dunedin is experiencing slower population growth.

- Dunedin’s population grew 1.3% between 2006 and 2013, compared to a 5.3% increase nationally. This was a slower rate of growth than the five years from 2001 to 2006, when Dunedin’s population grew 3.8%.
- Between June 2013 and June 2014, the population was estimated to have grown 0.9%, or by 1,100 people.
- In recent years, New Zealand’s population growth has been influenced by international migration, however fewer new migrants move to Dunedin.

Dunedin’s population is projected to increase by 4.4%, or about 5,500 people, to 130,300 in the 20-year period to 2031. Projections of the future population are used to predict demand for water, waste water and roading infrastructure, and in city planning. These projections are based on work produced in 2009, as the Council awaits the release of new projections based on the 2013 Census.

Note: The 2009 DCC projections are used in the LTP as they reflect advice from Statistics New Zealand of lower population growth for Dunedin city through until 2021.

Population Projections for Dunedin City 2006 – 2031



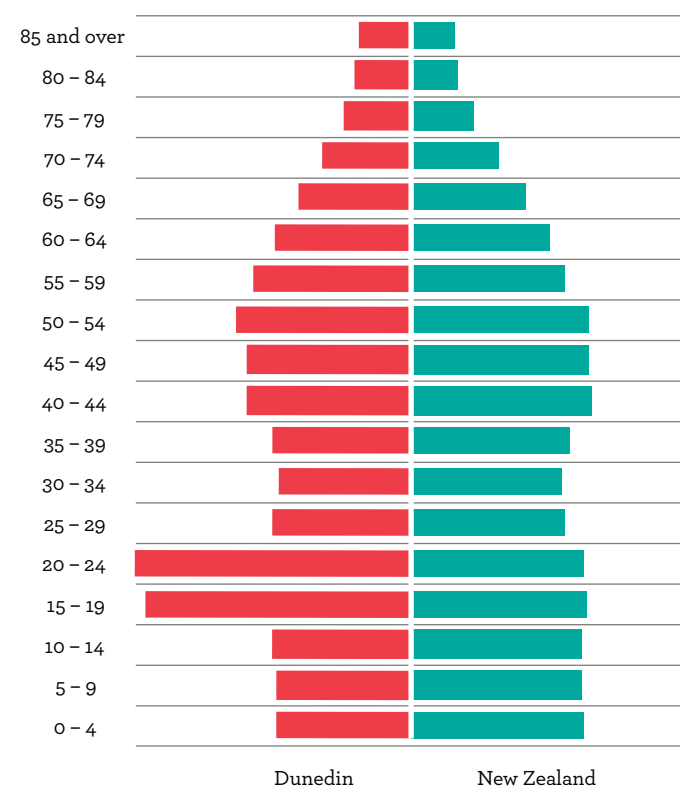
Source: Demand series prepared by Rationale Limited for the Dunedin City Council 2009



Age of the Population

Dunedin has a different age composition to New Zealand as whole, with a smaller proportion of children aged less than 15 years and a higher proportion of people aged 15-24 years due to the large number of students. Dunedin has slightly fewer people in the 25-64 year age group and a similar proportion of people 65 years and over.

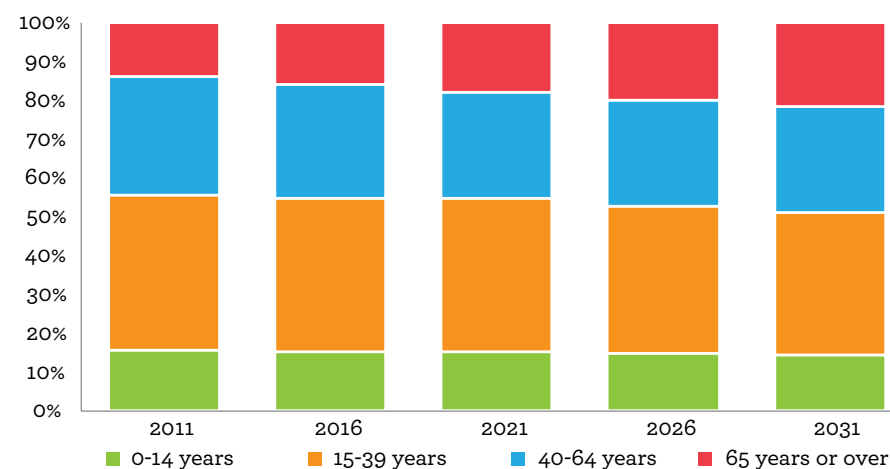
Age of people in Dunedin compared with the rest of New Zealand in 2013



Source: Statistics NZ 2013 Census Data

Reflecting national trends, Dunedin's population is ageing. In 2011, around 14% of Dunedin's population was aged 65 years or over. By 2031, 22% of Dunedin's population is expected to be aged 65 years or over (compared to 22% of New Zealand's population by 2033).

Dunedin Population by age group 2011-2031



Source: Statistics NZ medium projections series, released Dec 2009

Population projections for Dunedin show that:

- between 2011 and 2031 the 65-74 year age group is expected to increase the most
- from 2026, the population aged over 80 years will likely increase as the baby boomers age.

While Dunedin's population by age group has only been projected out to 2031, national research indicates the biggest increases in the older population will be in the 80 years plus group.

Dunedin's working-age population is projected to become smaller and more middle-aged by 2031 as the percentage of 15-24 and 45-65 year olds declines. The population aged 15 to 64 years is projected to decline from 71% in 2011 to 64% by 2031. The size of Dunedin's workforce is likely to fall and may not return to current levels until 2061.

This ageing population will alter demand for housing, social, health and transport services and is likely to:

- increase demand for smaller, more accessible housing on flat land and could increase demand for social housing
- increase demand for health services with more services to enable older people to age at home

- increase demand for public transport suitable for an ageing population.

These changes could present challenges for Dunedin, such as:

- a higher proportion of people on fixed incomes.

New Zealand research suggests older people will be more likely to be employed in the future¹:

- the labour force participation rate of older people is projected to increase from 16% in 2010 to 26% by 2030
- the economic value of older people’s paid, unpaid and voluntary work is expected to increase, as is their contribution to tax revenue.

Population and Housing Trends

Dwelling Numbers

Dwelling numbers in Dunedin grew at a faster rate than the population between 2006 and 2013 due to changes in the composition of families and households.

- Dunedin dwelling numbers increased to about 50,700 in 2013 – growing about 3.6% between 2006 and 2013 compared to 6.9% nationally.

Dunedin’s population and dwelling growth, 2001 to 2013



Source: Statistics New Zealand 2001, 2006, 2013 Census

1 The Business of Ageing: Realising the Economic Potential of Older People in New Zealand: 2011 – 2051, Ministry of Social Development

Dunedin Families and Households

Dunedin has more one person and other multi-person households than New Zealand overall.

- In 2013, 28% of Dunedin’s households were one-person households compared to 24% nationally
- Other multi-person households (households not comprised of families) are also more common in Dunedin, making up 8% of households compared to 5% nationally. This is due largely to the number of student flats in the city.

Family households are less common in Dunedin.

- In 2013, 62% of Dunedin households were one family (with or without others) compared to 68% nationally.

There was little change in household composition from 2001 to 2013. During that time the proportion of one-person households increased slightly (from 27% to 28%), while multi-person households declined slightly (from 9% to 8%).

How Big are Dunedin’s Households?

Dunedin’s average household size is projected to fall from 2.5 people per household in 2011 to 2.2 people in 2061, largely due to changing demographics including an ageing population.

Dunedin households are smaller on average than New Zealand households.

- In 2013, Dunedin’s average household size was 2.5 people, compared with the national average of 2.7 people.

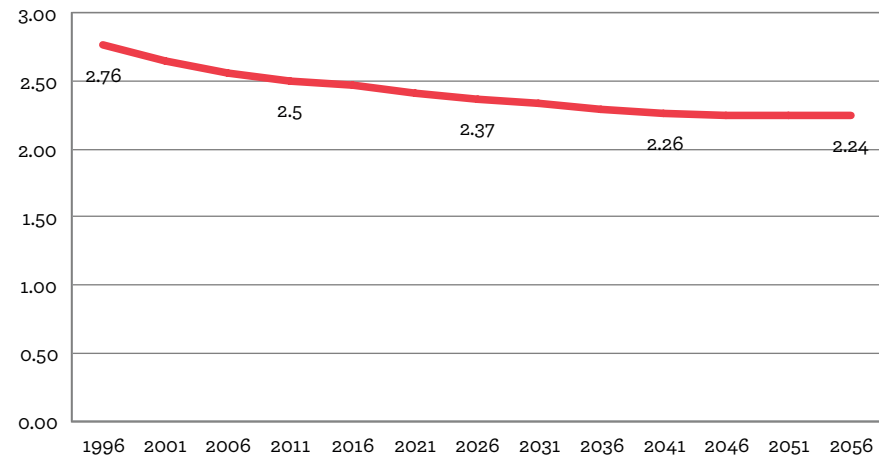
Dunedin’s declining average household size is explained, in part, by the city’s changing population structure. It is also a reflection of changing lifestyle choices with people choosing to starting a family later in life and having fewer or no children.

Household composition

One-family household
Two-family household
Three or more family household
Other multi-person household
One-person household
Total households stated

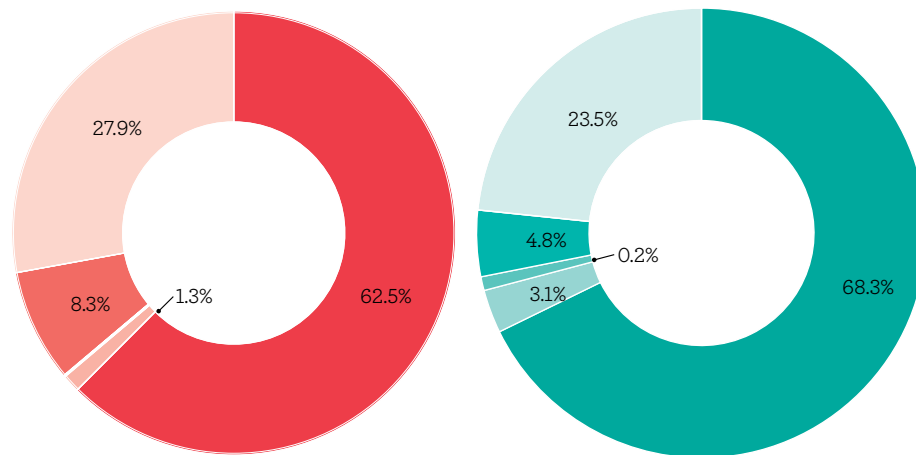
	Dunedin	NZ
One-family household	62.5%	68.3%
Two-family household	1.3%	3.1%
Three or more family household	0.0%	0.2%
Other multi-person household	8.3%	4.8%
One-person household	27.9%	23.5%
Total households stated	100.0%	100.0%

Projected household size for Dunedin city, 1996 to 2056



Source: Dunedin City Council 2009 Growth Projections

Household composition for Dunedin city and New Zealand 2013



Source: Statistics New Zealand 2013 Census



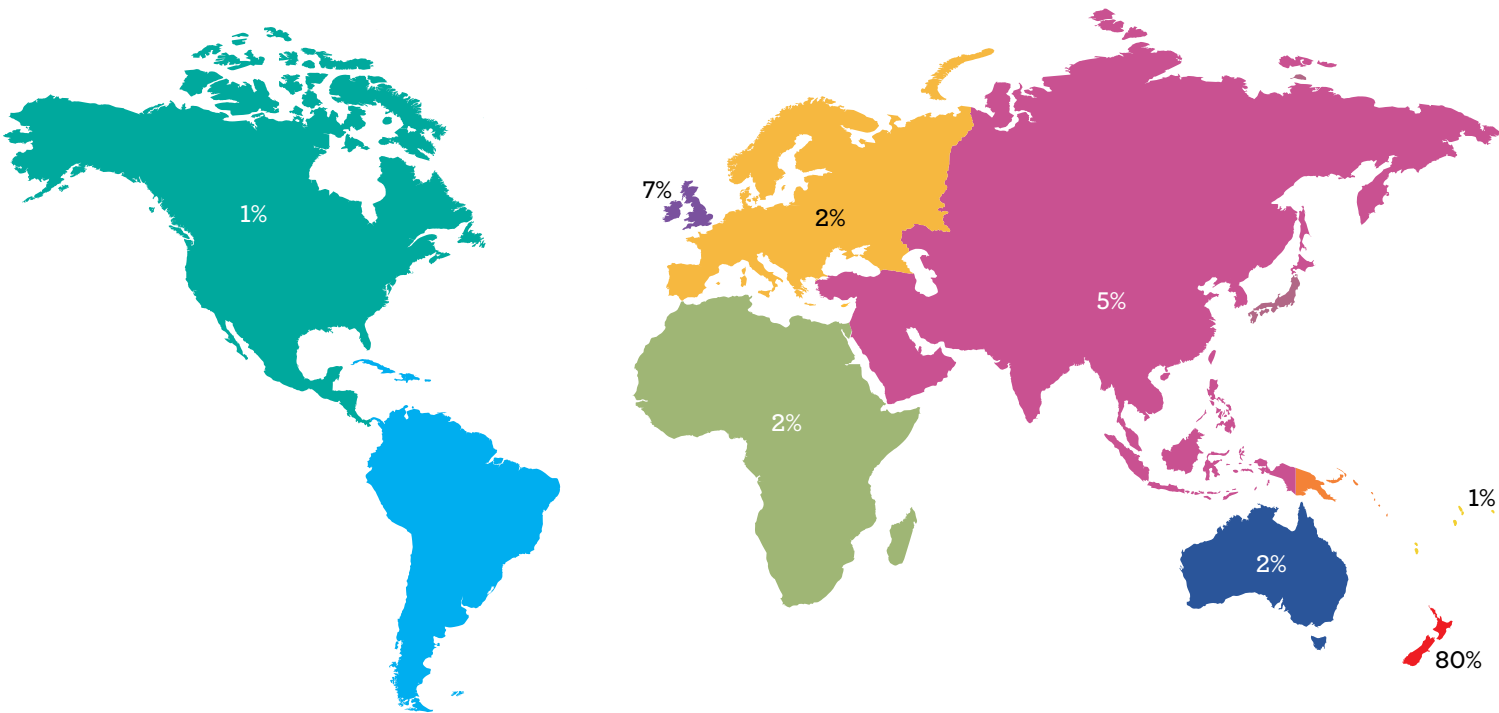
Ethnicity and Migration

Ethnic Composition

Dunedin is less ethnically diverse than New Zealand as a whole.

- 88% of Dunedin residents identify as European compared to 74% nationally
- 8% of Dunedin residents identify as Maori compared to 15% nationally
- 6% of Dunedin residents identify as Asian compared to 12% nationally
- 2.5% of Dunedin residents identify as Pacific compared to 7% nationally.

Birthplace of Dunedin residents in 2013



Source: Statistics New Zealand 2013 Census

Migration

Migration into New Zealand is a key factor in national population growth. However, new migrants are less likely to come to Dunedin, meaning the city has a lower proportion of overseas born residents than the rest of the country.

- only 18% of Dunedin residents were born overseas compared to 25% nationally
- the United Kingdom is the most common birthplace for Dunedin residents not born in New Zealand, with 7% of Dunedin residents born in the United Kingdom and Ireland
- Asia is the next most common birthplace for Dunedin residents, with 5% of Dunedin residents born there.

	Dunedin	NZ
New Zealand	80%	71%
Australia	2%	2%
Pacific Island	1%	4%
United Kingdom and Ireland	7%	8%
Europe (excluding the UK and Ireland)	2%	2%
North America	1%	1%
Asia	5%	9%
Middle East and Africa	2%	3%
Other	0%	0%

Life in Dunedin

Standard of Living

Overall, Dunedin residents rate their quality of life highly – 84% rate their quality of life as good or extremely good. Almost nine out of 10 Dunedin residents agreed that Dunedin is a great place to live compared to eight out of 10 respondents living in the cities participating in the Quality of Life Survey. Housing is more affordable in Dunedin than in other large cities with more households enjoying lower rents and owning their own home. While housing is more affordable, the city experiences some challenges with the age and condition of housing due to an older housing stock. Dunedin residents have lower personal and household incomes when compared to New Zealanders overall.

Quality of Life

Quality of life is one of the broadest measures of standard of living and covers social, economic, environmental and cultural aspects. Dunedin participates in the Quality of Life Survey. Every second year, residents in participating cities are surveyed on a variety of topics relating to the Quality of Life in New Zealand. The 2014 Survey shows that Dunedin residents rate their overall quality of life highly.

- 84% rate their quality of life good or extremely good – one of the higher ratings of any of the cities in the survey.

Income

Dunedin residents have a lower median income than New Zealanders overall.

- In 2013, Dunedin's median income for Dunedin was \$23,300, compared to \$28,500 nationally
- Dunedin's median household income of \$54,400 gross per annum was lower than the \$63,800 national average
- Compared with the rest of New Zealand, Dunedin households were more likely to fall into the low income category and less likely to have household incomes of \$70,000 or more.

Deprivation

The New Zealand Deprivation Index combines a range of standard of living indicators. In 2013, 29% of Dunedin's population lived in the most deprived areas (deciles 8, 9 or 10), up from 26% in 2006. Dunedin's most deprived areas are concentrated in the south of city, including the densely populated areas of South Dunedin, as well as state housing areas on the west side of the city, and older areas of housing around North East Valley and West Harbour. Large parts of the City Rise area, with its older housing stock, also fall towards the most deprived end of the scale. In some areas rental housing has become more prevalent than owner occupied housing.

Housing

Home ownership

Dunedin households are more likely to own their own home.

- 68% of Dunedin households owned their home in 2013, compared to 65% nationally.

Rental costs

Dunedin's median weekly rent for households was lower than for New Zealand households.

- Rental was \$250 per week, compared to \$280 nationally.

Affordability

Two-thirds of Dunedin residents consider their housing is affordable, compared to 42% for the six cities surveyed in the Quality of Life Survey. While Dunedin is seen to have relatively affordable housing, affordability is still an issue for some. The proportion of net household income spent on housing costs provides a measure of housing stress. Statistics from the biennial Statistics NZ Household Economic Survey are not available at city level for the lower South Island.

- At the national level the latest Household Economic Survey showed that in 2012/13, 35.5 percent of households that did not own their dwelling spent more than 30% of their household income on their housing costs, with 23.1% spending more than 40%. In contrast, 11.9% of those who owned, or partly owned, their dwelling spent 30% or more of their household income on housing costs, and 5.6% spent 40% or more.

Housing quality

One in five Dunedin dwellings were built prior to 1920. Older houses are less likely to be insulated adequately or built to maximise sun, meaning they are more likely to be cold and damp, leading to health issues for the occupants.

Community and health

Dunedin residents report a strong sense of community, with almost two-thirds of residents agreeing or strongly agreeing they feel a sense of community with others in their neighbourhood (up from 54% in 2012). This compared positively with the participating cities surveyed where just over half agreed that they felt a sense of community with others in their neighbourhood.

Health

A similar proportion of Dunedin residents rate their health positively (81%) compared to the cities surveyed (82%) in the 2014 Quality of Life Survey.

- the proportion of Dunedin residents rating their health as excellent, very good or good dropped slightly, from 82% in 2012 to 81% in 2014
- in 2014, 57% of residents were physically active five or more days a week compared to 46% for participating cities.

Internet access

In 2013, 78% of Dunedin households had internet access, compared to 77% nationally.

Safety and crime

Dunedin residents feel safer in the city when compared residents of the cities participating in the Quality of Life Survey. In 2014, 95% of Dunedin residents feel safe in the city centre during the day and just under half (47%) feel safe in the city centre after dark.

The number of incidences of crime reported in Dunedin has fallen, with NZ Police crime statistics showing a 5% decrease in the number of reported incidents between 2012/13 and 2013/14.

Transport

Data from the 2013 Census shows Dunedin has a high level of car ownership and reliance on cars to travel to work.

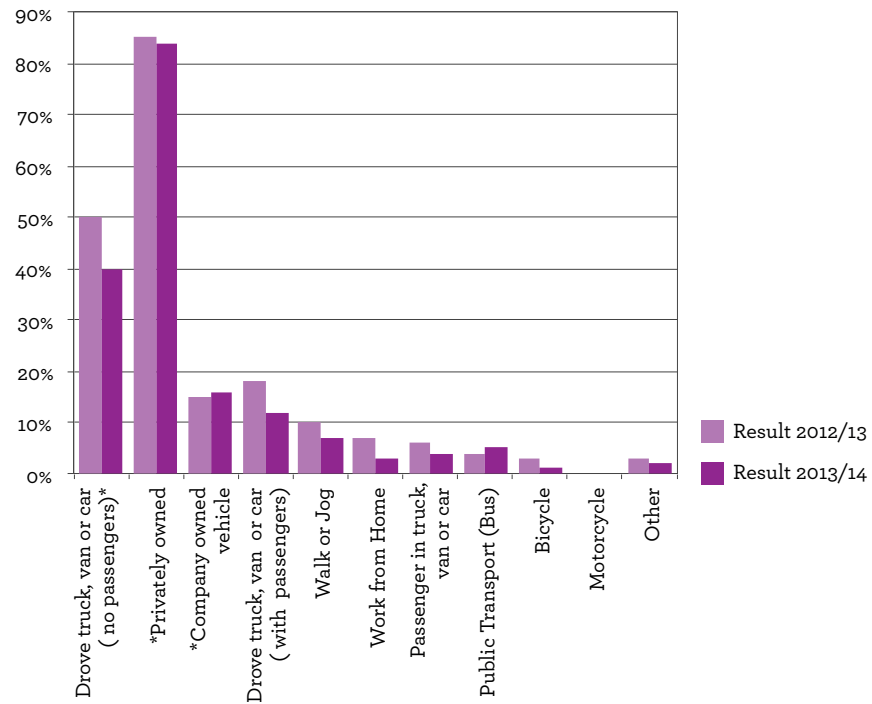
- 40.5% of Dunedin households had access to one car compared to the national average of 37.6%
- However 11% percent of Dunedin households do not have access to a car, compared to 8% of New Zealand households overall
- While the majority of Dunedin residents main means of travel to work was a private car, truck or van (62%), which is very similar to the rest of the country (63%), Dunedin residents were more likely to walk or jog to work (11%) than New Zealanders overall (7%)
- The Council's Residents' Opinion Survey also surveys means of travel to work and the results for 2012/13 and 2013/14 are shown on the next page.

According to the Quality of Life Survey 2014, slightly more residents used buses in 2014, (16% used a bus at least once per week, up 1% from 2012).

While residents consider bus transport is safe, Dunedin has the lowest perception of the centres surveyed that bus transport is affordable, easy to access, or frequent enough.

- more than three quarters of Dunedin residents agree that public transport is safe
- Dunedin residents were less likely to consider bus transport to be affordable, with just over a third of Dunedin residents rating bus transport as affordable
- just under half of Dunedin residents (46%) perceive bus transport as easy to use
- only 44% of respondents strongly agreed or agreed that public transport is frequent
- road safety remains a major challenge for Dunedin, as identified by the New Zealand Transport Agency's Communities at Risk Register
- Dunedin has the highest level of overall road safety risk of all New Zealand cities. Dunedin's road safety is improving and the level of risk has been trending down for the past five years
- Dunedin has the highest risk for intersections and the second highest risk for younger drivers
- the city has the third highest risk for pedestrians, motorcyclists and older road users, and the fifth highest for cyclists.

Means of travel to work



Source: DCC Residents' Opinion Surveys 2013 and 2014



Economy

In the last decade, Dunedin has seen substantial changes in the range of activities contributing to its economic wellbeing. Since 2000 the trend in Dunedin and nationally has been for a continued reduction in the contribution of goods-producing industries, with a corresponding increase in the contribution of services, including the growth in a knowledge-based services economy.

Dunedin’s liveability is an important asset in attracting and retaining a skilled workforce and new businesses, with many people choosing to live here for lifestyle reasons even if they could have a ‘better’ job or higher salary elsewhere. Dunedin has a reputation as a great place for families, thanks to its quality schools, abundant recreational, leisure and cultural opportunities – supported by outstanding green spaces and high quality amenities such as Moana Pool and Forsyth Barr Stadium – along with relatively low crime rates and a friendly, supportive community. Housing and transport costs are also relatively inexpensive, and it boasts an attractive urban environment, enhanced by stunning landscapes.

Dunedin’s geographic isolation imposes some constraints with the physical distance to markets increasing business costs. However, the isolation is reduced thanks to international transport infrastructure including the Dunedin International Airport and Port Otago, as well as the growth of the internet and digital communications.

Trends in economic growth and employment

- Over the past decade Dunedin’s economy grew more slowly than for Otago and New Zealand, growing 0.8% per annum, compared to 1.7% for Otago and 2.1% nationally
- Employment growth over the same period was 0.4% per annum for Dunedin, compared to 1.2% for Otago and 1.5% nationally
- Dunedin experienced slightly higher rates of unemployment in 2013 – 7.5% of the Dunedin labour force was unemployed compared to 7.1% nationally.

GDP, employment and business unit growth over the decade 2003-2013



Source: BERL Otago Economic Overview 2013

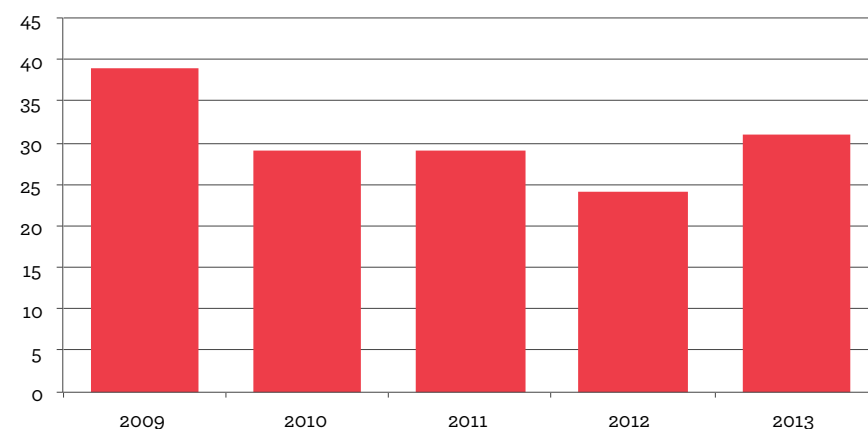
The Dunedin business environment

To compete nationally and internationally, Dunedin needs to be seen as an easy place to do business.

Businesses need talented people to manage them, and to create and generate high-value products and services. The knowledge and skills base in Dunedin is relatively high, built on the strengths of the University, health, professional and niche manufacturing sectors².

2 Dunedin’s Economic Development Strategy, By Dunedin for Dunedin and Beyond 2013-2023

Perceptions of Dunedin as a thriving city 2009-2013



Source: Dunedin Residents' Opinion Survey 2009-2013

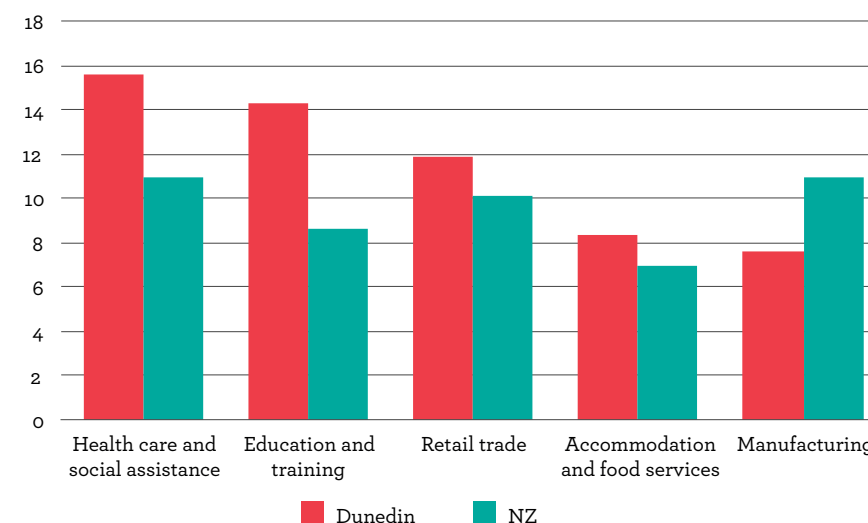
- Between 2009 and 2012, Dunedin residents perception of Dunedin as a thriving city fell from 39% to 24% before increasing to 31% in 2013.

Dunedin's innovative and internationally competitive sectors

Among Dunedin's economic strengths are its health and education sectors.

- In 2013, 16% of Dunedin workers were employed in healthcare and social assistance – Dunedin's largest employment industry. Education and training is also a major industry for the city, with 14% of Dunedin employees working in this sector.
- In total, 30% of Dunedin employees are employed in the health, social assistance and education and training sectors, compared to 20% nationally.

Top 5 industries in Dunedin and New Zealand as measured by the number of employees 2013



Source: Statistics New Zealand Business Demography

Dunedin also has a comparative advantage in sectors such as health technologies and biotechnology, niche manufacturing and engineering, primary and food processing, tourism and ICT, and creative³.

Advanced computer-based software and creative technologies provide the best opportunity to grow new, future oriented, high value, high growth businesses which provide high-skilled, high-income employment. Research suggests proximity to universities, such as Otago, is a key factor in sparking technology businesses and innovation.

The city's long industrial tradition has contributed to an industrial workforce that possesses strong technical knowledge, particularly in the manufacturing and engineering sectors. Many industries have been specialising in niche markets, rather than compete, and this has spawned a number of successful business clusters.

³ Dunedin's Economic Development Strategy, By Dunedin for Dunedin and Beyond 2013-2023

Dunedin's export economy

Businesses with the ability to compete in international markets are critical to Dunedin's economic performance, but only a small proportion of city businesses are export oriented⁴. Fewer Dunedin businesses are exporting (4% of Dunedin businesses were exporting in 2010, compared to 16% in Auckland and 12% in Christchurch) and the contribution of exports to Dunedin's GDP was lower when compared to Auckland and Christchurch.

An educated population

Dunedin residents are more likely to be tertiary qualified than other New Zealanders. In 2013, 21% of Dunedin residents had a tertiary qualification compared to 18% nationally⁵.

⁴ Dunedin's Economic Development Strategy, By Dunedin for Dunedin and Beyond 2013-2023

⁵ Statistics New Zealand, Census 2013

Tourism and international students

The large number of students and tourists studying and visiting Dunedin creates opportunities for the city. The number of international students and the revenue generated from international education both increased between 2007 and 2012.

- Tourism contributes 4.2% of Dunedin's GDP – compared to 3.6% nationally.
- Tourism makes up 6.1% of Dunedin's workforce – compared to 5.3% nationally.
- International fee-paying student numbers increased from 2,810 in 2007 to 3,256 in 2012⁶.
- Revenue from international education tuition in Dunedin increased from \$35 million in 2007 to \$48 million in 2012⁷.

⁶ Ministry of Education Export education levy statistics customised request

⁷ Ministry of Education Export education levy statistics customised request

Student City

- The University of Otago was New Zealand's first university, established in 1869.
- The University has grown rapidly in recent decades, and now has approximately 22,000 students and the equivalent of 4,000 full time staff, across all its facilities in the country.
- The Otago Polytechnic, developed from New Zealand's first school of art in the 1870s, has approximately 9,000 full and part time students and 700 staff⁶.
- The tertiary student population comprises about 20% of the population of Dunedin.
- The University of Otago alone anticipates an increase of 6,500 students and 500 staff in the next 25 years, which will require additional residential accommodation.



Regional and National Infrastructure

Dunedin's key infrastructure plays an important economic and social role for the wider Otago region and provides connections to the rest of the country.

Rail provides good connections for freight from the Otago and Southland regions to Port Otago and has opportunities to increase its capacity to cater for demand for freight in exported goods from the Otago region. The port plays a key role in the freight and export of goods as part of a national and international supply chain.

Dunedin International Airport, at Momona, hosts both domestic flights and direct flights to Australia's east coast, with connections to long-haul international flights via Auckland and Christchurch.

The city also contains important electricity distribution networks which provide power to the wider region, and are part of the national communications infrastructure.

Dunedin's road transport network experiences little congestion and most parts of the city have ample on and off street parking. The quality of the transportation network for other modes of transport is not so well developed, which is an issue for the 12% of households who do not own a car.

- Pedestrian facilities are inconsistent with some areas better serviced than others
- Cycling is one of the most commonly raised issues during public consultation, with an increasing number of people advocating for improved cycling facilities
- Public transport accessibility is also commonly raised, although Dunedin has reasonably good coverage of frequent bus services (65% of dwellings are within 400 metres of a frequent bus service).

Due to urban Dunedin's relative compactness many trips can be done on foot, by bike or public transport. As fuel prices rise, accessibility should be a primary consideration for new residential development.

Much of the infrastructure used to deliver water, wastewater and stormwater services in the city has a long life, with parts of it dating back to the 19th century. But the nature of Dunedin's growth over time, with periods of rapid growth, led to large quantities of infrastructure being built at the same time. This means they will require renewal at about the same time, creating peaks in costs for renewals.

It is important to maintain the environmental efficiency of the water, wastewater and stormwater infrastructure to preserve and improve the recreational, environmental and cultural values of the city's water environment, something highly valued by residents. The management and quality of Dunedin's reticulated water supply has been improved substantially in the past 20 years. The last decade has seen a significant investment in wastewater infrastructure with 99% of reticulated wastewater getting secondary treatment and disinfection. Future challenges include responding to climate change and rising energy costs while maintaining affordable levels of service.

Dunedin's agricultural hinterland and related industries continue to be vital to its economy, but new areas of development continue to be found. Education is a good example – the University of Otago has grown from around 5,000 students in the 1970s to more than 20,000 students. Growth in modern industries such as information technology is also helping Dunedin overcome the tyranny of distance imposed by its geographical location.

From February 2015 Dunedin becomes the first city in NZ with gigaspeed ultrafast broadband. This will enhance the city's ability to attract new information technology business and provide communications technology advantages for existing businesses and educational institutions, such the university and the medical and dental schools.

Landuse and Urban Form

The overall objective for urban form and future development for Dunedin is to have a 'Compact City with Resilient Townships'.

Dunedin generally maintains the distinction between rural and urban environments and protects its natural resources. However, rural land close to urban Dunedin is often threatened by competing uses, particularly from the desire for coastal properties and lifestyle development.

Residential activity in the rural environment leads to loss of productive land and can threaten local food production capacity. It can also threaten natural values such as ecosystem services, landscape, and cultural and recreational values, so it needs to be carefully controlled.

Research has been completed to identify significant landscape features that will be used as part of the Second Generation District Plan to protect these areas from inappropriate development.

Future housing needs

Dunedin’s ageing population and a decrease in the average household size, including an overall increase in one to two person households, means Dunedin needs to think about how it approaches residential development.

Demographic changes will likely lead to an increasing demand for a wider variety of housing types other than the traditional three or four bedroom detached family home. The trend for smaller households with one or two occupants (often students or the elderly) is likely to create demand for smaller dwellings, including more options for good quality apartments and townhouses. Associated with the ageing population and large number of low income households will be an increased demand for social housing. Some existing three-bedroom or larger houses could be divided into flats or to provide more single-room accommodation as social housing. Providing a wider choice in housing size will also improve affordability so people can choose housing that meets their needs.

Dunedin’s Residential Characteristics

The most common type of dwelling in Dunedin is the single-storey detached house on sites with an area of 500m² or larger. There is a greater variety in dwelling types surrounding the central city with higher density dwellings occurring in the form of villas, terraces and townhouses or cottages on small sites. South Dunedin and North Dunedin are the most intensively developed parts of the city. The majority of residential development occurring over the past 10 years has been in the form of greenfield development in Mosgiel and on the edges of urban Dunedin.



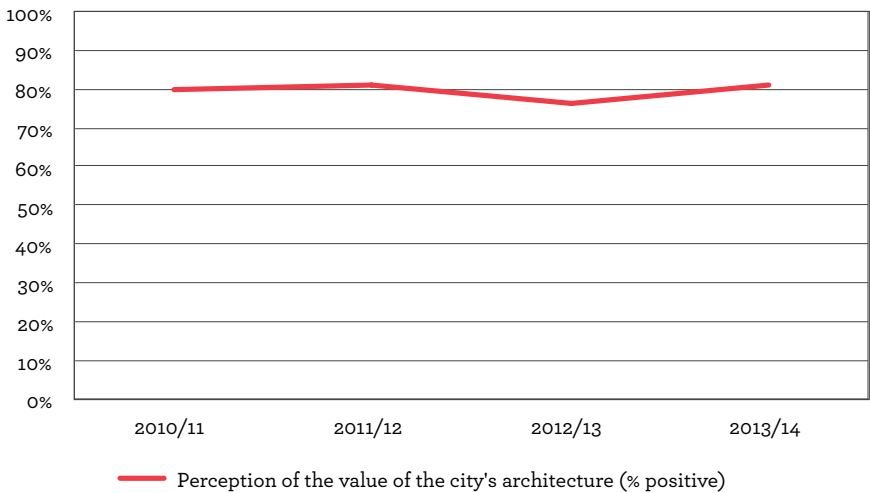
The Second Generation District Plan review process is responding to these considerations. At this stage 23 areas have been identified for medium density zoning, although five may need infrastructure upgrades if significantly more development occurs.

Housing will also need to be affordable to run, so improving the environmental performance of housing, for example by passive solar design and better insulation, will be important. Providing homes close to public transport and other services will reduce reliance on private motor vehicles and overall transportation costs.

Protecting our Heritage

One of the strengths of Dunedin’s built heritage is the collection of heritage buildings that define the distinctive townscape in the central city. Mostly established following the 1860s gold rush, they reflect the wealth of the era and the Victorian and Edwardian architecture of the time. While there are on-going challenges to the continued protection of these buildings, there has been substantial investment going into many heritage buildings in the central city over the past five years. Substantial regeneration work is underway in the Warehouse Precinct, Exchange, and Princes Street, driven by the re-use and restoration of heritage buildings. The Council has been trying to work collaboratively with heritage building owners, providing a range of incentives and policies to assist owners with earthquake strengthening, upgrade, and other restoration works.

Perception of the value of the city’s architecture



Source: DCC Residents’ Opinion Survey

Industrial and port land

The main industrial areas are located adjacent to the harbour edge, Portsmouth Drive, Kaikorai Valley and Mosgiel. Port Otago occupies land at Dunedin Port and Port Chalmers.

Future land-use demand

As the trends in industrial activity continue to change from manufacturing to services, and from heavy (or dirty) industries to light (or clean) industries, there is likely to be sufficient serviced land in suitable locations to provide for our future needs, provided it is not utilised by other competing activities. Industrial activity requires good accessibility and proximity to transportation routes.

The majority of greenfield development opportunities lie on the Taieri Plains, at North Taieri and Dunedin International Airport. Brownfield are also available for redevelopment at Green Island and Burnside. Some green industries or high tech industries may be compatible with other activities, such as retail and commercial, and can be integrated into centres and mixed-use developments.

The issue of reverse sensitivity, where new activities (often residential) locate close to industrial land and then complain about noise or light from industrial or port related activities, can affect the ability of industry to operate and expand.

Dunedin's natural environment and biodiversity is a significant strength for the city, providing food, various ecosystem services and supporting recreation and the eco-tourism industry.



Recreation and Culture

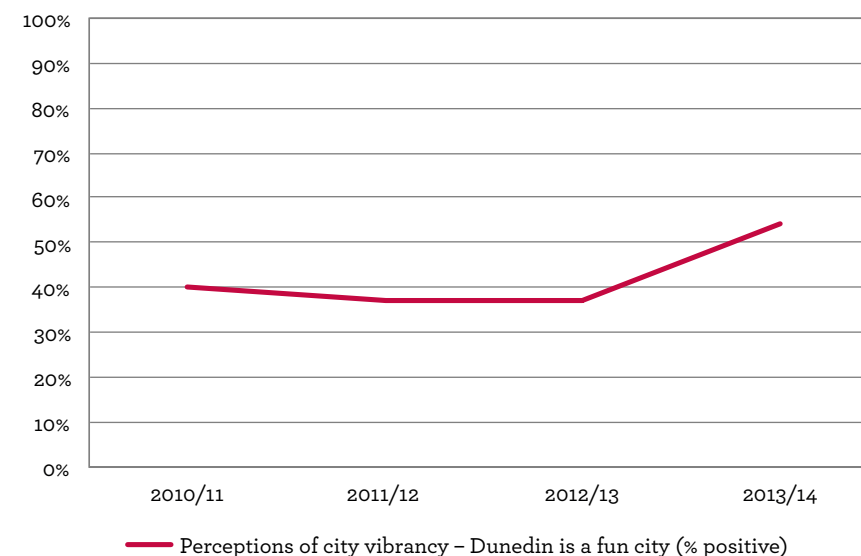
Dunedin provides a great lifestyle with many recreational and sporting opportunities, internationally regarded natural attractions, cultural institutions and events that are attractive to residents and visitors alike.

During the past decade the Council has invested in the upgrading and improvement of recreational and cultural facilities of the city. This includes substantial upgrades to the Dunedin Centre, Municipal Chambers and Town Hall complex, Toitū Otago Settlers Museum and Regent Theatre. New constructions include the Forsyth Barr Stadium and the Dunedin Chinese Garden. The Council has also invested in events that attract visitors from all over NZ and the world, such as the Rugby World Cup and iD Fashion.

Recent accolades such as the recognition of the Botanic Garden as a garden of an international significance and the city being made a Unesco City of Literature enhance the attractiveness and vibrancy of the city.

There has been a positive change in how Dunedin's vibrancy is perceived by residents in the past year.

Perceptions of city vibrancy – Dunedin is a fun city (% positive)



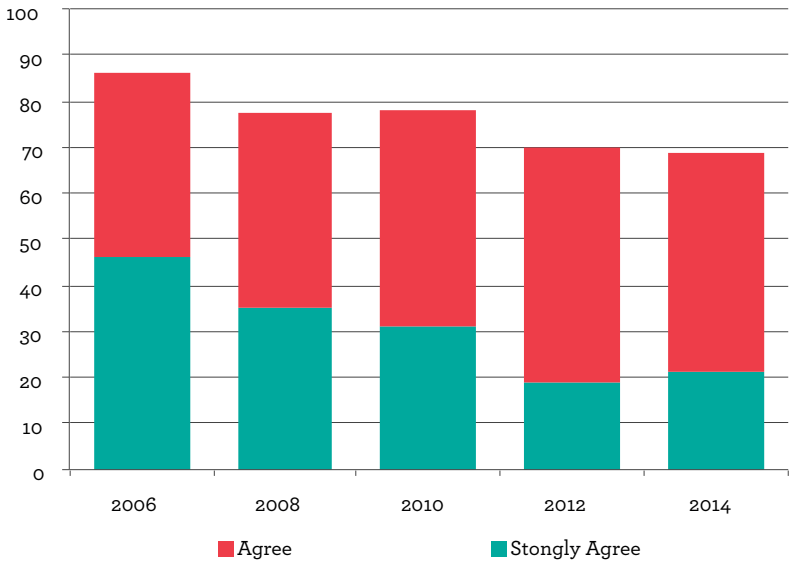
Source: DCC Residents' Opinion Survey

Arts and culture have been an important part of Dunedin since its founding. Creativity is now widely recognised as a key driver for a successful modern city.

Dunedin’s arts and cultural sector already makes a major contribution to the city’s economy and employment. In the year ending March 2013, BERL reported the creative sector contributed around \$55 million (1% of GDP) and about 1,300 full time equivalent jobs (2.6% of Dunedin’s full-time equivalent jobs). It is thought that the majority of these jobs are part-time and spread across a large number and range of employers and types of cultural activity.

An Arts and Culture Strategy for the city was adopted in April 2015. The strategy’s purpose is to provide a framework for arts and culture in Dunedin over the coming years, with the aim of positioning Dunedin as one of the world’s finest creative small cities.

Perception that Dunedin has a culturally rich and diverse arts scene



Source: Quality of Life Survey



Natural Environment and Biodiversity

Dunedin's natural heritage is one of its greatest assets. Within the city boundary there is a diversity of natural habitats that provide homes to numerous native plants and animals, some of which are found nowhere else on earth. These habitats and their constituents provide a number of important ecosystem services including the maintenance of soil health, water quality and the provision of clean air.

The Council, along with many dedicated landholders, private organisations and volunteers are protecting and enhancing the Dunedin's natural environment. Areas of Significant Conservation Value (ASCV) are one of the ways this is achieved. These are remnants of indigenous vegetation and fauna on public or private land that are listed in, and therefore protected by, the District Plan. Currently there are 101 ASCV's listed in the District Plan, which collectively account for just over 10,684 ha or around 3.2% of Dunedin's land area.

In 2007 the Dunedin City Council established the Biodiversity Fund to assist with the protection and enhancement of natural habitat, with priority funding going towards areas protected as an ASCV or by a Queen Elizabeth II (QEII) Open Space Covenant. The fund provides \$60,000 per annum split over two rounds at a 50/50 cost-share with private landholders or organisations. Since its inception the Biodiversity Fund has provided financial assistance to 124 biodiversity related projects.

External Challenges

Like many other small cities, nationally and internationally, Dunedin faces challenges from external factors that may require an adaptive response in the future.

Oil Price Volatility

Over the five past years the world has experienced volatility in the pricing of oil and petroleum products and it appears that in the longer term prices may rise in the event of declining availability of oil and petroleum products.

Council activities depend on oil and oil-based products in order to deliver core services. Oil products are used as fuel and are also a key constituent of a wide ranges of products used in the city's infrastructure, including the bitumen and hot mix products used in roading and footpaths, and the plastics and other synthetic materials used in water, wastewater and stormwater services.

As the price of fuel remains volatile, residents may adapt their travel behaviour, choice of location, and/or transportation mode in response to increases and decreases in fuel pricing. For example, residents may use less fuel and look for alternate modes of transport in times of high prices, or vehicle use may increase when prices drop and fuel becomes more affordable in household budgets. Dunedin's urban form and transportation infrastructure needs to have adaptive capacity and be resilient to these changes.

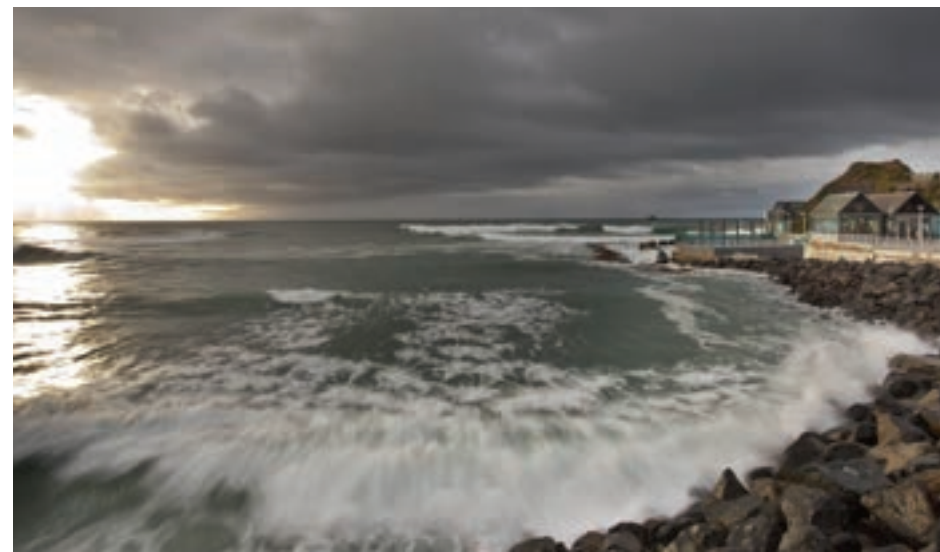
Climate Change

Climate change will have greater direct effects on some parts of the city than others, including low-lying and coastal areas. This includes some densely populated urban areas and major infrastructure including the Dunedin International Airport. The main issue will be rising water tables, inundation and increased frequency of flooding which will affect both above ground and below ground infrastructure. Engineering solutions may be available, but these may be prohibitively expensive. The DCC is currently researching how to adapt to the effects of climate change in areas most at risk.

Natural Hazards

Like most of New Zealand, Dunedin is at risk from a wide range of natural hazards, including river and lake flooding, earthquakes and seismic hazards, landslides, coastal flooding and erosion, severe wind or snow, tsunami, storm surge and soil erosion. Ongoing research and monitoring has improved awareness of the likely extent and effect of these different natural hazards.

Coastal erosion is a significant issue and a range of options is being investigated to address erosion issues.



Financial Strategy

Why a Financial Strategy?

This Financial Strategy has been developed to guide the Council as it seeks to balance the competing tensions of affordability, maintaining its assets and investing for the future.

This balancing process involves evaluating the impact on affordability of a range of expenditure needs and obligations including:

- the need to maintain, replace and renew core infrastructure
- the obligation under law to build new infrastructure of a higher standard
- a desire to respond to community aspirations for new and improved community infrastructure.

Financial Strategy at a Glance

- an operating surplus greater than zero over a moving three year period
- operating cashflow at 100% of depreciation
- to provide a working capital ratio of greater than 1. Where current assets include cash on hand and available credit facilities
- capital expenditure focus on increasing renewals required for infrastructural assets
- core Council debt (term and current portion) below \$230 million by 2021
- rate increases to be limited to 3% unless there are exceptional circumstances
- Dunedin City Holdings Limited (DCHL) to provide a consistent and maintainable cashflow at no less than the projected levels over the 10 year period. This may include building up a cash reserve to allow for the commercial reality of the group
- that investments held by the Council (Investment Property and DCHL) provide a long term moving average return greater than the Council's average cost of capital
- that the Waipori Fund provides a minimum return over the medium to long-term, equivalent to the weighted average Official Cash Rate plus the consumer price index.

Introduction

Dunedin has set a goal to be one of the world's great small cities. It enjoys an outstanding natural environment and setting plus a fine network of social and cultural infrastructure – for example Moana Pool, Forsyth Barr Stadium, Toitū Otago Settlers Museum, Dunedin Town Hall and convention facilities, and the Dunedin Public Art Gallery. The Dunedin City Council has also recently completed an intensive programme of services infrastructure upgrades, for example extensive water and waste water service level improvements.

These capital projects and upgrades have pushed up debt levels but the city is also now moving into a phase where overall debt levels peak and will begin to track down, allowing the focus to shift to debt reduction. This is aided by the fact that the Council is now in a position where infrastructure renewals, for example pipe renewals, are increasing and can be funded by rates rather than additional new debt.

Dunedin faces some unique challenges and opportunities now and into the future relating to its population, demography and economy.

The city's unique population characteristics include a slower than average population growth, an ageing population with a falling proportion of working age people, less ethnic diversity and immigration, changing household composition, and declining household size.

While Dunedin provides its residents with a great lifestyle, the city is at risk of losing business and people to other centres. Creating an attractive environment – where businesses thrive and residents feel proud – will establish Dunedin as one of the world's great small cities.

The nature of the city's growth has meant that large quantities of network infrastructure were built over a short time period. Assets that were built at the same time generally require renewal at the same time, causing peaks in renewals cost.

Land use is not expected to change to the extent that big increases in debt and operating expenses will be required to service development.

A summary of the key challenges and opportunities for consideration are:

- large capital projects and upgrades have pushed up debt levels, the focus now turns to repaying debt
- Dunedin has come through a period of high rates increases, these now need to be limited
- large asset base
- levels of service should be maintained. One of the key assumptions in the Financial Strategy and Infrastructure Strategy is that there will be no change to the existing range of services and/or service levels provided by the Council
- in recent years, budgeted income from DCHL to the Council has proven to be unrealistic. This, coupled with stadium-related financial issues, has created a degree of financial uncertainty for the Council when trying to establish budgets. The strategy in place to build cash reserves in DCHL and the recently completed Stadium review provide a greater level of financial certainty for the Council
- network renewals will occur at a growing rate over the next decade.

It is the Council's view that the implementation of this financial strategy in the 10-year plan is prudent and sustainable.

With the major projects completed, the Council has shifted its focus onto operating in an environment of financial constraint. With rate increases now constrained and affordability in mind, borrowing reducing and greater certainty around both funding from and for DCHL, the DCC will continue providing the services needed to attain the city's vision and meet the growing renewals requirements.

The following sections outline the individual components of the financial strategy.

Operating Surplus and Cashflow

A local authority must ensure that each year's projected operating revenues are set at a level sufficient to meet that year's operating expenses, unless the local authority resolves that it is financially prudent to not do so.

The Council approach to this is to show an operating surplus of greater than zero over a moving three year period. Across the period of the plan, projected revenue is more than adequate to cover operating expenditure.

In terms of operating cashflow, the Council's approach is to have an operating cashflow which covers 100% of depreciation. The Council is forecasting an operating cashflow of \$52 million in the 2015/16 year which then steadily increases annually to \$90 million in the 2024/25 year. Depreciation is forecast to be \$53 million in the 2015/16 year, increasing to \$69 million in the 2024/25 year. The incremental increases in operating cashflow arise because the Council is signalling additional rates income each year to fund increasing infrastructure renewals expenditure. In addition, because the majority of Council debt is repaid on a table loan basis, this means that when interest expenditure reduces, loan repayments increase. Loan repayments are funded from operating cashflow.

The Council will ensure that there are sufficient cash resources available to meet its obligations. This means providing a working capital ratio of greater than 1, where current assets include cash on hand and available lines of credit. The Council has access to credit facilities of up to \$270 million.

Capital Expenditure

Dunedin has recently completed a period of capital development during which a number of large new capital expenditure projects and upgrades were undertaken simultaneously. A small number of large new projects remain in the capital expenditure programme for transportation upgrades, library and community facilities.

Attention has now turned to a renewal programme, for example waste water (sewer) renewals and upgrading under street infrastructure that is more than 100 years old in some places. Generally speaking, this work is to be funded out of rates, rather than borrowing. The Council approach to funding renewals in this way is to avoid the significant longer term cost of borrowing annually for renewals. Further information on the Council's approach to this is discussed in the Infrastructure Strategy.

Debt

Any discussion of Council group debt needs to be balanced with an acknowledgement of its large asset base which includes the Council-owned companies, Waipori Fund and considerable property assets. This means that as the Council addresses debt levels and loans are repaid, the city's debt to asset ratio will also improve.

Forsyth Barr Stadium debt continues to be an important factor in future debt projections. The recent Stadium review has found that the debt which sits with Dunedin Venues Limited (DVL) – who are the current owners of the stadium – is too high. The Council is proposing to transfer \$30 million of debt from DVL to the Council. While this has no impact on overall group debt it does affect one of the goals of the Council's previous Financial Strategy which was to reduce Council debt to \$200 million by 2021. Bringing that \$30 million of debt back to the Council means that target has been revised upwards to \$230 million.

Gross Debt Limit: Target of \$230 million by 2021

The budgets forecast the following levels of debt:

Gross Debt Forecast: \$ millions

2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
255	248	248	245	243	236	228	212	194	174	153

Dunedin's financial position has been scrutinised by international ratings agency Standard & Poors, which has just reaffirmed the Council's credit rating to AA/Stable/A-1+ from AA/Negative/A-1+. Their report talked about Dunedin's debt burden being high compared to international peers but also acknowledged that debt (including the borrowing of the Council-owned companies) as a percentage of adjusted cash operating revenues is forecast to fall below 140% in 2016, down from 160% last year. Standard & Poors also acknowledged that Dunedin's debt is set to be reduced at a quicker pace.

It highlighted the predictable and supportive institutional framework available to local councils in New Zealand, its very positive view of the Council's financial management, and the way that its budgetary performance has improved significantly.

Standard & Poors also noted that Dunedin has no foreign-denominated debt, and its hedging of interest rate risk provides some support to the Council's debt profile. Importantly, the city also has a large portfolio of assets to support this debt.

Looking ahead the city has no new major approved projects, except for upgrades to the City Library, the proposed South Dunedin Community Library, an upgrade to the central city, cycleways developments and peninsula road improvements. Borrowing around projects such as roading improvements are generally done across 20 years to spread – or smooth – the cost of debt servicing to users over the lifetime of the asset. This is a way in which debt can be used in a positive way so that the cost of new assets is not lumped on one generation during the initial construction or project period.

The Council policy is clear in terms of the use of any surplus funds which will be spent according to the following priority:

- repayment of debt
- investment
- priority projects.

Security for Borrowings

It is the Council's policy to give rates as security. It does give assets as security; however, it is not legal to give water assets, including wastewater and stormwater, as security.

Rates

In the 2014 Residents' Opinion Survey Dunedin people made it very clear they wanted the Council to keep rates in check by controlling debt and new spending. It is a message that is being taken to heart in this strategy.

Dunedin has come through a period of high rates increases to fund many of the projects, peaking at a high of 10.4% in 2008/09. Since 2011/12, when rates rose 7.7%, increases have tracked downwards falling to 3% for the 2014/15 year.

This period of high rates increases has been driven by an extensive capital programme, from new projects such as the Forsyth Barr Stadium, to significant upgrades at Toitū Otago Settlers Museum, and the Dunedin Town Hall and conference facilities, which are marketed as the Dunedin Centre.

While this work has provided the city with top class venues there have been other key infrastructure redevelopments, such as the city's water upgrade, which has delivered vastly improved drinking water standards for Dunedin.

The aim now is to limit future rates increases to 3%, unless there are exceptional circumstances. The first such exception is the 2015/16 year. The city faces two hurdles which will push rates up by 3.8% for that year. The first is the reduced income stream of \$4.5 million from DCHL as they carry out needed capital works. The second relates to an additional \$1.51 million funding requirement for the Stadium.

Getting into the position where future rates increases can be expected to be limited to 3% has been brought about as the result of an extensive programme of activity reviews. These reviews have identified ways to improve service delivery and reduce costs by doing things smarter and more efficiently as well as making greater use of technology.

The Council has chosen not to link rates increases to the Consumer Price Index (CPI) but rather to set rates in response to funding requirements as they arise.

While setting annual rates increases based on the CPI offers transparency and simplicity, its major disadvantage is that it constrains capital expenditure on projects that the community may support. As a general rule, new debt funded capital expenditure tends to compress the servicing of that debt into a time frame that is shorter than the life of the asset. What this tends to do is raise rates in the first year of the new debt above a typical operating cost index, such as the CPI or the Local Government cost index. The larger the item of new capital, or the more the number of projects embarked on, the larger the impact.

It is also important to note that the Council's costs for service provision don't increase at the same rate as CPI. This is because the group of costs used to measure CPI are not strictly applicable to an organisation involved in the management of infrastructure.

Allowing elected Councillors to set rates according to their consensus view on what the city needs to spend on gives full effect to the principle that, as elected members, they are there to make decisions as representatives of the community rather than in response to some mathematical index.

Renewal projects, such as pipe renewals, will be paid for out of rates rather than taking on further debt. Dunedin has an aging infrastructure that needs to be addressed. These renewal projects are expected to be a significant driver of the requirement to increase rates in the coming years due to an under investment in this activity over an extended period of time.

The Council has avoided taking an easy path in setting its limits. By imposing on itself rate increases that are lower than today's indicative calculations for years it has set itself a challenging task. The Council is accustomed to identifying more efficient ways of doing things and maximising non-rates revenue sources.

Rate increase limit: Limit future rate increases to 3% unless exceptional circumstances

The budgets forecast the following rate increases:

Forecast rate increases:

2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
3.8%	4.9%	5.0%	4.0%	3.9%	4.5%	2.3%	3.9%	2.3%	2.7%

Rates limit: the forecast rates incorporating a 3% increase from the 2016/17 year are shown in the table below along with the forecast rates.

Rates Forecast: \$ millions

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Rates Limit	130	134	138	142	146	150	155	160	165	170
Rates Forecast	130	136	143	149	154	161	165	171	175	180
Savings Required	0	2	5	7	8	11	10	11	10	10

Financial Resilience

Financial resilience is becoming an increasingly important strategic consideration, whether that be the ability to weather a global financial crisis, local economic downturn or a civil emergency. It means being prepared for future challenges and the unexpected.

The Council has, in the past, carried a significant amount of uninsured assets and in the event of a significant earthquake would carry a larger share of the cost of rebuilding. However, as part of the renewal approach for the 2014/15 year the Council has been able to secure insurance for some infrastructure assets (mainly in the 3 Waters area).

In the event of a civil emergency, the Council would fund major infrastructure rebuild via a combination of:

- insurance cover
- access to Government funding for infrastructure assets
- reprioritisation of renewals and new capital expenditure budgets
- an existing line of credit of \$5 million
- access to liquid assets available from the Waipori Fund
- loan funding in the event of any shortfall.

Investments

While the Council does hold considerable debt, this is offset by the fact that it is also asset rich, holding a range of investments, including Council-owned companies, investment property, and the Waipori Fund (a balanced portfolio of fixed interest deposits and equities).

These investments are designed to provide the Council with an ongoing non-rates revenue stream over a long period of time.

Accordingly, the Council's target return on investment is higher than the cost of debt, thereby producing a net financial gain to the city, which in turn provides a subsidy to rates. The estimated cost of debt for the 2015/16 year is 7.3%. In the case of equities, such as those held through the Waipori Fund, it also includes an allowance for inflation to protect their real value.

The Waipori investments in particular have a high degree of liquidity which means the Council would have ready access to cash should the need arise.

Council-Owned Companies

Council-owned companies are an important component in the Council's financial strategy. While they are valuable assets in terms of their capital value, the income (income includes dividends, subvention payments and interest) they generate from their operations are used to keep down the levels of funding required from the city's ratepayers.

In more recent years, the revenue expectations from the companies to the Council have been unrealistic. This, coupled with stadium-related debt pressure, has created a degree of financial uncertainty for the Council when trying to adopt budgets and set rates.

Income from the holding company, Dunedin City Holdings Limited (DCHL), to the Council will continue to be paid but it will reduce by \$4.5 million from the 2015/16 financial year. This will give the companies time to invest in their own infrastructure – something which is particularly important in the case of lines company Aurora which has infrastructure that needs to be renewed.

This will also allow DCHL to begin the process of building up cash reserves. This means that when income from DCHL increases again in future years, any future volatility can be absorbed within the group. This will ensure that in the future the city is provided with a steady and predictable income stream. The Council does not expect the current level to change within the next two years but is forecasting an increase over the longer term.

Forecast revenue from DCHL: \$ millions

2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
11	11	11	12	12	12	13	13	14	15

Costs associated with Forsyth Barr Stadium are also a key consideration. A review of the Stadium operation and ownership has been completed which proposes additional ratepayer funding for the next 10 years to enable the Stadium to operate on a sustainable basis.

Stadium debt is also being addressed through transfer of \$30 million of stadium debt to the Council's books. Taking the responsibility for servicing this debt away from the stadium will strengthen its financial viability.

Waipori Fund

Established in 1999, using proceeds from the sale of the Waipori electricity generation assets, the Waipori Fund provides a valuable annual dividend to the Council. The fund value at 30 June 2014 was \$74 million.

Objectives

The primary objective of the Waipori Fund is to generate income and increase capital value over the long term, subject to a proper consideration of investment risk.

Subject to the income distribution needs of the fund owner and the provisions for capital protection, a key tenet is to enlarge the Waipori Fund's capital base to protect that base from falls in the value of money. This adjustment to the capital base is described as "inflation adjusting the fund".

Other objectives

- provide a non-rates revenue source to the Council
- provide a source of liquidity should the need arise
- provide long-term wealth generation for ratepayers
- to hold equity investments as a hedge against inflation – and also provides an offset to other areas of the Council.

Target

The Council envisages a minimum return over the medium to long-term, net of all fees and charges attributable to the Fund, equivalent to the weighted average Official Cash Rate plus the movement in the 'all groups' consumer price index.

Investment Property Portfolio

Objectives

The primary objective of the Investment Property Portfolio is to maximise its return, subject to a proper consideration of investment risk. The portfolio value at 30 June 2014 was \$95 million.

A key principle is to invest in properties that will increase in value over time.

Because a significant portion of the portfolio is endowment land, the Council is required to hold the land as an endowment for the general purposes of the City.

Other objectives

- provides a non-rates revenue source to the Council
- diversification outside of the city
- provides long-term wealth generation for ratepayers.

Target

The long term target for the Investment Property Portfolio is a return which is greater than the Council's overall cost of capital. The draft budgets provide a return of 6% in the 2015/16 year. Over the next 10 years the portfolio will transition towards the target.

This will be achieved according to the following sequence:

- identify and sell properties that aren't making an appropriate return
- identify and sell properties with a return less than the DCC's overall cost of capital
- reinvestment in properties that will provide a target rate of return on investment, along with capital growth.

Surplus Property Sales

Maximising returns and realising under-utilised and non-performing, non-strategic assets

This will be achieved according to the following sequence:

- sell properties already identified as not being required for operational or strategic purposes
- identify and sell properties that are not required for operational or strategic purposes, that are not making an appropriate return
- identify and sell properties that are not required for operational or strategic purposes with a return less than the Council's overall cost of capital
- reinvestment in properties that will provide a target rate of return on investment, along with capital growth.

Infrastructure Strategy

Executive summary

One of the Council's main functions is to provide roading, water supply and waste services to the city. The networks of roads and footpaths, pipes, treatment stations and drains that provide these services are called service infrastructure.

This Infrastructure Strategy outlines a planned approach to four key areas of service: roading and footpaths, water supply, wastewater and stormwater. The latter three, collectively referred to as 3 Waters, include an asset base with a gross replacement cost of \$1.6 billion, while the roading and footpath asset base represents a further \$1.3 billion. Providing these services forms a substantial part of the Council's activity and expenditure, accounting for approximately 46% of annual operating expenditure and approximately 78% of annual capital expenditure. Ensuring consistent and reliable service delivery to the community requires good asset management practices and strategic thinking.

Dunedin's aging infrastructure, and the nature of infrastructure investment over time, means the Council faces challenges over the next 30 years as it balances the need for infrastructure renewal, new capital expenditure and ongoing maintenance. This will require significant investment to maintain existing levels of service. By level of service we mean the range and quality of service that we provide for the community – the measurable outputs such as the quality of drinking water or the efficiency of travel on the roading network. There are small pockets of the city where we are not meeting service levels and this will continue in the short term as the infrastructure deteriorates. However, careful planning of infrastructure renewals delivering efficiencies, and the gradual increase in funding, will allow us to address these areas in the medium term. Key service levels, such as drinking water quality, are not affected.

There are a range of factors that need to be considered when planning for infrastructure renewal and development. However, the overriding issue is the age and condition of the infrastructure. This situation is partially due to underfunding in the past and partially due to nature of the city's development, with large quantities of network infrastructure being built over a short time. This has led to the need to renew a large number of these assets over the next 30 years.

We are maintaining the existing levels of customer service by providing appropriate renewals funding. That ensures the services continue to function at the level they are now. By developing a 30 year Infrastructure Strategy as part of the Long Term Plan (LTP), the Council is able to take a long term strategic view of asset renewal and development, managing and prioritising the capital programme to provide greater certainty for financial planning. It outlines the key issues associated with the on-going management

of the infrastructure and the most likely scenarios for operational and capital expenditure requirements across the strategy's three decade time span. This provides a clearer picture of when expenditure is required and how this may impact on rates requirements during and beyond the 10 years of the LTP.

We are forecasting expenditure of \$844 million and \$719 million respectively on 3 Waters and roading infrastructure renewals and new capital in the 30 years between 2015/16 and 2045/46. Over the same period, around \$1.9 billion is forecast to be spent on operational costs. This expenditure will allow us to continue to provide the services that are in place now. Decisions to increase service levels by adding or improving services, will mean either increased costs or that existing programmes would have to be reprioritised to include them. That could result in some previously planned work being delayed.

Renewals expenditure is forecast to be on average over the next 10 years \$16-19 million per year for 3 Waters and \$17 million per year for roading and footpaths. It is important to note, however, that due to under-funding of renewals in the past it will be necessary to fund them above this level in the short to medium term to address the backlog.

Stepping up the renewals programme in the first 10 years of the strategy is the preferred way to deal with the issues outlined above. This allows us to manage any expenditure peaks and troughs in the longer term and ensure our key service levels can be maintained without big increases in operating costs.

In order to reduce the impact of these peaks, the DCC has developed a prioritised programme so the assets which most need to be replaced are tackled first. At the same time we will be working to provide best value for money in the way we manage these projects. This will include departments co-ordinating work planned for areas such as the Warehouse precinct and the central city. The Council believes it is preferable to invest in catching up on renewals over the next 30 years than to leave funding at 2014/15 levels and have assets and service levels deteriorate over time.

Introduction

This strategy is a new legislative requirement under the 2014 amendments to the Local Government Act 2002. The aim of the strategy is to identify the key infrastructure issues facing the Council and the principal options for managing these issues.

The document is structured in a series of chapters, describing the strategic framework and context that the strategy operates within, and the major issues for the activities contributing to the strategy. Major issues are described in summary initially, with activity specific responses to these issues described in later chapters of the strategy. Financial information is presented at the aggregated level in the chapter: ‘How much needs to be invested over the next 30 years?’ Activity specific estimates of cost for operations, capital expenditure for renewals, new capital requirements across the 30 years and key asset management practices and considerations are described in the latter chapters of this document.

Financial information is provided in detail for the first 10 years of the strategy, with estimates of expenditure for the remaining 20 years which are shown in blocks of five years.

This document is supported by the Council’s wider strategic framework and activity group Asset Management Plans.

What is an infrastructure strategy?

This strategy provides information about the significant infrastructure issues that the Council will face over the next 30 years. This strategy applies to the following groups of activity:

- roading and footpaths
- water supply
- sewage treatment and disposal (more commonly known as wastewater)
- stormwater.

Providing these services forms a substantial part of the Dunedin City Council’s activity and expenditure:

- approximately 46% of the Council’s annual operating expenditure
- approximately 78% of Council’s annual capital expenditure.

The Council’s 3 Waters services (water supply, wastewater and stormwater) work with the main types of water affecting people’s lives – drinking water, wastewater from kitchen, bathrooms, toilets and laundries, and rainwater.

The Council ensures that people receive drinking quality water at their taps, that wastewater is removed and treated for environmentally safe discharge at sea and ensures that rainwater going into the stormwater network from roofs and streets is removed and disposed of in accordance with Regional Council resource consent requirements.

This is achieved via a vast network of largely underground pipes, pumping stations and treatment plants.

The roading and footpaths activity group manages a large network of road carriageways, footpaths, cycleways, streetlights, traffic signals, signs and road markings, retaining walls, bridges, culverts and seawalls. All of these assets contribute to the ability to move people and goods around the city using a variety of means of transport.

Roading infrastructure also connects Dunedin to the wider national and international road, rail, shipping and air transportation networks.

Managing and maintaining these assets to ensure consistent and reliable service delivery to the community requires good asset management practices and strategic thinking. A key characteristic of Dunedin is the age of the existing infrastructure. By developing a 30 year Infrastructure Strategy in this Long Term Plan (LTP), the Council is able to demonstrate that it is taking a long term strategic view and making prudent decisions regarding the funding of any further development of networks and maintenance, and renewal of the existing assets.

In the past five years, the Council has focused on strategic planning by developing an integrated strategic framework based on eight core strategies, including a Spatial Plan for the city. The city’s infrastructure enables the social, economic, recreational, environmental and other outcomes discussed in these strategies. Two of these strategies relate specifically to the overall planning for the city’s infrastructure and take long term strategic views – the 50 year 3 Waters Strategic Direction Statement completed in 2010, and the 30 year Dunedin City Integrated Transport Strategy completed in 2013. Development of these strategies involved extensive community consultation and they are supported by investment in technology to assist with assessing network asset condition and management of asset life cycles.

The 30 year Infrastructure Strategy compliments this work by outlining the key issues associated with the on-going management of the infrastructure and the most likely scenarios for operational and capital expenditure requirements across the 30 year time span of the strategy. By providing a longer view of requirements residents and ratepayers will get a sense of when expenditure is required and how this may impact on rates requirements beyond the 10 years of the LTP.

Infrastructure strategy at a glance

This strategy applies to the Council's roading and footpaths, water, wastewater and stormwater services.

Challenges faced by the Council:

- ageing infrastructure
- relatively low levels of population growth and economic growth
- an aging population which will provide challenges and opportunities for infrastructure networks, particularly for roading and footpaths
- predicted effects of climate change.

Over the next 30 years the Council plans to:

- maintain existing levels of service while managing the above challenges
- manage infrastructure by focusing expenditure on renewal of ageing assets
- step up the level of renewals funding in the next five years and hold funding at the increased level to manage peaks in asset renewals noting that:
 - peaks occur when large numbers of assets need renewal at the around the same time
 - sustainable levels of renewals expenditure is forecast to be approximately \$22 million per year for the 3 Waters and \$17 million per year for roading and footpaths
 - higher levels of funding are required in the early years of the strategy to manage backlogs in renewals in the 3 Waters
- strengthen the capability and capacity of the teams developing and delivering renewals programme requirements.

Where will we be in 30 years' time?

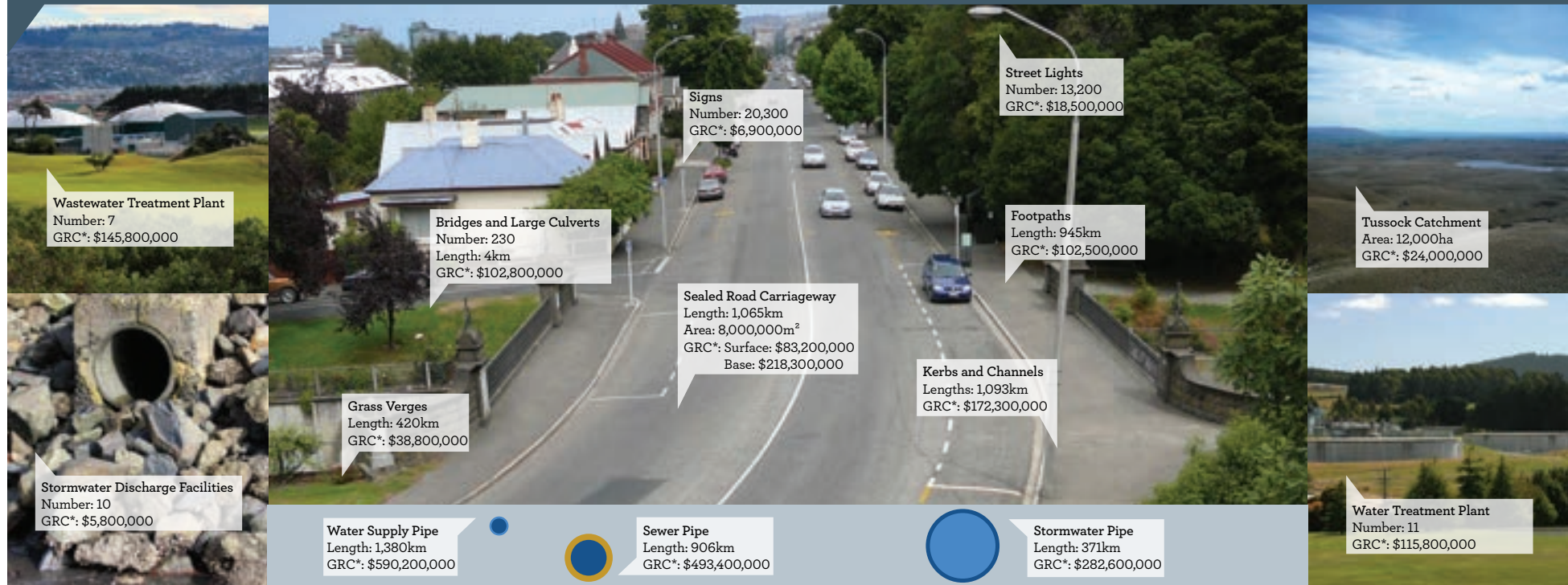
- renewals backlogs will be caught up
- Dunedin's infrastructure will be fit for purpose and will be continuing to deliver levels of service that meet today's community expectations.



DUNEDIN'S MULTI BILLION DOLLAR INFRASTRUCTURE

The DCC assets are valued annually so that appropriate depreciation can be allowed for in budgets to replace assets at the end of their life.

*GRC – Gross Replacement Cost



Key assumptions

These are the key assumptions that underpin the Infrastructure Strategy and projected budget requirements.

Assumption		Risk	Level of Uncertainty	Impact
Levels of service	It is assumed that existing levels of service will be maintained unless otherwise stated for the duration of the 2015/16 – 2024/25 LTP.	Service levels may require adjustment in response to service issues identified by the community, changes to legislation or an external factor.	Low	Changes to the stated service levels may result in new operational and/or capital expenditure costs which may require an increase in rates requirement.
Capital Expenditure Budgets – Renewals	The level of renewals shown in the budget estimates and this Infrastructure Strategy will ensure the long term integrity of infrastructure assets within the roading and footpaths and 3 Waters networks.	That renewals programmes are deferred and asset condition deteriorates as a result.	Low – Medium	A long term deferral of renewals poses a risk of asset deterioration and compromise of network integrity which may attract additional capital expenditure costs in the future.
Capacity and Capability – 3 Waters Renewals	That the planned improvements to work and procurement practices will allow 3 Waters to deliver the renewals programme to budget. Efficiencies of 16% are required on renewals costs in order to deliver projected work programmes and budgets.	That the required efficiencies are not able to be made.	Low – Medium	Failure to find the required efficiencies will impact 3 Waters' ability to catch up on renewal work to the level proposed in this strategy. This would result in a further backlog of renewal works and may attract additional capital expenditure costs in the future.
Useful lives of significant assets	The useful lives of significant assets shown in accounting policies and activity management plans have been assessed appropriately.	Asset life and condition assessments prove to be invalid and assets require replacement earlier or later in their life cycle.	Low	Asset management planning is a priority for the Council. An unexpected failure of an asset would be managed by re-prioritisation of capital expenditure programmes. Additional borrowing costs may be incurred if renewals programmes were not able to be re-prioritised, and could require rates funding.
Population growth projections	It is assumed that the population growth projections stated in the LTP significant forecasting assumptions and utilised in roading and 3 Waters asset management systems, provide an appropriate indication of population growth for asset management and planning purposes.	That population growth occurs at a faster or slower rate than projected.	Low	Slower or faster population growth may impact on service levels, infrastructure expansion renewal programmes and costs, resulting in increased or decreased rates requirements.

Assumption		Risk	Level of Uncertainty	Impact
Industry capacity for infrastructure asset construction	It is assumed that sufficient design, engineering, and construction capacity, including availability of construction materials, will exist in the construction industry to undertake the physical works programme within projected timeframes.	That the demands of the Christchurch rebuild on the construction industry may impact the Council's ability to engage consultants and contractors for components of capital expenditure projects, particularly in roading.	Low	Issues with availability of contractors may cause delays and/or cost escalations in competitive tendering which will impact project budgets and timelines.
Oil price volatility	Oil price fluctuations may impact on operational and capital expenditure estimates with fluctuations in fuel pricing and movements in the Construction Cost Index (CCI). Impacts may be positive or negative but in the longer term are expected to be negative. No specific allowance has been made in budgets to accommodate oil price volatility. Oil price fluctuations may influence modal (method of transport) choices.	That contract pricing is significantly impacted by oil price increases or increases. That the modal choices impact on the range of service/infrastructure that the Council provides.	Medium Low	Increased CCI and fuel costs may impact the Council's ability to complete programmed work within budget. Work programmes may need to be changed to fit funding. That changes in modal preferences result in additional costs and potential rate increases.
Climate Change	It is assumed that the climate change projections commissioned by the Council and utilised in the 2011 Climate Change Policy are correct.	That the projections do not match reality.	Medium/ Unknown	Climate change adaptation and/or mitigation works are required earlier or later than programmed and require changes to capital expenditure programmes.

The complete set of significant forecasting assumptions for the Council can be found in Section 3.

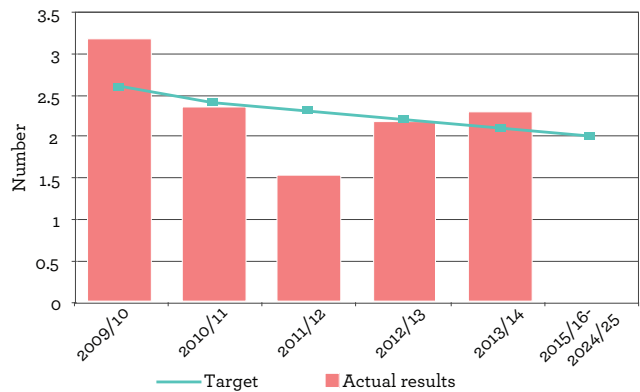
Maintaining service levels

The Infrastructure Strategy is based on the assumption that the current levels of service provided by the roading and footpaths and 3 Waters activities will be maintained across the next 30 years. Levels of service are usually defined as the outputs of a service and are supported by performance measures. For example ‘Residents receive safe clean water’ is a service level and can be measured by compliance with aspects of the New Zealand Health Drinking Water standards.

In order to maintain existing levels of service, infrastructure networks and assets will need to be maintained in a condition that will support these levels. This means that the Council will be focused on the renewal of assets rather than major new projects. Any new projects that may be requested by the community would result in additional costs over and above the projected funding included in this strategy and potentially result in an increase in rates. New projects would be viewed as an increase in service levels or a new service level.

There are some infrastructure issues that are affecting the level of service provided by the Council. The footpath renewal programme has been slowed while Chorus complete ultrafast broadband cabling work. In 3 Waters, ageing pipes and sewers are creating ‘nuisance’ level problems for residents. Deteriorating clay pipe sewers (which were largely built in the early 1900s) are now causing overflow and flooding issues. Ageing cast iron water mains (many of which were installed in the 1920s and 1930s) are causing discoloured water and affecting water flow and pressure. The levels of service that are affected by these issues are shown below. Further information about these can be found in the Activity Management Plans for the water, wastewater and transport activities and in the activity specific sections of this strategy.

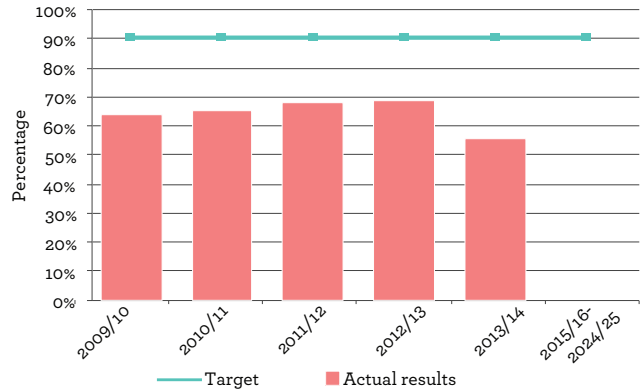
Level of service: The water tastes and looks pleasant



Performance Measure:
Number of complaints regarding colour, taste and odour per 1000 connections

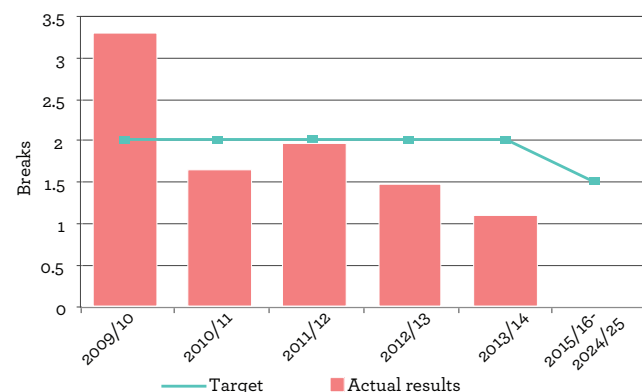
The stepped target is considered achievable with the planned renewals programme in place and targeted planned maintenance programmes.

Level of service: Water is available for firefighting



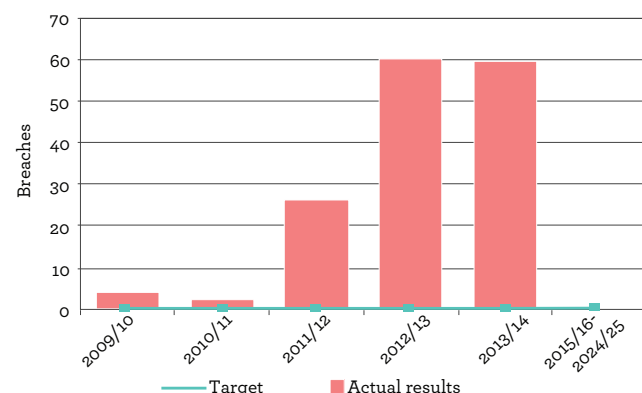
Performance Measure:
Percentage of Tested Hydrants that meet NZ Fire Service Code of Practice

Condition issues in older cast iron water mains causes some flow and pressure restrictions in certain areas. These areas are being targeted for renewal and compliance with NZ Fire Service Code of Practice is expected to rise over time as these projects are delivered.

Level of service: The wastewater service is reliable

Performance Measure:
Number of Breaks per 100 km Foul Sewer Main

The target has been met in recent years due to recent improvements in the approach to renewals planning. The target has been stepped accordingly from 2 breaks per 100 km to 1.5 breaks per 100 km from 2015/16.

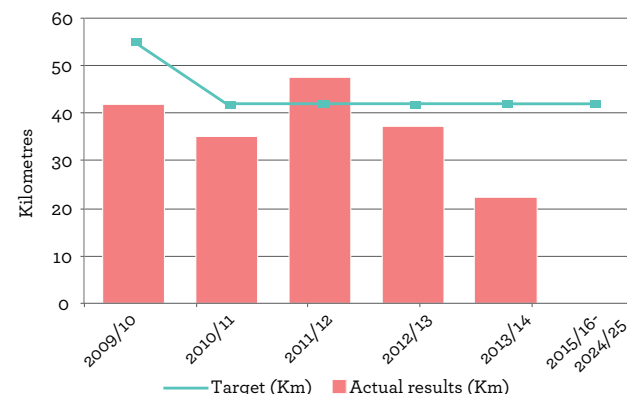
Level of service: Sewage is managed without adversely affecting the quality of the receiving environment

Performance Measure:
Number of recorded breaches of the Resource Management conditions (Wastewater)

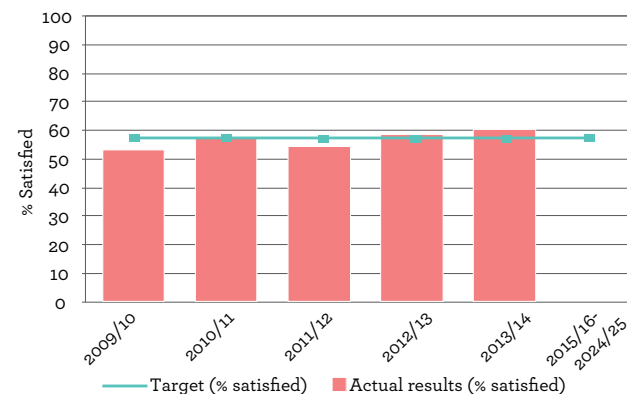
The increase in recorded breaches relates to more intensive monitoring of spill sites as well as deterioration of the pipes. The number of monitoring sites has been increased annually from 2012/13. The proposed renewals programme will improve performance on this measure over time; however it is subject to annual variation due to the number and intensity of weather events.

Level of Service: The transport network facilitates active travel

Two performance levels measures apply to this service level.



Performance Measure:
The total length in kilometres of footpath resurfaced annually



Performance Measure:
Resident satisfaction with the condition of footpaths throughout the city

The slowing down of footpath renewals since 2012/13 has not adversely affected satisfaction as yet. Renewals in particular streets have been rescheduled so that they are not undertaken until after the work on ultrafast broadband is carried out. Chorus is reinstating the footpath that is disturbed during their work.

Basis of budget estimates from 2025/26 – 2044/45

The latter 20 years of the strategy contains estimates of expenditure based on five year averages:

- operational expenditure – it has been assumed that expenditure will be similar to the 2024/25 year through the following 20 years
- capital expenditure for renewals – estimates are based on data generated by condition assessment programmes, performance data and remaining asset lives
- new capital expenditure is based on projects identified in strategic plans.

Budgets for the first 10 years have been inflated using information provided by BERL in October 2015. An inflator of 2.5% per annum based on an analysis of prospective information from BERL (20 years average percentages for key inflation adjustors, a consideration of CPI projections and other economic indicators) has been applied to the 2025/26 – 2044/45 years.

Unless specified, budget information is shown with inflation applied.

When individual projects are discussed within the strategy, these are shown as uninflated (in today’s dollars). This allows the reader to assess the costs of the individual projects and compare these without the distorting effect of inflation, particularly in the later years of the strategy. Where individual projects are described in the activity specific sections of this document uninflated costs (in today’s dollars) are used for the same reason.

Context and major issues for Dunedin’s infrastructure

Dunedin faces some unique challenges and opportunities now and in the future relating to its population and demography, economy, social wellbeing and connectedness, housing, arts and culture and environment. These trends will impact on the Council’s strategic priorities, its land use planning, amenities, services and ability to fund Council infrastructure. The city profile has described these in more detail. A number of these challenges are common to both the roading and footpaths and the 3 Waters groups of activity and some are unique to a particular group.

These challenges will affect how we manage our 3 Waters networks and how people and businesses will choose to travel and move goods. Some of the challenges are national or global, and many cities around the country and the rest of the world are faced with the same, or similar, challenges. Others are more specific to Dunedin due to factors including geography, socio-economic conditions and the nature of the existing networks.

The following information summarises the significant issues facing the Council’s roading and footpaths and 3 Waters activities. The proposed response to each of these issues is explained in the activity specific sections of this document and includes the principal response(s) along with the implications of no response.

Ageing infrastructure

The nature of Dunedin’s growth has meant that large quantities of network infrastructure were built over short time periods or ‘investment bubbles’. Assets that were built at the same time generally require renewal at the same time, causing peaks in renewals cost.

Climate change

Climate change has been flagged as a critical consideration in the Council’s long term planning. The Council uses guidance from the New Zealand government, based upon the best available climate science, to underpin planning. Currently we are using guidance from the Ministry for the Environment that is based on the Intergovernmental Panel on Climate Change’s (IPCC) Fourth Assessment Report 2007 predictions, and our own Climate Change Projections Policy (updated in 2011 following a report commissioned by the Council from Professor Blair Fitzharris of the University of Otago).

The IPCC published a fifth Assessment Report in November 2014. This provides a clear and up to date view of the current state of scientific knowledge relevant to climate change for policymakers.

The Council is now waiting for the Government to work through updating its guidance based on this new information, and then we will be able to update our Projections Policy and current climate change assumptions if needed, and continue to plan actively for future possible events and scenarios.

The Council’s current Climate Change Projections Policy sets out the following climate change projections:

Climate variable	Projected change in Dunedin	
	2040	2090
Mean temperature change	+1.1°C	+2.5°C
Sea level rise	+0.3m	+0.8 to +1.6m
Annual rainfall change [min, max]	-5 to +5%	-5 to +15%

Climate variable	Projected change in Dunedin	
Daily temperature extremes	Fewer frosts, increasing very hot days.	
Extreme rainfall	+9%	+20%
Drought	Drought incidence will be largely the same over large areas of the city, slight increase for urban area of Dunedin city and expected to increase for coastal areas north of Waitati.	
Waves and storm surge	Storm surge level likely to rise at least in line with sea level and to be greater when combined with El Niño Southern Oscillation events and increased storm intensity.	
Average wind	Increased annual mean westerly component.	
Strong wind	Increased possibility of severe winds.	
Snow	Snow level rising with decreased annual mean snowfall.	

Looking forward, Dunedin is expected to experience greater seasonality with the climate becoming drier for extended periods, with increased mean temperatures and daily temperature extremes. Increased peak demand due to drier periods and decreased average river 'low-flows' could create a drought situation. However, rainfall events are likely to become heavier but less frequent, which results in an increased annual catchment yield. Sea level is predicted to rise with increased occurrence of associated storm surges. Dunedin may be at particular risk to the effects of sea level rise as it has significant areas of low-lying land, some of which is reclaimed.

Population trends

Dunedin's population is ageing, with a high and growing proportion of people aged over 65 years, while the working age population (15 – 64 year olds) is predicted to remain static initially and then decline. The 65-plus group is projected to increase over the next 20 years, increasing from 14% to approximately 22%. Dunedin's ageing population will affect demand for modes of transport and drive changes in travel patterns as older people tend to make greater use of shared transport, public transport and mobility scooters. There will also be increased demand for healthcare services and community facilities. Better pedestrian environments that cater for those with mobility impairments, using wheelchairs and mobility scooters will be important to ensure accessibility for an ageing population. An emerging trend where fewer young people are learning to drive may also impact demand for alternate transport modes.

Population projections and census data show that Dunedin has lower growth relative to the rest of the country. Dunedin's population is projected to grow by only 4.4% over the next 20 years.

Dunedin also has a high proportion of 15 – 24 year olds (21.3% in Dunedin compared to 13.9% nationally). This is because Dunedin is home to about 28,000 tertiary students, of whom about 80% (22,400) are from outside Dunedin. This presents an on-going transport challenge in regard to providing for this group's transport needs and choices, and because young people are over-represented in Dunedin's road crash statistics.

Another trend related to ageing population is average household size which is declining. Dunedin's average household size is 2.5 people compared with 2.7 people nationally and is projected to decline to 2.2 people by 2060. This trend is influenced by lifestyle choices as well as population changes and may result in more demand for smaller housing units and urban intensification in future years. This may in turn affect infrastructure requirements.

Resilience

The Council will work with other authorities and lifeline utilities throughout the Otago region in order to implement the activities outlined in the Otago Lifelines Project Report. This report addresses the criticality of network components, known risks from environmental effects, interdependencies between lifeline utilities in responding to a major event and proposed initiatives to improve network resilience. Identified hazards include earthquake, tsunami, flooding, landslides, fire, weather events (snow, wind and rainfall) and events arising from human activity such as terrorism, a global financial crisis or a more localised economic downturn.

The Otago region is prone to seismic activity. Recent events in Christchurch have provided the infrastructure engineering community with significant learning opportunities. The Council has taken the time to incorporate industry learning into the way it manages infrastructure. Our 3 Waters networks are made up of significant portions of earthquake vulnerable materials such as earthenware pipes and typically the most vulnerable materials were installed early in the 20th century.

Economic predictions

While Dunedin provides its residents with a great lifestyle, the city is at risk of losing business and people to other centres. Economic growth in Dunedin has been slow and at times declining over the past 10 years relative to the rest of the country. Creating an attractive environment – where businesses thrive and residents feel proud – will establish Dunedin as one of the world’s great small cities. Dunedin’s economic development strategy aims to increase employment growth by around 2% per annum and to see an increase in GPD per capita by around 2.5% per annum over the next 10 years.

Dunedin has important economic foundations on which to build a prosperous city of opportunity. These include:

- the University of Otago and Otago Polytechnic, and a reputation for high quality education, innovation and research
- access to significant natural resources, such as mineral wealth in the hinterland and extensive agriculture
- developing strengths in high value niches of the economy related to health technologies and biotechnology, food processing, ICT, creativity, niche manufacturing and engineering:
 - being the gateway to the lower South Island – a major transport and export hub
 - access to New Zealand’s fastest fibre optic broadband services from February 2015.

Dunedin has a comparative advantage in the education and health industry sectors, with employment in medium and high-tech manufacturing and knowledge intensive services also relatively higher than the rest of the country. Alongside this is Dunedin’s strong quality of life rating, with its residents rating of their overall quality of life one of the highest in the country.

The challenge for the Council’s infrastructure networks is to be able to manage expected levels of service and the long term financial and environmental sustainability of infrastructure networks in a strategic manner. This means being able to readily adapt to changes in growth supported by reliable knowledge of infrastructure network asset condition and capacity.

Capacity and capability

The Council delivers its services through a combination of in-house and external professional services and physical works contractors. The Council, as one of the main clients of civil construction services in the region, needs to ensure that there is sufficient capability and capacity within the marketplace to meet the future level of works as

outlined in this strategy. This will require the Council to act as a “smart buyer” of such services, and to tender out the works in such a manner that the industry remains able to deliver the required works in a competitive manner.

Funding and affordability

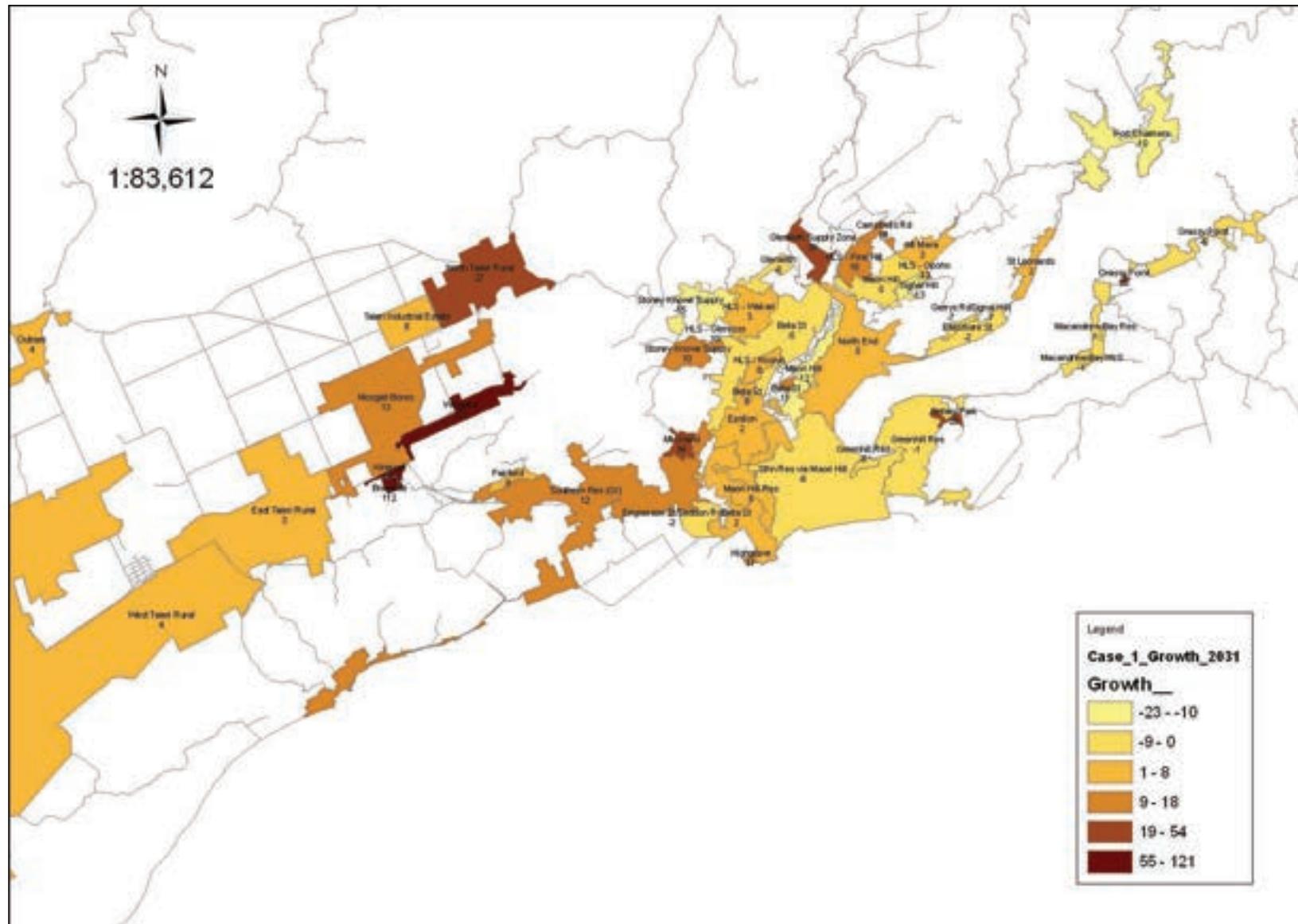
The requirements for the renewal of infrastructure assets are scheduled to increase across the next 30 years.

Over the past 20 years the Council engaged in a period of significant new capital expenditure, building new assets such as the Forsyth Barr Stadium, redeveloping the Toitū Otago Settlers Museum and Town Hall/Dunedin Centre complex, and upgrading existing infrastructure assets such as the Tahuna Wastewater Treatment Plant and outfall, and water supply and stormwater networks. This capital investment has increased levels of service and enhanced the liveability of the city. The expenditure was largely funded by borrowing and has increased the Council’s debt levels and resulted in high increases in overall rates during the periods of heaviest expenditure. With these major projects completed, the Council has shifted its focus and is now operating in an environment of financial constraint in order to reduce debt and limit rates increases to the levels specified in the Financial Strategy. This approach is supported by the people of Dunedin who have indicated in successive Residents’ Opinion Surveys that they want the Council to keep new spending, debt and rate increases in check.

The 2015/16 LTP provides funding for the first 10 years of the Infrastructure Strategy and the Council’s revised financial strategy acknowledges the need to increase the level of funding for infrastructure renewals going forward. It should be noted that the backlog of renewals in 3 Waters (\$60 million in today’s dollars) in the LTP period which is not funded, represents assets at their theoretical end of life. This does not mean that \$60 million of assets are at risk of failing at the same time. The identified backlog represents the best knowledge about when these assets should be renewed if there were no funding constraints and sufficient industry market capacity was available to carry out the work. The backlog combined with other scheduled renewals cannot be managed within the first five years of the LTP. There is smaller backlog of renewals for footpaths, as a result of slowing these while work on the Ultra-Fast Broadband (UFB) network is completed.

The approach to managing renewals in both 3 Waters and roading and footpaths is to steadily increase the level of renewals funding across the next six years and to hold funding at this higher level to enable smoothing of renewals across the later part of the LTP period and the following 20 years.

Figure 1: Schematic of Metropolitan Population Change to 2031



How much needs to be invested over the next 30 years?

In addressing challenges and retaining levels of service, the Council is forecast to spend \$844 million and \$719 million respectively on 3 Waters and roading and footpath infrastructure renewals and new capital in the 30 years between 2015/16 and 2045/46. Over the same period, around \$1.9 billion is the forecast spend on operational costs, though operational efficiencies are a continual area for improvement and savings are actively being pursued in this area.

The 3 Waters asset base is estimated to be worth a gross replacement cost of \$1.6 billion. The roading and footpath asset base represents a further \$1.3 billion. Broadly assuming an 80 to 100 year life cycle for network assets, it is expected that sustainable renewals expenditure is, on average over the next 10 years, \$16 – 19 million per year for 3 Waters and \$17 million in roading and footpaths. The projected total expenditure on renewals is around \$1.3 billion over the 30 year Infrastructure Strategy. It is important to note, however, that due to historic under-funding of renewals it is necessary to fund renewals above the sustainable level in the short to medium term to address the backlog. It is also true that some assets have a considerably shorter life cycle such as those with mechanical and electrical components.

The graphs on the following pages show the total projected infrastructure expenditure (Figure 2), the total capital expenditure projections (Figure 3) and the total operational expenditure (Figure 4) across the 30 year period of the strategy for 3 Waters and roading and footpaths.

Figure 2 shows total projected expenditure for the 3 Waters and roading and footpaths in a stacked area graph split into operational expenditure, capital expenditure on renewals, and capital expenditure on new projects.

Table 1: Expenditure 2015/16-2044/45 (inflated)

Infrastructure Activity	New Capital Expenditure Funded	Renewals Capital Expenditure	Operational Expenditure
Water Supply	\$17.13 m	\$432.19 m	\$513.62 m
Wastewater	\$11.89 m	\$268.69 m	\$567.14 m
Stormwater	\$11.63 m	\$102.53 m	\$108.67 m
3 Waters combined activities	\$40.65 m	\$803.42 m	\$1.19b
Roading and footpaths	\$173.35 m	\$546.29 m	\$723.42 m
Sub totals	\$214.00 m	\$1.35b	\$1.91 b

The Council has set itself a significant challenge by adopting a funding strategy for 3 Waters that does not provide for all of the renewals that are required over the 30 year horizon. This will be absorbed by implementing the following management strategies.

- addressing 3 Waters' networks as one – where economically appropriate the Council will renew all 3 Waters' networks in a given locality at once as a part of the same contract. This approach will yield significant efficiencies for the Council over the next 30 years. A recent example of this approach resulted in a contract price roughly 40% of the pre-tender estimate
- use of alternative rehabilitation techniques – where it constitutes the lowest life cycle cost the Council will use alternative rehabilitation technologies such as pipe relining to address renewals requirements
- optimisation of existing networks – the Council will ensure all pipes are optimised to achieve the required levels of service by utilising its in-house hydraulic modelling capability
- optimisation of renewals timing – the Council will develop tools (both software and process) to optimise the timing of renewals to ensure the most appropriate level of funding is made available.

To achieve this target the Council will need to find collective efficiencies of approximately 16% on total renewals costs over the next 30 years, while absorbing other cost pressures such as peak oil and growth. This is an ambitious target.

Figure 2: Projected Infrastructure Expenditure for Roding and Footpaths, Water, Wastewater and Stormwater 2012/13 – 2044/45 (inflated)

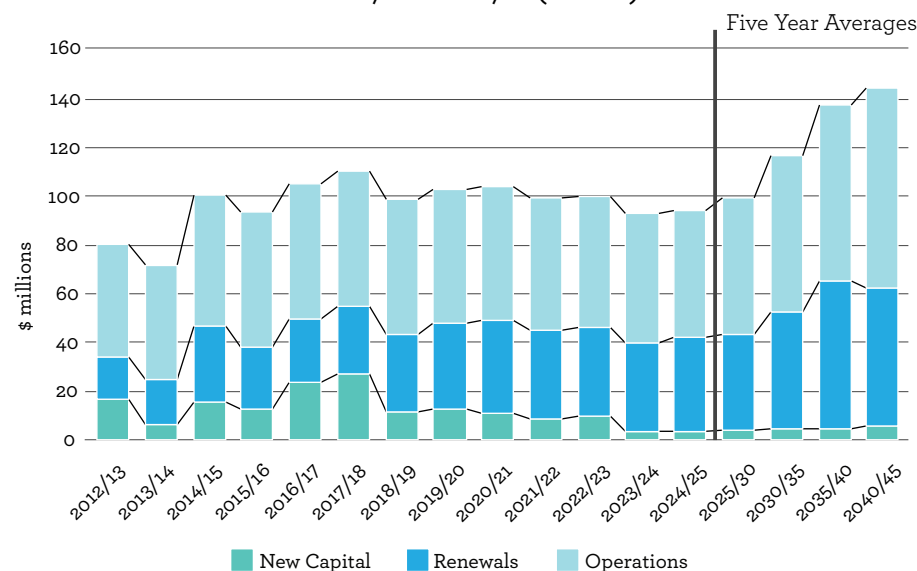
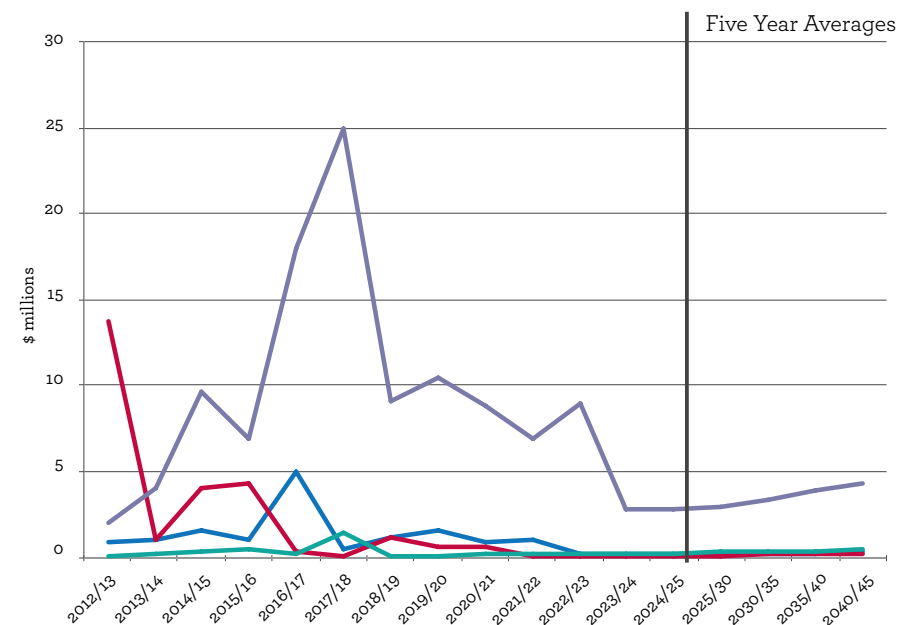


Figure 3 shows capital expenditure by each activity group across the 30 years of the strategy. It should be noted that the scale on the vertical axis of this graph differs from that of Figure 2 and shows a peak in spending on water infrastructure relating to the renewal of the Deep Creek and Deep Stream water supply pipelines. This is discussed further in the Capital Expenditure Highlights for 3 Waters. Figure 4 shows forecast for operating costs in each activity. Operating costs begin high in water supply and wastewater sectors, but slowly drop until the 2025/26 year where a constant sustainable level of costs is maintained. This is mostly due to savings in interest costs from the recent new capital expenditure and upgrade programme. Stormwater has a low operational cost and only equates for 9% of operational budget, with its spend remaining constant about \$3 million per year over the 30 year infrastructure period as it is the only activity with no treatment costs.

Figure 3: Dunedin City Council Infrastructure Capital Expenditure (inflated)



Water	0.95	1.1	1.58	0.99	4.98	0.56	1.16	1.65	0.94	1	0.2	0.2	0.2	0.22	0.24	0.28	0.31
Wastewater	13.8	1	4.13	4.4	0.4	0.1	1.17	0.65	0.65	0.15	0.15	0.15	0.15	0.16	0.18	0.21	0.23
Stormwater	0.04	0.3	0.39	0.46	0.27	1.41	0.07	0.07	0.3	0.3	0.3	0.3	0.3	0.32	0.37	0.41	0.47
Roding and Footpaths	2.04	4.04	9.61	6.92	17.99	24.99	9.12	10.43	8.89	6.86	9.02	2.81	2.81	3.03	3.42	3.87	4.38

Figure 4: Operational Expenditure Projections by Activity 2015-2045 (inflated)

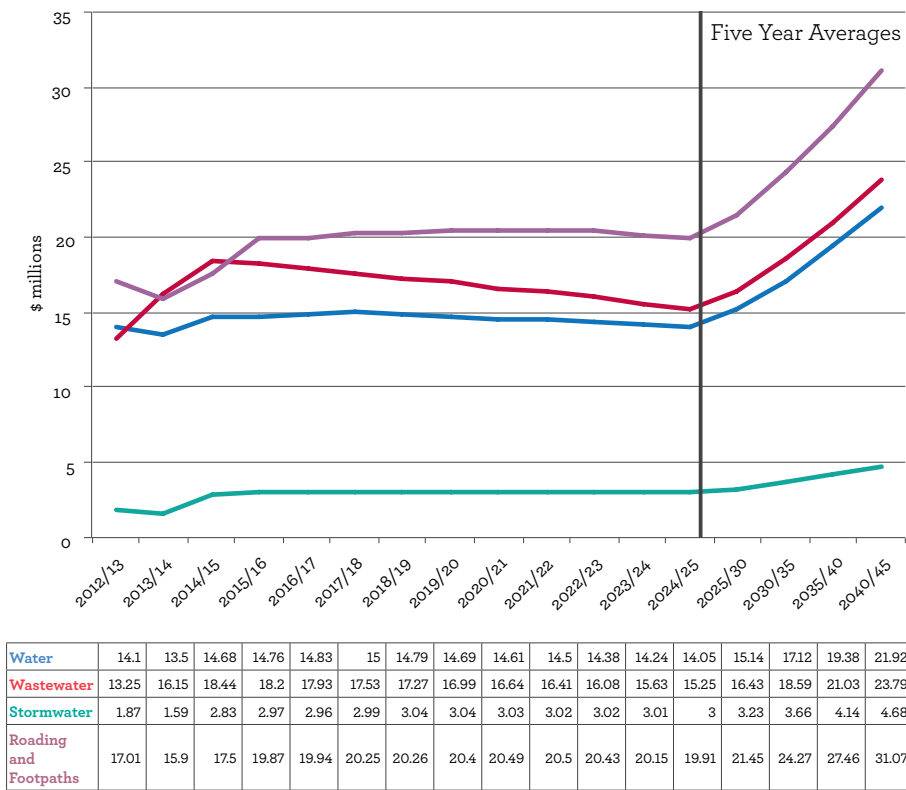


Figure 5: Relative proportion of capital expenditure (new capital and renewals) for each of the activity over the 30 year period

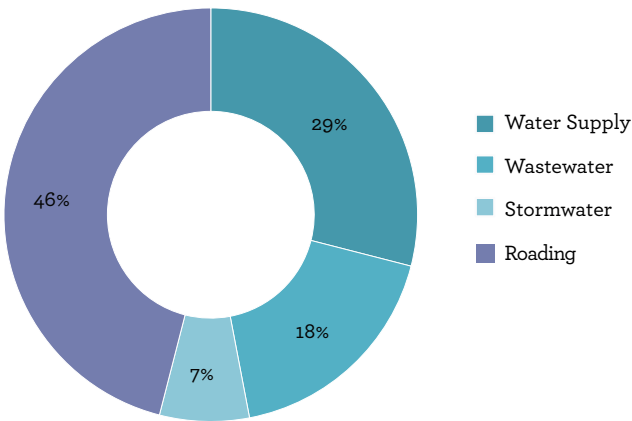
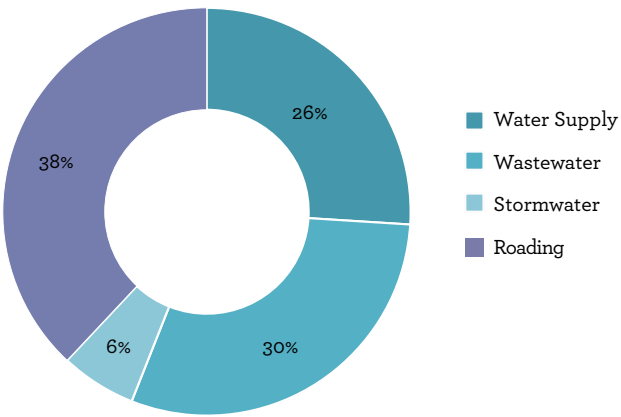


Figure 6: Relative proportion of operational expenditure for each of the activity over the 30 year period



Activity Specific Assumptions

Roading and Footpaths

The roading and footpaths activity group is responsible for roading assets and their use. To achieve this it undertakes short and longer term planning to meet the city's transportation needs, develops strategies to manage the increasing volumes of traffic, and actively promotes improved road safety. It manages the maintenance and enhancement of the city's physical transportation network, including roads, footpaths, cycleways and associated structures and amenities. It also regulates the activities of other parties, both on and next to the road corridor, which impact on the condition and availability of the network.

Dunedin's road transport network comprises state highways managed by NZTA and local roads managed by the Council.

The network experiences little congestion and most parts of the city have ample on and off street parking. Because much of Dunedin was developed prior to the era of the car, the city's main urban area is compact with a distribution of land-uses that generally supports good accessibility.

Urban Dunedin's relative compactness means that many trips can be done on foot, by bike or public transport. Dunedin's Integrated Transport Strategy notes that accommodation of alternative modes of transport should be a primary consideration for new development and urban densification.

Integrated Transport Strategy 2013

In 2013 the Council publicly consulted on and adopted a 30 year Dunedin Integrated Transport Strategy (ITS) and the transportation component of this Infrastructure Strategy aligns with and supports it. The ITS enables the Council and other agencies who invest substantial funding in Dunedin's transport system to review whether past investment priorities are still relevant and whether they are achieving the type of transport system that will best support the city, its people and the wider region. Because Dunedin's challenges and priorities will continue to evolve over the next 30 years, the Council will review the ITS every five years.

The ITS identifies some of Dunedin's key transport challenges, including road safety, fuel price volatility, high dependence on motor vehicles, the importance of improving provision for travel modes other than cars, and the future complexities of prioritising, protecting and maintaining critical infrastructure in light of a changing climate.

To address these challenges, the ITS has identified a vision and five 'Areas of Focus' that the Council will prioritise. The vision is:

'Dunedin is one of the world's great small cities, with a safe low-carbon transport system that supports a compact city with resilient centres, inclusive and healthy communities and national and international connectivity'

The identified areas of focus are:

Safety: Improving Dunedin's road safety record

Travel Choices: Providing safe, viable travel options in addition to the car

Centres: Strengthening connections to, within and between Dunedin's centres

Freight: Supporting safe and efficient freight movement

Resilience: Ensuring the on-going resilience of Dunedin's transport system and key infrastructure

The ITS is based on five key assumptions which are closely related to the significant challenges for transportation infrastructure in the city:

1. the cost of fuel will continue to be volatile
2. road safety needs to improve for all users of Dunedin's transport system
3. there is a need to provide for the transport requirements of Dunedin residents who do not have access to a car
4. the Integrated Transport Strategy should give effect to the Dunedin City Spatial Plan
5. providing active transport options will contribute to a healthy and sustainable city.

A copy of this strategy can be found at www.dunedin.govt.nz/transport

Roading and footpath's specific challenges

This section provides further comment and describes the principal responses to the challenges identified in the 'Context and Major Issues for Dunedin's infrastructure' section, as applicable to the roading and footpaths activity group.

Ageing infrastructure

Dunedin has around 1800 km of local roads plus other transport-related assets worth a total of \$1.3 billion (excluding land). Many of the assets were initially developed early in the 20th century as the population transitioned to the use of motor vehicles, and ongoing expansion and improvement continued from there. From the 1930s to 1950s many of the originally gravel roads were strengthened and sealed. Then from the late 1950s through to the early 1970s significant expansion occurred with the Housing Corporation developments. While assets with shorter effective lives are being renewed at a steady rate, for those with longer lives, future renewals will have peaks that reflect the times of increased construction activity in the city. Many of the older local road pavements are not fit to carry the larger and heavier vehicles that are being introduced and are likely to require earlier rehabilitation intervention. The assets require ongoing maintenance to ensure that their value is maintained and they continue to meet the needs of the community and wider region. Effective condition-based maintenance means that assets can achieve this for the maximum life cycle.

Activities that are expected to cause significant future fluctuations from a steady renewal budget line are:

- bridges – 60% of bridges were constructed between 1950 and 1990 so renewals will be at a low level until beyond 2050
- kerbs – 55% of kerbs were constructed between 1950 and 1980 (Housing Corporation developments) so renewals are at a low level now increasing to a peak in 2030s
- pavements – with network expansion peaking in the 1960s an increase in pavement rehabilitation is expected from 2020
- seawalls – there was substantial renewal of the harbour stone seawalls in the 1930s which means most are at the end of serviceable life and renewals for the next decade will continue to be at a high level.

Principal responses

The Council will invest adequately in renewals to maintain the performance of our infrastructure.

The Council will invest carefully by understanding which assets are most critical to maintaining the delivery of service and using information to drive pro-active condition assessment of these critical assets.

The Council will plan renewals effectively to avoid sharp increases in costs and gain cost efficiency in procurement and project delivery.

The Council will take a 'one network' approach to managing the Dunedin transport system. This means that DCC will work collaboratively with the other organisations responsible for delivering the transport system to ensure seamless, logical and integrated delivery of the transport network and to ensure that the separation of control over different parts of the network does not affect the user's experience and the coherence of the network.

The Council will develop tools to communicate effectively the implications of levels of funding.

Do nothing

Failure to find the right balance between investing in renewals and deferral could either leave the Council struggling with over-investment where the community has infrastructure surplus to requirement, or under investing and delivering a level of service that does not meet public expectation which would breach our key strategic priority ('we will ensure that, as a minimum, key service levels are maintained into the future'). Both of these scenarios will result in a rising service cost.

Climate change

Rising sea and groundwater levels, and changing weather patterns as a result of climate change, are expected to have an impact on Dunedin's transportation network in the future. Low lying densely populated urban areas (especially South Dunedin), coastal areas and major transport infrastructure (including harbour roads, the railway, and Dunedin International Airport) are likely to be affected by this.

Climate change is likely to lead to higher rainfall and more frequent, more severe, storm events. This has implications for Dunedin's transport infrastructure and asset management. Such changes may lead to more frequent and larger slips, more flooding and wetter ground conditions, with increases in temporary road closures on key transport routes and increased risk of asset failures. The life expectancy of assets may also be reduced under these conditions. All of this is likely to result in rising maintenance, repair and renewal costs. The Council and partner agencies, will need to plan ahead to appropriately meet these challenges.

Principal responses

Increase the flexibility and resilience of our affected infrastructure to reduce the risk of prolonged service interruption.

Promote the integration of land use and transport planning to reduce the demand for vehicle travel.

Plan, prioritise and support local community responses, to ensure Dunedin's critical transport infrastructure is resilient in the face of future threats and constraints.

Actively planning for potential events that result from climate change scenarios, for example designs for roading works adjacent to the foreshore will include provisions for sea level rise.

Do nothing

This would place pressure on infrastructure of accessibility to the road network due to flooding and increased road deterioration, or inundation of low-lying infrastructure due to storm surge, seabed rise, or a combination of the two.

Require a possible change in location of residential population.

The harbour-side and south city area covers the most densely populated part of Dunedin, with a population of about 10,000 residents. It contains a lot of infrastructure, such as wastewater and stormwater assets and key roads. The area has an estimated asset value of \$4.3 billion. This low-lying area has been assessed as being the part of Dunedin most vulnerable to sea level rise in the medium to long term. A rise as predicted (0.59 metres by mid-2090) would leave substantial areas vulnerable to coastal inundation and a number of key assets susceptible to saltwater intrusion. The main threat, at least in the medium term, is from rising groundwater in the south city area, as groundwater levels are forced up by rising sea levels. Direct inundation from the sea becomes more of an issue around the Otago Harbour in the long term. This scenario could also displace coastal residents and require them to move to other parts of the city with insufficient infrastructure to support the localised increase in population.

Population trends

Predictive modelling is carried out to estimate future traffic growth using various parameters that include land use, population census data and historic traffic counts. The table below illustrates the expected change in vehicle trips in relation to household and population changes. The chart does not reflect the effect that rising fuel prices might have, however indications from some experimental modelling are that traffic growth will reduce as fuel prices increase.

Table 2 – Projected Population Growth and Impact on Vehicle Trip Numbers

Parameter	2008	2021 (forecast)	2041 (forecast)	2008 – 21 growth (pa)	2008 – 41 growth (pa)
Households	44,789	51,035	57,155	1.1%	0.8%
Population	120,298	126,726	131,303	0.4%	0.3%
All day trips	396,527	445,274	487,452	0.9%	0.7%

Principal responses

The Council ensures collaboration with infrastructure providers occurs during processes such as the Second Generation District Plan. For example water and waste services considers the impact of each proposed density change on the 3 Waters networks using in-house hydraulic modelling capability. The district plan in turn allows for additional growth where infrastructure capacity is available.

The Council will take a sustainable development approach to delivering Dunedin's transport system. This includes taking into account the social, economic, and cultural interests of Dunedin's people and communities, maintaining and enhancing the quality of the environment, and taking into account the needs of future generations.

Where infrastructure capacity is compromised one of the following approaches is taken:

- the district plan constrains growth
- the Council makes capacity available by utilising the development contributions policy.

Do nothing

Increased congestion can put pressure on local roads, or alternately it may no longer be economical to maintain roads to the current levels of service (for example a sealed road could revert back to unsealed).

Multi modal access

Car ownership levels in New Zealand are particularly high compared to most other developed countries. Consistent with this, Dunedin has relatively low rates of public transport or active mode (walking and cycling) use. This is even more pronounced in the more rural communities.

Much of Dunedin's transport network has been developed in the context of increasing vehicle use and private travel, and in anticipation of a degree of city growth which, largely, has not occurred. This has insulated Dunedin from many of the transport problems that bigger cities face, especially in regard to urban sprawl, congestion, pollution and car parking. This has benefitted private vehicle use and helped make Dunedin very accessible by car. Well maintained roads, generally ample parking, low traffic volumes and free-flowing urban street environments with no significant congestion all contribute to Dunedin's relatively short vehicle travel times.

Research identifies that where vehicles speeds are higher, and where little provision is made for active modes, road safety is generally compromised. In keeping with this, partly due to wide, high-speed urban street environments (such as the one-way system, Andersons Bay Road, Princes Street, and Hillside Road) and poor provision for other modes (such as buses, walking and cycling), road safety has suffered in Dunedin.

Despite Dunedin's high level of car ownership, the proportion of Dunedin residents that do not have access to a car is higher than the national average and, in a city that has prioritised the demand for car travel, the travel needs of these residents have not traditionally been well provided for.

Principal responses

The Council will reprioritise investment and reallocate space on the transport network to achieve a significant improvement in the provision of active travel modes and public transport in Dunedin, and explore initiatives to support the uptake of travel choices.

Do nothing

Conflicts between pedestrians, cyclists and motor vehicles will continue.

Road safety

The New Zealand Transport Agency's Communities at Risk Register (CARR) identifies road safety as a major challenge for Dunedin.

CARR ranked Dunedin as having seventh highest risk out of New Zealand's 67 territorial and unitary authorities in 2013 – a slight improvement from the third highest ranking in 2011 but it remains the highest of all the major urban centres.

Dunedin has the highest risk for intersections and the second highest risk for younger drivers.

The city has the third highest risk for pedestrians, motorcyclists and older road users, and the fifth highest for cyclists.

Principal responses

Signalisation of intersections and improvements to phasing on existing signalised intersections on both State Highway and local roads has increased in recent years. Maintenance of traffic signals is to a high level recognising the safety benefit. Improvements will continue at high risk intersections.

Street lights provide safety and security for motorists and pedestrians. The Council intends to replace all of its conventional street lighting fittings with LED luminaires over the next four years in order to ensure the provision of safe and efficient lighting.

Do nothing

Dunedin's accident statistic trends may not improve or may become worse.

Oil price volatility

In New Zealand, the transport sector is responsible for 86% of total oil consumption, with road transport using 87% of that total. In addition to the oil-based fuel used in motor vehicles, our roads themselves are also oil-dependent. Bitumen, the binding agent used in sealed road surfaces, is an oil-based product which also increases in expense as oil prices rise. This means, in the absence of more cost-effective alternatives, the cost of maintenance and renewal of existing sealed roads will increase, as will the cost of building new roads.

Recycling of waste product from road infrastructure maintenance may also provide an opportunity for increased resilience in the future. Crushed concrete from demolition sites and asphalt millings removed during sealed road resurfacing are examples of products that may be recycled back into the transport network.

Principal responses

The Council will stay informed of developments in these areas and will encourage contractors to adopt sustainable practices over time. One method of supporting uptake in this area may be through the Council's Waste Levy Fund, whereby roading contractors seeking to invest in waste minimisation methods may be eligible to apply for grants from the fund.

Do nothing

The Council may have to absorb rising costs and may have to decrease levels of service provision for roading and footpath infrastructure.

Resilience

Principal responses

The Council will ensure infrastructure is built to a resilient standard.

The Council will address most vulnerable materials at the time of renewal except where an asset has a high level of criticality. In which case, the asset will be assessed to determine its level of resilience and where necessary renewal may be prioritised.

Do nothing

Potential loss of access to road network due to damaged infrastructure in a major event.

Economic predictions

Principal responses

Optimise the current planning to cater for the economy. Much of the planning around roading and footpaths and 3 Waters infrastructure planning aims to be nimble and responsive to change, allowing any change in the economy can be accounted for at the planning stage.

The Council will build on the existing foundations and use strengths and capabilities to ensure sustainable economic and community development.

The Council will provide diverse economic opportunities for businesses and residents, while also ensuring environmental sustainability.

Do nothing

Failure to address and prepare for the issue of economic fluctuations could result in reduced infrastructure capacity and reduced ability to cater to consumers' needs and retain levels of service.

Capacity and capability

Principal responses

The Council will provide works and services in accordance with its relevant procurement policy and strategy.

Procurement of subsidised roading works will comply with the New Zealand Transport Agency procurement procedures and policies.

Multi-service projects (including place-based planning) where tenders packages include all 3 Waters services, transportation and other infrastructure works to minimise construction overhead costs and long term disruption to the area. This includes spreading contract delivery over several financial years.

'Piggy-backing' existing infrastructure projects. Examples such as the University Campus works and the SH1 Safety Improvements package enable us to enter existing construction contracts, receiving good value construction.

Active engagement with the market. Meetings are held with each of the large local contractors, informing them of the scope and timing of upcoming capital projects to enable them to better plan and prepare their workforces. Tenders are also released to the market to a programme based on which contract resources are already committed.

Multi-year renewals package contracts are used where it's appropriate. Discussions have already begun with several of the City's larger contractors around appetite for longer term contracts and how these might be mutually beneficial.

Using a range of tender evaluation methods to give consideration of contractor's ability to deliver work to deadlines. Where a renewal can be completed with a number of different methods delivering assets of different expected lives (based on material or construction method), the new weighted evaluation process will help to optimise value, comparing price per year of service with delivery risks.

Where possible, bringing forward projects to compensate for projects that are delayed, this includes over-allocating the capital works programme for each year (but not committing beyond approved budget) in anticipation that some projects won't go to plan.

Do nothing

There is a risk that insufficient capability or capacity within the industry may lead to an inability to deliver services or the incurring of costs in excess of market prices.

Funding and affordability

Principal responses

Stepping up renewals expenditure across the 30 years of the strategy to allow infrastructure renewal needs to be managed proactively and in a timely manner. It is more cost effective to manage renewals in a prioritised programme than to defer work on renewals in order to make savings and risk a much more costly asset failure in the future.

The proposed 10 year plan provides adequate funding for renewals of infrastructure across the immediate 10 years with few new capital projects programmed.

Smoothing renewals expenditure in outward years to ensure that there is adequate funding outside of the immediate LTP period.

Renewals expenditure is funded from operating cashflow (rates) not debt.

Ensuring that the Council's financial strategy recognises the need to increase renewals funding and is able to manage this within the overall strategy limits.

Ensuring the Council's activity groups work together on planning of renewals work to provide delivery of programmed work in the most efficient and cost effective manner. For example city development, 3 Waters and roading and footpaths working together to deliver sequenced work on roading and footpath renewals, 3 Waters network pipe replacements and city amenity work to avoid unnecessary remedial work on newly replaced infrastructure.

Do nothing

There is a risk that funding of renewals will be underfunded or deferred due to other priorities and assets will deteriorate to failure impacting service levels and requiring significant unscheduled expenditure.

Multi-agency responsibilities for transport

Several organisations are responsible for both the provision and funding of different components of Dunedin's transport network.

The City Council is responsible for most of the Dunedin transport system, including local roads and the infrastructure associated with them (such as footpaths, cycleways, bridges, etc), provision of parking and bus stops, road safety planning and engineering, traffic signals, and land use planning.

The Otago Regional Council is responsible for the provision of public transport services, the Regional Land Transport Programme, major drainage controls and Port Otago.

The Agency manages the state highway network and associated infrastructure such as state highway intersections and cycleways.

The Transport Agency co-funds the local roads and public transport.

The City Council manages footpaths, parking, lighting and traffic signals on state highways on behalf of the Transport Agency.

A range of community organisations, volunteer interest groups, institutions and private landowners also influence Dunedin's transport network.

These multiple partners add complexity to transportation infrastructure decision-making and funding processes.

Principal responses

The Council will take a partnership approach to delivering Dunedin's transport system.

Collaborate and liaise with key transport delivering organisations such as the Transport Agency, Regional Council, New Zealand Police and KiwiRail.

Work with the Road Safety Partners and other stakeholders as required.

Partner and collaborate with tertiary institutions, emergency services, the health sector, business organisations and transport-focussed advocacy and stakeholder groups where possible.

Engage and assist neighbourhood and community groups where possible.

Do nothing

The transport network may no longer meet the needs of those who rely upon it.

Co-investment funding may be compromised.

One Network Road Classification (ONRC) system

The ONRC is a joint initiative of Local Government New Zealand and the Transport Agency's Roothing Efficiency Group to provide a nationally consistent framework that helps with asset management planning, investment choices, maintenance and operational decisions. The initiative aims to standardise the road user experience nationally, to support consistent asset management across the country, and facilitate collaboration and prioritisation between organisations responsible for planning and service delivery for the national road network.

The classification will promote a customer focus and investment decisions will be based on whether the roads are fit for purpose and meeting the needs of the users. That will require the Council to start taking greater risks on the timing of maintenance and renewals, i.e. by not carrying out works even if the asset is not in an ideal condition but is still useable. However, the Council will not allow that risk to extend to the failure of the road, resulting in excessive or unnecessary rehabilitation costs. The Council supports the implementation of the ONRC system and will start to use the ONRC technical and customer levels of service to guide the development of its maintenance and renewals plans.

Principal responses

The Council will take a ‘one network’ approach to managing the Dunedin transport system.

Do nothing

Road users may be exposed to inconsistent levels of service.

Co-investment may be compromised.

Central government investment priorities and co-investment funding model

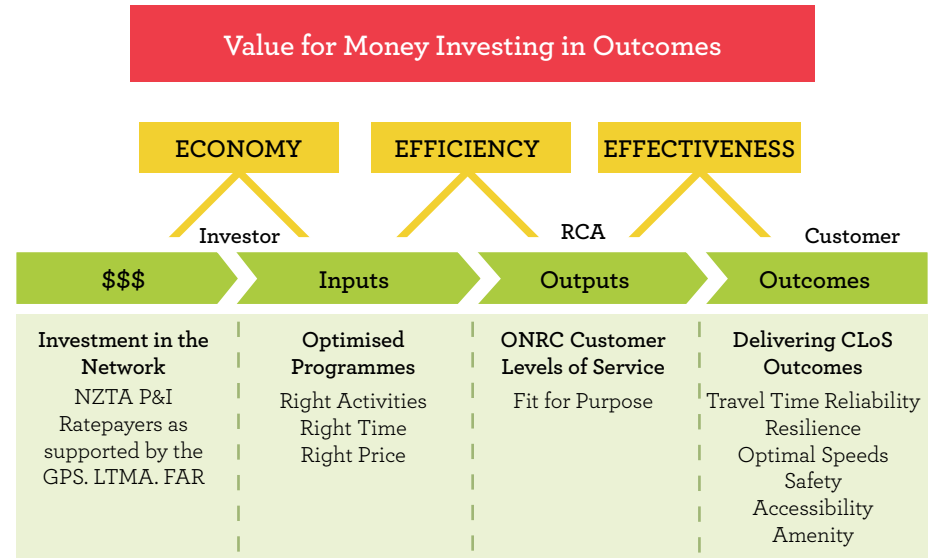
The bulk of government transport investment is targeted toward highways, including the Roads of National Significance. This expenditure is primarily focused on the higher population areas in the North Island. The current Government Policy Statement funding allocation for local road maintenance has not increased in line with inflation. This means that, in real terms, local authorities like Dunedin have diminishing funding for maintaining local roads, requiring increased prioritisation of network maintenance, a rise in rates or a reduction in service levels.

The Council has started implementing the new Transport Agency business case approach for investment initiatives. For example, the Council has worked with the Agency on developing the State Highway Cycleway improvement project through the centre of Dunedin and is currently working through the business case stages for the Council Central Activity Area Safety and Accessibility Upgrade project. From 2015/16 all new investment proposals will undergo this business case approach to ensure that the projects are consistent with the Agency’s expectations under the National Land Transport Programme and represent value for money.

The New Zealand Transport Agency Funding Assistance Rate (FAR) is expected to decrease from 59% in 2015 to 51% in 2022.

Principal responses

The Council will use the Transport Agency business case intervention hierarchy to prevent congestion, safety problems or accessibility problems from occurring in the first place, and thereby minimising the need for costly infrastructure investment later.



If a major change or significant investment is being considered the Council will use temporary trials where practicable and appropriate, to ensure the effects of the proposal are properly understood.

Where new transport infrastructure is being designed, or existing infrastructure re-designed, the needs of all road users and modes will be considered.

The changes to the Transport Agency FAR may necessitate the managed downgrading of some lower priority infrastructure to allow for more critical upkeep of high priority infrastructure.

Do nothing

The Council may not be able to implement the required roading works to achieve target levels of service or to cater for growth.

Risk that investment is not focussed towards the highest needs.

Network Layout

The topography of the city contributes to urban severance. The location of Port Chalmers, the harbour and the hills surrounding the city have historically dictated where key transport corridors, such as the state highways and the railway, have been located.

Severance refers to parts of the city being cut off from other parts by infrastructure that creates a barrier to access. This can affect all transport modes but is most pronounced where it creates barriers for pedestrians and cyclists.

The railway, heavy traffic bypass and the one-way system all combine to create severance throughout central Dunedin. This is most pronounced where the one-way system runs through the University campus, reducing connectivity between the tertiary area and the central city, as well as between the central city and the harbour, and the Warehouse Precinct south of Queens Gardens.

However, these roads and the railway are essential for the movement of goods through Dunedin and a key challenge is maintaining an efficient network while improving connectivity and safety, particularly for vulnerable modes. This means some freight traffic (including trains) have always needed, and will always need, to pass through the central city. This situation could only be avoided at great expense through the use of tunnels or bypasses. Such large-scale infrastructure is unlikely to ever be financially viable and may not even be technically feasible.

Due to the narrow width of many Dunedin roads, it is not always possible to fully and safely accommodate all modes. This is a particular concern where there is insufficient space to safely provide for more vulnerable road users, such as pedestrians and cyclists.

Principal responses

Improve the connections within and between Dunedin's central city and centres so that they become highly accessible by active travel modes and public transport, and improve the road environment within centres to create safe, pleasant, people-friendly places.

Do nothing

Continued conflicts will occur between different transport modes.

Roading and footpaths capital expenditure highlights

The studies undertaken to date confirm that in general Dunedin's transportation network has sufficient capacity to cater for road user needs over the next 30 years. However, there are some specific areas where infrastructure changes are necessary to cater for growth.

The Council has identified projects to address the long-term needs in the Mosgiel-Taieri area, for upgrading key routes on the Otago Peninsula and for delivering the Strategic Cycle Network. Options for changes to address strategic corridor deficiencies in the central city were consulted on as part of the process of developing the 2013 Integrated Transportation Strategy (ITS) and projects for the future were defined in the 2006 Transport Strategy and reviewed in the 2013 strategy. Ongoing discussions are held with both the NZ Transport Agency and the University of Otago, regarding the operation of the one-way pair through the city. The Harbour Arterial identified in the Transportation Strategy is promoted to freight operators as a bypass from SH1 Andersons Bay to Port Otago.

The other area of need relates to work to address deficiencies in the network, particularly those relating to safety, and to cater for changing needs, including modal change. This work includes:

- the provision of additional footpaths
- facilities for those with mobility or sight impairment
- works to improve safety.

Minor works are identified and delivered through the minor improvement budget. In addition, a strategic cycling network route map has been developed, consulted on, and adopted by the Council. This will guide cycling investment for the next 20 years. A Centres Programme has been developed to enable targeted walking and cycling improvements in local neighbourhoods along with local area traffic management. The Council uses a place-based approach to deliver transportation improvements at the same time as amenity improvements are made.

These projects have been identified in the 10 year transportation programme to allow the Council to allocate additional funding. This is necessary as the minor improvements budget is limited in what can be delivered, particularly where there are significant safety issues such as in the central city.

New capital projects

In terms of major projects the ITS currently identifies projects to improve key routes on the Otago Peninsula, address arterial route needs in the Mosgiel-Taieri area, upgrade streetlights to LED and construct the Strategic Cycle Network. Work has been undertaken to define a 10 year transportation programme of new capital investment which will be considered by the Council as part of the LTP process. Ultimately the Council, in consultation with staff, will determine the programme to be funded through the LTP.

Most likely scenario for major improvement capital works

The major improvement capital projects are depicted in the diagram below, in the likely order of implementation with an indicative cost. All the projects shown are yet to be confirmed through the LTP process and are subject to business case assessment to fulfil the co-investor expectations prior to implementation.

Roading and Footpaths Improvement Capital Expenditure Projects Likely Scenario

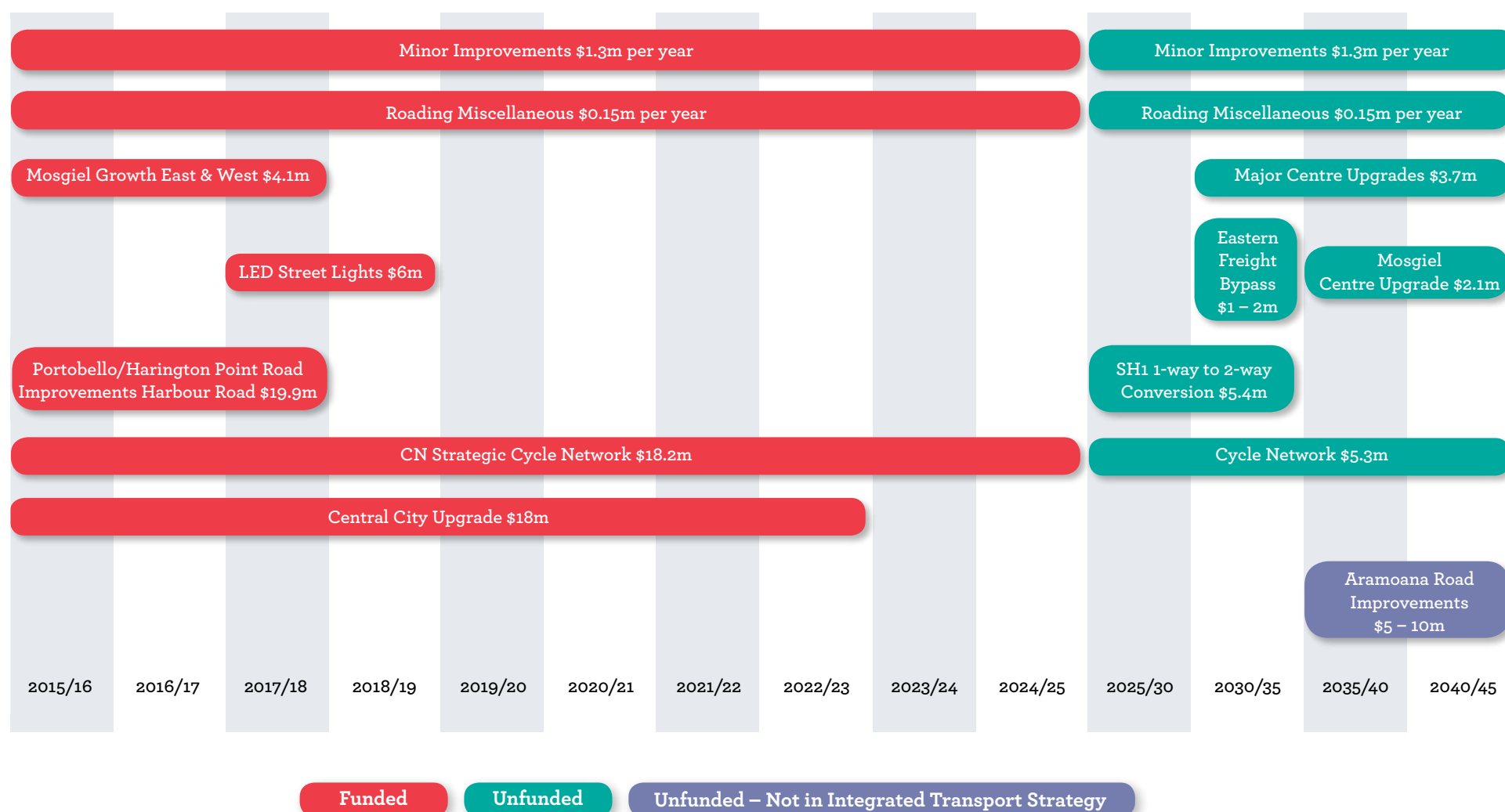
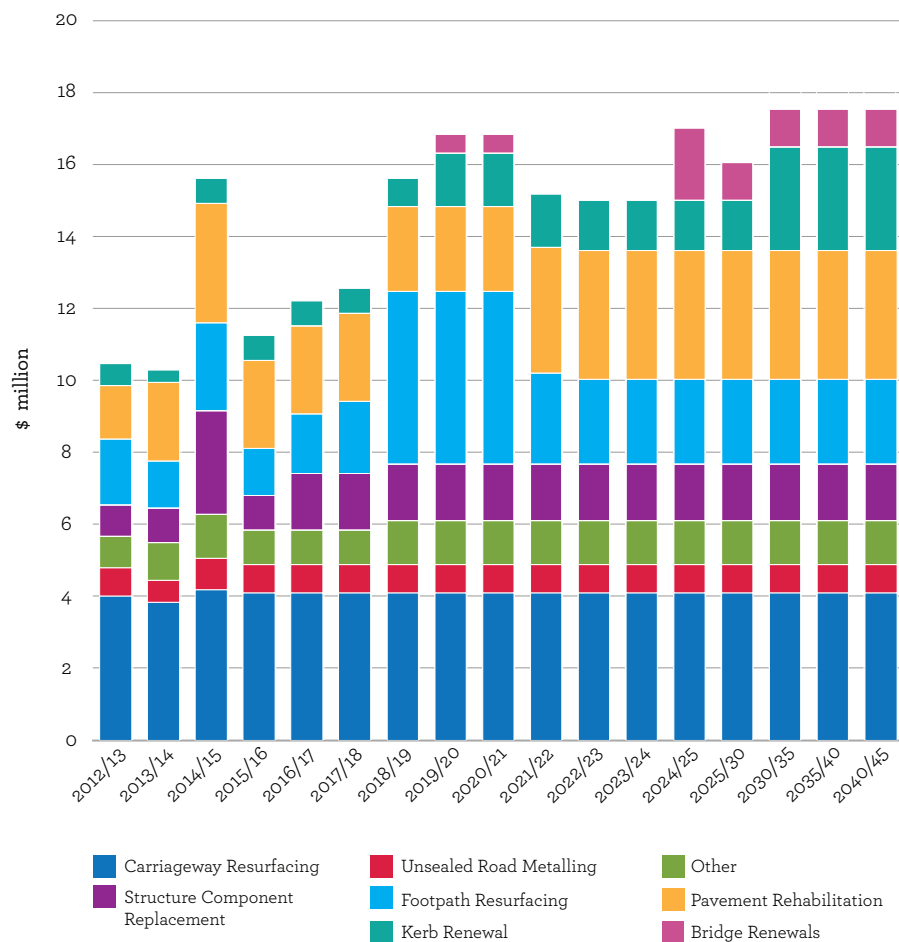
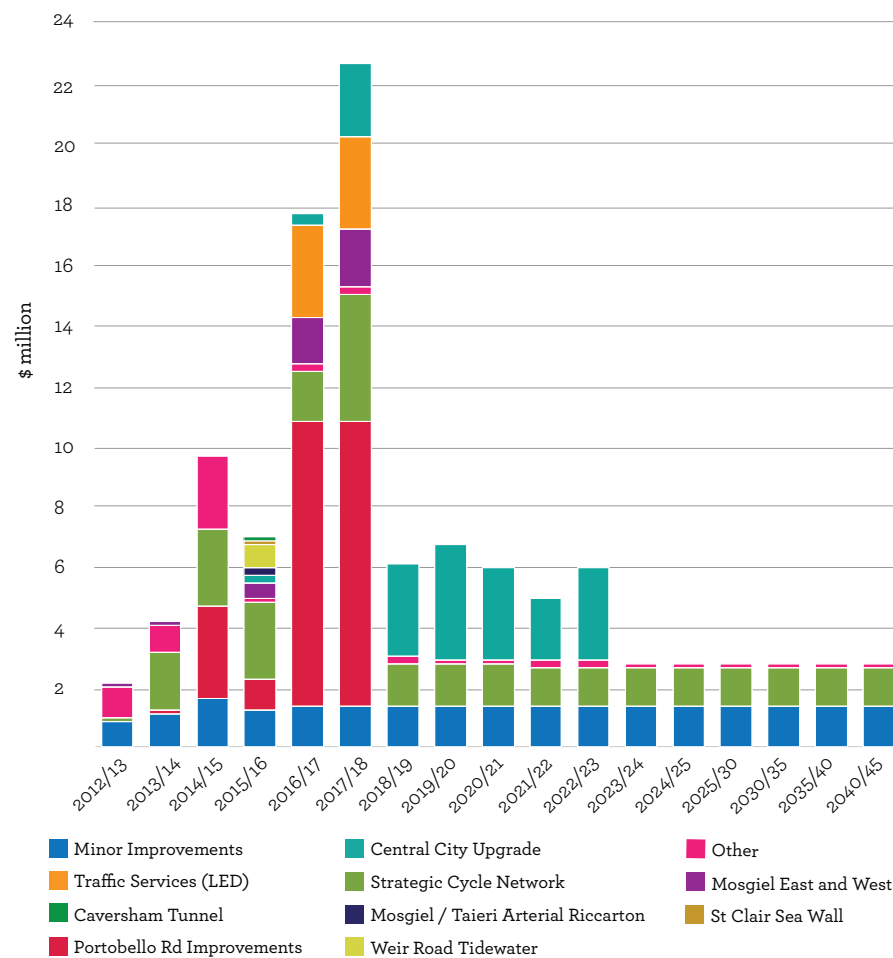


Figure 7: Footpaths and footpaths renewals capital expenditure profile
2012/13 – 2044/45



(Please note: the source data for this graph has not had inflation applied, project costs are in today's dollars)

Figure 8: Roading and footpaths new capital expenditure profile
2012/13 – 2044/45



(Please note: the source data for this graph has not had inflation applied, project costs are in today's dollars).

Asset management approach

The maintenance and operating regimes for roading and footpath assets have a technical and a social aspect. Asset condition and activity on the network affects all residents and users on an ongoing basis. The current level of service provided meets the service level targets set in the Asset Management Plan and the programmes implemented will provide fit for purpose infrastructure that retains or improves these service levels.

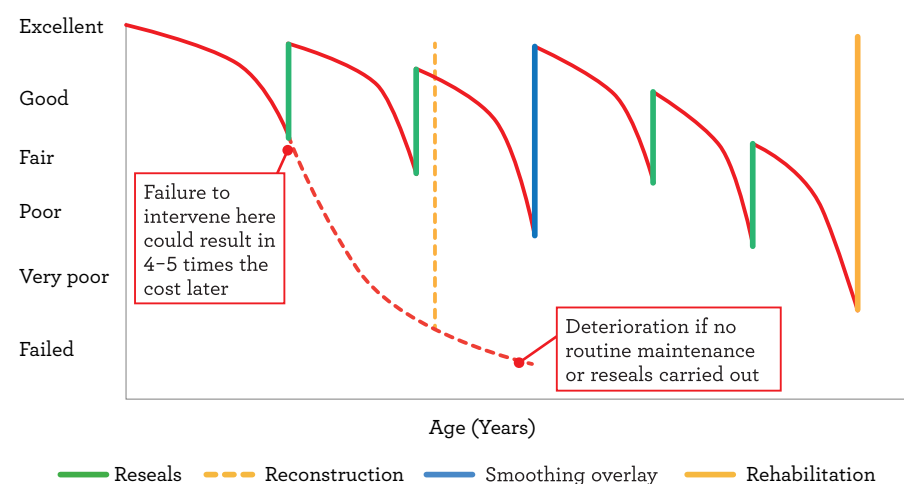
There are four main types of intervention on roading assets to provide appropriate levels of service:

- maintenance to fix defects and preserve useful life
- maintenance to mitigate safety issues
- maintenance to provide appropriate aesthetic standards
- asset rehabilitation and renewal.

Generally the mid to long-term budgets are set with the aim of maintaining assets at the current condition level in perpetuity.

When an asset reaches about 75% of its service life, deterioration will accelerate. If a road pavement, for example, is left beyond this point without maintenance the cost to restore serviceability could be 4-5 times higher (see Figure 9).

Figure 9 –A typical whole of life cycle profile



Maintenance and renewal interventions are interlinked.

Just as timely routine repairs can extend the time until a reseal is required on a road, resealing at the right time will extend the life of the pavement structure beneath.

Interventions are scheduled to be applied before the only remedy is an expensive reconstruction. Routine maintenance deals with defects such as cracks before more serious defects develop.

A road surface is resealed at regular intervals (the average reseal cycle is 14 years). Eventually the material making up the road pavement layers deteriorates to the point where it can no longer support the loads imparted by traffic. Pavement rehabilitation or replacement is carried out to return the road to an acceptable condition. Figure 9 above demonstrates this cyclic process.

Asset management has been supported by the Road Asset and Maintenance Management (RAMM) system for many years. RAMM manages asset inventory and condition data, reporting, asset valuation and maintenance contract administration tools. TRACKS is utilised for transportation strategic planning.

The Council is developing improved asset management planning systems and technology and is looking at procurement opportunities to enhance its asset management capability.

Routine maintenance

Routine maintenance includes pavement and corridor maintenance and is the day to day work that keeps the network sound, serviceable and clean. This work includes:

- pavement patching, repairs and crack sealing
- routine maintenance and repair of surface water channels
- renewal and installation of culverts
- grading and gravel replacement on unsealed roads
- shoulder maintenance on sealed roads
- street cleaning including central activity area cleaning
- traffic facility maintenance and renewal
- bridge and minor structure maintenance.

The physical works on the transportation assets are all delivered by contractors under a range of formal contracts.

Renewals

Renewal work is defined as “work that is required to refurbish or replace existing facilities with facilities of equivalent capacity or performance capability”.

Renewals of infrastructure can be triggered by accident history, observed failures, increased maintenance costs, complaints from road users, high road user operating costs, high levels of defects picked up during condition surveys or when the asset has reached the end of its useful life. Typical average life expectancies for various asset types in Dunedin are shown in Table 3.

There will be peaks in renewal costs where a large number of new assets were constructed over a short time period or where a major asset reaches the end of its serviceable life.

Renewals priorities

Renewals are considered to be of higher priority than new capital and have been ranked taking into consideration such things as:

- operating cost implications
- safety implications
- cost of a more expensive renewal
- backlogs.

Table 3 on page 71 shows the main assets and relative importance the Council has placed on their renewals.

Infrastructure renewals programming and budget

The asset components that have the most significant impact on budgets now and into the future have forward works programmes that have been developed from life cycle, condition surveys, predictive modelling, historic cost trends and informed reporting from maintenance contractor assessments. These are:

- carriageway resurfacing
- carriageway rehabilitation
- bridge renewal
- kerb renewal
- footpath resurfacing.

For the other components, some renewals are based on condition and others reflect historic levels.

Sustainability of renewals

Equating the value of renewals to the annual depreciation value is a measure of sustainable renewals called the “sustainability ratio”. The Council uses the same unit costs for asset valuation as for budget estimation. These are based on real cost trends and this is necessary for the ratio to be valid. The ratio for Dunedin shows that renewal lags depreciation by about 15%, reflecting continual historic growth in the asset base. If work achieved in any year is less than the AMP target the ratio will be lower, and if a single major renewal occurs the ratio could exceed 100%.

The Council has a ratio that averages around 80% but varies depending on what is achieved or budgeted. Figure 10 shows the annual depreciation, sustainability ratio and level of renewals funding for roading and footpaths across the period of this strategy.

Figure 10: Annual Depreciation, Renewals and Sustainability Ratio (Inflated)

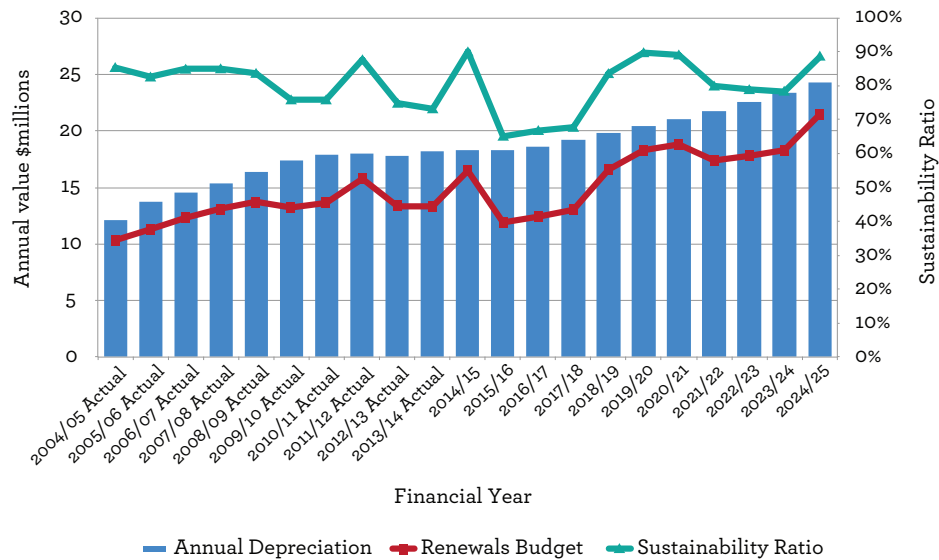


Table 3: Asset renewals strategy

Priority	Renewal Category	% Annual Depreciation	Priority Reason	Condition	Typical asset life	Forward Works Programme (FWP)
1	Carriageway Resurfacing	27.0%	Pavements are the highest value asset and failure to resurface in time can result in safety issues and eventually in premature rehabilitation costing 4-6 times the surfacing cost.	ROS and Surface condition index results indicate satisfactory condition is maintained.	7 to 60 years (14 years average)	FWP is developed with reference to current condition (RAMM treatment selection), predicted future treatments (dTIMS), maintenance costs and theoretical treatment lives. Fine tuning from annual validations indicates that the current 60 km/year resurfaced or 5.7% of network is minimum sustainable annual level.
2	Seawalls	3.0%	Inner harbour stone seawalls are at end of life and the risk from failure is the loss of the road and accessibility and also private land beyond the road could be at risk.	Condition surveys indicate high portion of stone seawalls in poor condition.	70 years	A substantial part of the stone seawall asset is near the end of its serviceable life. Renewal rate reflects this and work will be coordinated with inner harbour road improvements.
3	Bridges and large culverts	5.7%	The unexpected loss of a bridge could mean accident or the loss of access to a community or commercial area. Loss during an event could compromise lifelines.	Bridge inspections indicate bridges generally in good condition.	70 to 150 years	Full Replacement: In the short term no expected replacements in next five years. The age of bridge stock indicates future expense risk and nominal sums are budgeted from 2019/20 with a peak expected beyond 2050. Structural components: The life of the bridge can be extended by timely replacement of defective components (e.g. replacing the deck). Knowledge of condition provides confidence in future budgeting.
4	Unsealed road re-gravelling	4.2%	The loss of the road material could result in unacceptable ride quality and possible loss of access to residents or farms.	Contract Audits indicate roads maintained to satisfactory level.	8 years for surface course	The base layer provides strength to support loading. Renewal is typically reactive and prompted by requirements of heavy loading (logging, dairy). The surface course is replaced on a cyclic basis determined from condition, traffic loading and long term knowledge of materials performance. Current renewal is at a sustainable level.

Priority	Renewal Category	% Annual Depreciation	Priority Reason	Condition	Typical asset life	Forward Works Programme (FWP)
5	Footpath Resurfacing	15.8%	The risk of not resurfacing is more expensive treatment required later and safety issues with uneven surfaces.	Resident opinion and condition surveys indicate footpaths generally in good condition.	10 to 60 years (19 years average)	The FWP developed considering construction date, condition (RAMM) and reported issues. Factors include extensive cracking and defects that create trip hazards. The FWP has been modified to allow coordination with UFB rollout work currently in progress and with future central city upgrade. In general footpaths will be renewed in asphalt with exceptions in central and local activity areas.
6	Pavement rehabilitation	15.8%	The risk is more expensive maintenance costs initially and eventually a road that is unsafe and un-trafficable compromises accessibility.	Smooth travel exposure is being maintained at 80%. Local roads are rougher while pavements are mostly sound.	40 to 140 years (79 years average)	The FWP is developed with reference to current condition, prediction tool outputs for the long term view, recorded maintenance costs, contractor reports and validation inspections. Rehabilitation is justified as the best cost life cycle option. On the basis of construction date profile and predictive modelling tool the quantity is expected to increase over the strategy period and budgets allow for this. Currently 7 km or 0.7% of the network is adequate and this will increase to 10 km in the 2020s.
7	Signs, Road Marking and Signals		The risk is lack of clear direction or confusion that could lead to car crashes, congestion or lost journeys.	Generally in good condition.	Markings 1 to 4 years Signs and signals 12 to 23 years	Renewal is condition-based with a high portion replacement because of third party damage in signs and signals. These assets typically have a shorter life and there is a steady renewals level.
8	Street lighting	3.6%	The risk is that deficiencies in visibility may result in accidents or loss of security	Resident satisfaction and condition surveys indicate lights are in good condition.	18 to 40 years	Street lights are condition assessed at each maintenance visit. Renewals are identified from condition rating. The level of service will be lifted with budgeted conversion to LED lights from 2016.
9	Culverts and mud-tanks	4.3%	The risk is flooding causing damage to road or property and temporary loss of accessibility.	Generally in satisfactory condition.	80 years	Culverts are assessed on three yearly basis and mud-tanks on a regular cycle when cleaned. Renewals are programmed based on condition assessments. Increasing the capacity of culverts when renewed is considered to cope with global warming effects.

Priority	Renewal Category	% Annual Depreciation	Priority Reason	Condition	Typical asset life	Forward Works Programme (FWP)
10	Surface Water Channels (Kerb)	13.0%	The risk is potential damage to pavement from water ingress or possible seepage damaging property.	Condition rating shows condition is maintained at a satisfactory level.	12 to 100 years Concrete kerb 80 years	The FWP shows renewal increasing from 4 km/year at present to 16 km/year from 2030. Long range average renewal is 12 km/year. This increase is following the construction date profile. The budget allows for this increase in the future.
11	Retaining Walls	1.2%	The risk is loss of support for roadway and compromised accessibility.	Generally in good condition.	80 years	Retaining wall renewal is currently reactive. Current inventory and condition data collection will allow for a condition-based FWP. The budget allowance is nominal reflecting the reactive nature of the renewals.

It is important to note that a high standard of professional services applied to the design and supervision of renewals projects is required to ensure the best long term outcome and value for money.

Activity Specific Assumptions 3 Waters

Overview of the 3 Waters activity

Water supply

The Council manages the collection, supply, treatment and distribution of water to domestic and commercial residents in Dunedin.

The main aspects of the supply system are:

- raw water (not treated) – surface water and ground water that is collected from the catchments
- supply – the main supply pipelines that convey raw water from the catchments to the raw water reservoirs or directly to the treatment plants
- treatment – raw water is treated at one of Dunedin’s 12 water treatment plants
- distribution – the main pipelines between the treatment plants and the treated water service reservoirs (some mains provide both primary distribution and reticulation functions)
- reticulation – the pipelines that distribute water from the service reservoirs to the customers’ boundary
- Our assets include 21,000 hectares of water catchment, 12 treatment stations, 35 pumping stations and 57 reservoirs (raw and treated water). The total water pipe network has a length of 1,450 km that conveys water from the source to your boundary
- Dunedin’s water comes from surface water and ground water sources
- Deep Stream, Deep Creek, and the Silver Stream are the main surface water sources to Dunedin City
- the Taieri Bores are used to supplement the above sources
- Mosgiel’s water comes from an aquifer beneath the suburb via bores
- Waikouaiti and West Taieri source water from the Waikouaiti River and Waipori River respectively
- Waitati and Warrington are normally supplied with water sourced from Deep Stream and Deep Creek but can also be supplied from water sourced from the Waikouaiti River if required.

Wastewater

The Council manages the collection, treatment and disposal of trade and domestic wastewater from residents and commercial customers across the city. The service aims to ensure the health of the community by providing cost effective reticulated wastewater services throughout the urban area, and treating wastewater to a high standard before disposal to either land or sea.

The main aspects of the wastewater system are:

- reticulation – the reticulated network collects wastewater from domestic and commercial private lateral connections to the system with the majority of the 1200 km of publicly-owned wastewater reticulation system operating via gravity with pipe size varying from 100 mm to 1650 mm in diameter
- pump stations – there are 78 wastewater pump stations throughout the reticulated network which lift wastewater from low points back into the gravity network
- treatment – the Council owns and manages seven separate wastewater treatment systems. The population served by each plant varies from 100 for the smallest plant to 83,000 for the largest plant.

It has been estimated that \$26 million may be required over the next 10 years for trunk mains and reticulation renewals.

Stormwater

Stormwater is rainfall or snow runoff that does not soak into the ground naturally, but instead is collected and channelled by roads, pipes or other public or private infrastructure. The Council provides reticulated stormwater services to the metropolitan area and most other areas that also receive reticulated wastewater. In total the Council owns and operates approximately 360 km of stormwater pipes and 10 pump stations.

When an area is developed, stormwater generally increases due to runoff from impermeable surfaces (e.g. roofs, roads, car parks, or compacted soil). It flows naturally from higher to lower ground, and ultimately discharges into natural watercourses such as wetlands, creeks, rivers or the sea. Land development necessitates the creation of both private and public stormwater systems; these networks work cooperatively to collect and transfer stormwater to waterways, and in some cases the marine environment, efficiently minimising damage to downstream assets.

Stormwater and wastewater use two separate systems. Stormwater is generally discharged untreated into the harbour, the sea, or the nearest watercourse. It is important not to let pollutants like litter, animal excrement or contaminants left behind on roads enter roadside drains as these can then contaminate the stormwater discharge. Washing cars on the footpath or road or excessively watering lawns can also flush pollutants into the stormwater system. The stormwater system can flood when the volume of runoff is high during intense rainfall events that are above the system’s design capacity.

The 3 Waters Strategy Project included works for targeting manhole overflows, reducing flood risk, removal of wastewater/stormwater cross connections and mitigating the tidal influences on the capacity of the stormwater system. Flood hazard maps have been developed, which indicate areas that potentially require localised flood protection, upgrades or renewals now and in the future.

3 Waters Strategic Direction Statement 2010 – 2060

The Council's 3 Waters Strategic Direction Statement was developed in 2010 to provide a picture of current water supply, wastewater and stormwater (3 Waters) services and determine service delivery priorities for the next 50 years. The document explores the current activities, strategic issues, community priorities and external challenges of Dunedin's 3 Waters business. Identified within the document are seven key strategic priorities that underpin the way the Council will deliver the 3 Waters activities to the community.

1. We will meet the water needs of the City for the next 50 years from existing water sources.
2. We will be able to adapt to a variety of future scenarios for climate change and fluctuations in population.
3. We will reduce our reliance on non-renewable energy sources and oil-based products.
4. We will improve the quality of our discharges to minimise the impact on the environment.
5. We will ensure that, as a minimum, key service levels are maintained into the future.
6. We will limit cost increases to current affordability where practical.
7. We will adopt an integrated approach to management of the 3 Waters and embrace the concept of kaitiakitaka (guardianship in Kai Tahu dialect).

These priorities were the result of analysis of the activity's issues, challenges and community voice. The community priorities were gathered using a telephone survey which took a representative sample of 600 Dunedin household participants. The top priority was identified as 'providing safe and pleasant drinking water at an acceptable cost'. There was a strong desire from the community to improve the quality of stormwater and wastewater discharges, and where possible, cease discharges to the rivers and the sea¹.

Our community expect us to maintain our current levels of service, while managing future challenges such as climate change and economic fluctuations.

1 Dunedin City Council (2010) the 3 Waters Strategic Direction Statement <http://www.dunedin.govt.nz/your-council/council-documents/policies/3-waters-strategic-direction-statement>

A copy of this strategy can be found at www.dunedin.govt.nz/3watersstrategy

3 Waters specific challenges

This section provides further comment and describes the principal responses to the challenges identified in the 'Context and Major Issues for Dunedin's infrastructure' section, as applicable to the 3 Waters activity group.

Ageing infrastructure

Over 50% of Dunedin's 3 Waters network infrastructure is expected to reach the end of its useful life (of 80-100 years) and require renewal by 2060, at a cost in the region of \$820 million.

Principal responses

The Council will invest adequately in renewals to maintain the performance of our infrastructure.

The Council will invest carefully by understanding which assets are most critical to maintaining the delivery of service and using information to drive pro-active condition assessment of these critical assets.

The Council will plan renewals effectively to avoid sharp increases in costs and gain cost efficiency in procurement and project delivery.

The Council will continue with its planned programme of water upgrades and once completed, maintain our drinking water quality at those levels.

⁹The Council will develop tools to communicate effectively the implications of levels of funding.

A decision support tool (dTIMS) is being trialled in 3 Waters as a means of developing long-term strategies for the operation, maintenance and renewal of the 3 Waters pipeline assets. This tool is currently used for pavement deterioration predictive modelling in the roading and footpaths activity. It identifies intervention strategies and determines timing, frequency and treatment type to be implemented. It also optimises intervention strategies and produces expenditure forecasts, work programmes and predictions of future condition. The tool is currently in the development and trial stage².

2 McFarlane, Henning & Dyer (2014) Implementation of an optimized decision support tool for advanced asset management of the 3 Waters reticulation network. In Water Asset Management International, 1(10).

Do nothing

Failure to find the right balance between investing in renewals and deferral could either leave the Council struggling with over-investment where the community has infrastructure surplus to requirement, or under investing and delivering a level of service that does not meet public expectation. This would breach our key strategic priority – ‘we will ensure that, as a minimum, key service levels are maintained into the future’. Both of these scenarios will result in a rising service cost.

Climate change

Future drought poses a risk to water supply. Low or no rainfall over a prolonged period would decrease the quantity of water available from the Deep Stream and Deep Creek intakes which supplies 60% of Dunedin’s water. In addition there is typically higher demand for water in drier periods. The Council has adopted the ‘Security of Supply for Metropolitan Dunedin Strategy’. This strategy has been specifically designed to develop options ensuring that raw water supply to the city’s treatment plants is maintained following a disaster event or drought. The response from this strategy is outlined on page 87 (Security of Supply Project).

Increasing heavy rainfall events create increased pressure on wastewater systems, predominantly through inflow from private stormwater connections and groundwater infiltration from cracked and damaged pipes. Where capacity to transfer wastewater within a network is reduced as a result of inflow and infiltration, overflows and property flooding can occur.

The Council currently has 13 foul sewer overflows that are known to discharge to the environment during rainfall events. The volume and frequency of overflow is variable with extent of the rainfall event, but in the 12 months prior to August 2014 there were a total of 58 events recorded, with volume of discharge ranging from 0.2m³ to 4,500m³. For reference, an Olympic-sized swimming pool holds approximately 2,500m³. Overflows during such events are diluted by the infiltration of groundwater and inflow of stormwater. However, the overflow is still contaminated with sewage³.

Kaikorai and North-east Valley are two areas particularly susceptible to surcharge and overflow of the foul sewer network, and have been identified as the most sensitive to climate change and future growth. To limit the short term effects, 26 non-return valves have been installed to affected properties which would otherwise experience habitable floor flooding. A significant and ongoing modelling project is analysing a range of options for a more permanent solution for these areas.

While there are a number of short term projects that can be delivered to alleviate these issues slightly, the long term solution is a sustained period of investment in renewals throughout the upstream network to reduce infiltration, and the downstream network to upsize where capacity is still insufficient even with infiltration removed. This is detailed further in the following section titled Mitigating Sewer Overflows.

Climate change threatens to increase both the intensity and frequency of rainfall events. The Council’s stormwater system is designed to accommodate 1 in 10 year rainfall intensity events. As climate change takes effect it is clear that an event considered to be a 1 in 10 year rainfall event today will increase in frequency in the future. The Council will review rainfall return periods on a five yearly basis to ensure design capacities are kept up to date with any evident climate change trends and take into account predicted climate change trends associated with an asset’s anticipated useful life.

Principal responses

To increase the flexibility and resilience of our affected infrastructure to reduce the risk of prolonged service interruption.

Actively planning for potential events due to climate change scenarios.

The Security of Supply Strategy for Metropolitan Dunedin (2012) presents a preferred strategy for the security of metropolitan Dunedin’s water supply. The strategy aims to ensure that raw water supply to the city’s treatment plants is maintained following a disaster event or drought.

Climate Change Vulnerability Assessments (2011 & 2014) have been developed by the Council for areas with 3 Waters infrastructure particularly vulnerable to climate change effects; such as Warrington, Waikouaiti and Seacliff. These reports highlight the issues unique to the area such as sea-level rise (coastal inundation), storm surges, mean temperature rise, flooding and so on. These assessments highlight which risks need to be managed passively, and which need to be actively managed, and provide a range of options to do so. Further assessments are planned.

Do nothing

This would place pressure on infrastructure and potentially create:

- shortage of water due to drought
- inundation of low lying infrastructure due to storm surge, seabed rise, or a combination of the two
- a heavier reliance on pumping (because of flooding)

3 DCC (2014) 3 Waters Capex Programme Business Case 2015/16-2024/25

- increased fire risk in catchment areas – inability to utilise from a particular water source
- increased competition for water, changed resource consents and degraded wetlands
- result in poor water quality due to increased stormwater runoff, and therefore higher treatment costs
- require a possible change in location of residential population.

The harbour-side and south city area covers the most densely populated part of Dunedin, with a population of about 10,000 residents. It contains a lot of infrastructure, such as wastewater and stormwater assets and key roads. The area has an estimated asset value of \$4.3 billion. This low-lying area has been assessed as being the part of Dunedin most vulnerable to sea level rise in the medium to long term. A rise as predicted (0.59m by mid-2090) would leave substantial areas vulnerable to coastal inundation and a number of key assets susceptible to saltwater intrusion. The main threat, at least in the medium term, is from rising groundwater in the south city area, as groundwater levels are forced up by rising sea levels. Direct inundation from the sea becomes more of an issue around the Otago Harbour in the long term. This scenario could also displace coastal residents and require them to move to other parts of the city with insufficient infrastructure to support the localised increase in population

Population trends

Predictive modelling accounts for growth by taking the same base information used to generate the City Profile, then projecting spatial growth trends in line with the District Plan and applying it to calibrated hydraulic models. This allows detailed analysis of spatial effects on all 3 Waters assets from minor reticulation assets through to major treatment and or supply activities. The same tool allows development of hypothetical options and ‘what if?’ analysis if required.

Hydraulic models allow 3 Waters to effectively manage all potential growth implications with relative agility, either through early warning of required spend; or through effective use of existing capacity. Although areas such as the Taieri Plains are currently experiencing moderate growth, population for much of central Dunedin is forecast to remain relatively static and some areas expect a population decline. This creates some specific challenges for Dunedin, both with potential for stranded infrastructure and limitations on affordability of service improvements and maintenance of the existing infrastructure.

In general terms, the relatively minor forecast changes in demographics and population for Dunedin are not expected to have a significant adverse effect on the ability to maintain the 3 Waters network current levels of service, providing these changes are in

line with the District Plan. However, deviations from the District Plan will likely require significant capital investment to address any capacity shortfall. Dunedin is well placed in terms of water availability and treatment capacity. It would require a significant and unforecasted change in demographics or population to have an adverse effect on the ability to supply water to consumers.

There are several isolated areas of the 3 Waters network, such as Mosgiel, where development even within the District Plan is causing stress on network capacity. These capacity issues will need to be managed through proactive or early renewals and upgrades.

Landowners are responsible for managing stormwater that falls naturally on their property, and must manage any runoff to avoid causing negative downstream effects. A watercourse is generally defined as an open channel through which water flows or collects (be it natural, modified or artificial), either continually or intermittently, or has the potential to do so. It includes river beds, stream beds, gullies, natural depressions, ditches, and drainage channels. A watercourse also includes any culvert or pipe that replaces a natural open channel. The property owner is responsible for a watercourse from where it enters their property to where it exits and must keep it and any associated grates clear so the water can flow unimpeded.

The District Plan requires all properties to connect to the public stormwater system, where available, while un-serviced areas must have onsite stormwater disposal. The Dunedin Code of Subdivision and Development 2010 outlines specific requirements, guidelines and minimum engineering standards for new stormwater systems.

A continuing decline in ‘wet’ industry and a stable population, coupled with the systematic separation of the stormwater network from the foul sewer, has led to a situation where normal flows can be insufficient to cleanse the pipes, allowing sediment to build up and causing sewer blockages. Significant changes in the volume and nature of wastewater, particularly through industry closure can lead to operational inefficiencies in wastewater treatment plants, which are designed for particular volumes and contaminant levels.

Principal responses

The Council ensures collaboration with infrastructure providers occurs during processes such as the Second Generation District Plan. For example water and waste services considers the impact of each proposed density change on the 3 Waters networks using in-house hydraulic modelling capability. The District Plan in turn allows for additional growth where infrastructure capacity is available.

The Water and Waste Services (3 Waters) business unit will work collaboratively with City Planning to ensure the Second Generation District Plan encourages growth where infrastructure capacity exists. The District Plan is the main document that sets the framework for managing land use and development within Dunedin and is scheduled for release in mid-2015. When proposals are put in place for growth in vacant land where no infrastructure currently exists (green field), developers are largely responsible to provide and install the required infrastructure.

The Council will pursue renewals not only as a necessity to maintain service, but as an opportunity to optimise current capacity by appropriately sizing pipes and eliminating infiltration of groundwater to the network and cross connections.

The Council will ensure that our infrastructure planning is flexible enough to adapt to different scenarios, whilst being affordable to current and future communities.

Where infrastructure capacity is compromised one of the following approaches is taken: either the district plan constrains growth or the Council makes capacity available by utilising the development contributions policy.

Do nothing

Significant changes in the volume and nature of wastewater, particularly through industry closure, can lead to operational inefficiencies in wastewater treatment plants, which are designed for particular volumes and contaminant levels.

Decrease in population – normal flows could be insufficient to cleanse the pipes, allowing sediment to build up and causing sewer blockages.

Increase in population – increased use of pumping would be required to avoid flooding on flat areas due to residential/urban intensification and a reduction of natural water channels for stormwater to drain.

Localised rapid growth which outstrips the capacity of the existing reticulation and distribution infrastructure can leave residents with insufficient infrastructure to maintain levels of service.

Peak oil

There is growing concern that global oil prices will rise dramatically once 'easy to reach' deposits have been used up and demand for oil outstrips supply.

The 3 Waters activities depend on oil and oil-based products in order to deliver core services. Oil is not only used to produce the fuels we consume such as petroleum; it is also a key constituent of a wide range of plastics and other synthetic materials used by the 3 Waters activities. Unless alternatives are found, the increasing cost of oil will have consequential impacts for the cost of services.

Fortunately New Zealand is well placed to take advantage of renewable energy sources such as solar, hydro, geothermal and tidal power, which may be used as alternatives to fossil fuels in energy production.

Principal responses

The Council will reduce reliance on oil-based products.

The Council will prioritise the use of energy efficient technology.

Where cost effective to do so, the Council will generate renewable energy from our network, catchments and other resources.

Do nothing

Oil forms a part of nearly every supply chain in some form, therefore the potential for dramatic fluctuations in oil prices, and the subsequent effects on the price of goods and services should not be underestimated.

Resilience

Principal responses

The Council will ensure infrastructure is built to a resilient standard.

The Council will address most vulnerable materials at the time of renewal except where an asset has a high level of criticality. It will be assessed to determine its level of seismic resilience and where necessary renewal may be prioritised.

The Council will avoid re-zoning land for urban development reliant on reticulated infrastructure in areas that are at risk from liquefaction, lateral spread or other seismic effects that may put people, property or infrastructure at risk.

The Council will reduce single point dependencies for highly critical infrastructure.

Do nothing

The 3 Waters network level of seismic vulnerability will remain a significant risk.

Economic predictions

Principal responses

Optimise the current planning to cater for the economy. Much of the planning around 3 Waters infrastructure aims to be nimble and responsive to change, allowing any change in the economy to be accounted for at the planning stage.

The Council will build on the existing foundations and utilise strengths and capabilities to ensure sustainable economic and community development.

The Council will provide diverse economic opportunities for businesses and residents, while also ensuring environmental sustainability.

Do nothing

Failure to address and prepare for the issue of economic fluctuations could result in reduced infrastructure capacity and reduced ability to cater to consumers' needs and retain levels of service.

Capacity and capability

Renewals expenditure across the 3 Waters is currently scheduled to increase steadily over the next eight years. Deferral of these renewals will impact noticeably on the 3 Waters business unit's ability to effectively deliver services to the community and further increase the backlog of technically 'failed' assets. Additionally, deferring the planned increase in renewals funding will mean that larger step increases in funding will be required in the future if we wish to maintain current levels of service and maintain an acceptable level of risk that is affordable over the long term. This 'backlog' represents approximately \$60 million (\$ today) at this stage. We are stepping up the funding of renewals from \$11.7 million to \$21.2 million over the next eight years and then plan to hold the funding at around \$21.2 million until 2032. At this time there may be a need for a short term increase in funding to fund a peak of renewals anticipated at that point before funding is dropped to between \$16 million and \$18 million per annum for the years beyond.

Principal response

The Council will provide works and services in accordance with its relevant procurement policy and strategy.

Multi-service projects (including place-based planning) where tenders packages include all 3 Waters services, transportation and other infrastructure works to minimise construction overhead costs and long term disruption to the area. This includes spreading contract deliver over several years.

'Piggy-backing' existing infrastructure projects. Examples such as the University Campus works and the SH1 Safety Improvements package enable us to enter existing construction contracts, receiving good value construction.

Active engagement with the market. Meetings are held with each of the large local contractors, informing them of the scope and timing of upcoming capital projects to enable them to better plan and prepare their workforces. Tenders are also released to the market to a programme based on which contract resources are already committed.

Multi-year renewals package contracts are used where it is appropriate. Discussions have already begun with several of the city's larger contractors around appetite for longer term contracts and how these might be mutually beneficial.

Using a range of tender evaluation methods to give consideration of contractor's ability to deliver work to deadlines. Where a renewal can be completed with a number of different methods delivering assets of different expected lives (based on material or construction method), the new weighted evaluation process will help to optimise value, comparing price per year of service with delivery risks.

Where possible, bringing forward projects to compensate for projects that are delayed. This includes over-allocating the capital works programme for each year (but not committing beyond approved budget) in anticipation that some projects won't go to plan.

Do nothing

There is a risk that insufficient capability or capacity within the industry may lead to an inability to deliver services or the incurring of costs in excess of market prices.

Funding and affordability

Principal responses

Stepping up renewals expenditure to allow infrastructure renewal needs to be managed sustainably over the long term. It is more cost effective to manage renewals in a prioritised programme than to defer work on renewals in order to make savings and risk a much more costly asset failure in the future.

The proposed 10 year plan provides adequate funding for renewals to prevent any significant deterioration of infrastructure across the immediate 10 years whilst making progress on the renewals backlog with few new capital projects programmed.

Smoothing renewals expenditure in outward years to ensure that there is adequate funding outside of the immediate LTP Period.

Renewals expenditure is funded from operating cashflow (rates) not debt.

Ensuring that the Council's financial strategy recognises the need to increase renewals funding and is able to manage this within the overall strategy limits.

Ensuring the Council's activity groups work together on planning of renewals work to provide delivery of programmed work in the most efficient and cost effective manner. For example, city development, 3 Waters and roading and footpaths working together to deliver sequenced work on roading and footpath renewals, 3 Waters network pipe replacements and city amenity work to avoid unnecessary remedial work on newly replaced infrastructure.

Do nothing

There is a risk that funding of renewals will be underfunded or deferred due to other priorities and assets will deteriorate to failure impacting service levels and requiring significant unscheduled expenditure.

Property ownership issues – wastewater lateral connections

Faulty wastewater lateral connections have been identified as a significant contributor of the inflow and infiltration of groundwater and stormwater into Dunedin's wastewater network. Infiltration occurs when groundwater enters the wastewater system through defective pipe joints and breaks/cracks in pipes.

Inflow occurs when water enters the wastewater system from inappropriate connections. Up to 50% of inflow and infiltration volume enters the system through faulty wastewater laterals and causes problems with the reticulation network as it is not equipped to handle extreme influxes of water. This can cause an overflow into creeks and streams, some directly and some via roads and manholes. There is occasional flooding and it can present a potential health risk.

Historically, where defective wastewater laterals have been identified as a source of inflow and infiltration, the issue of who pays has been managed on a case-by-case basis. The Council has either required the property owner to replace the wastewater lateral at the property owner's cost (generally with the Council managing the renewal and recovering cost from the property owner)⁴; or Council has paid for the wastewater lateral to be replaced at no cost to the property owner.

In the past, this process has been managed in conjunction with the renewal of the public wastewater pipe the lateral connects to, and ownership of the wastewater lateral remains with the property owner post-renewal. However, this case-by-case decision-making makes it difficult for 3 Waters to accurately plan for future renewals of public wastewater pipes.

New housing affordability is affected by the cost of providing infrastructure services. In the recent past the Council has undertaken district plan changes to accommodate green field growth. Unfortunately in some instances the true cost of servicing some rezoned land has proven more expensive than initial indication and has resulted in economic development constraints.

Principal responses

A work-stream is currently underway to assess the best fit model for ownership of Dunedin's wastewater laterals, and presents options for where individual ownership stops, and Council ownership starts.

The Council's planners and engineers will work closely to ensure the true cost of servicing is taken into account early in any District Plan change or development process. This will be done by utilising in-house hydraulic modelling capability to identify locations where surplus infrastructure capacity is available.

Do nothing

The current process of case-by-case decision-making makes it difficult for 3 Waters to accurately plan for future renewals of public wastewater pipes. At present, the cost of replacing defective wastewater laterals is not included in high level budgeting but in some cases is absorbed at the capital project level. This distorts the true cost of the wastewater pipe renewal. There is also no clear process for the systematic renewal of defective wastewater laterals and the liaison with affected property owners.

⁴ The Rating Powers Act (RPA) 1988 contained some general provisions which allowed Councils to recover costs from property owners. These general provisions were removed when the RPA was repealed by the enactment of the LGA 2002.

If growth cannot be economically accommodated the high cost of residential and industrial development will potentially result in low growth rates, high housing market inflation and lost employment opportunities for the city.

Legislative considerations

The 3 Waters are affected by various pieces of legislation; primarily the Local Government Act 1974 and 2002 (LGA), the Health (Drinking Water) Amendment Act 2007 (HDWAA) and the Resource Management Act 1991 (RMA). The LGA requires the Council to maintain 3 Waters services, and to assess the provision of those services from time to time. The HDWAA sets requirements for drinking water suppliers to protect the health and safety of communities. The RMA promotes sustainable management of natural resources, and matters addressed include management of fresh water and the beds of rivers and lakes, and discharges into the environment.

Water takes

The Regional Council is responsible for water allocation planning, which includes setting allocation limits and minimum flows. The allocation limit is the maximum amount of water that can be taken, while a minimum flow is considered to be the lowest flow at which ecological, cultural and community values are protected. Community water takes existing as at 1998 are listed in the Water Plan and are not subject to minimum flows, but all new or additional water takes will be. Any take may be subject to a residual flow; essentially a minimum flow at the point of take. Allowance may be made for growth at time of consent renewal, if there is an anticipated excess of water needed above what is already taken, however proof will be needed of what has been taken under current consent and why the additional water is needed. Recent Regional Council plan changes have placed great emphasis on limiting water use to within its local catchment and increasing the efficiency of water use. The City Council is starting to see an increased focus on water conservation being incorporated into our water take and use consents.

As demand for water grows from the primary production sector, the Council anticipates water-take consent volumes to be challenged, especially as the effects of climate change are taken into consideration. The extent of this challenge may require further catchment prospecting, to ensure security of water supply into the future. Some areas of New Zealand impose domestic water metering. This measures the amount of water your household uses and provides an accurate charge for the water you use. It is assumed that the Council will not universally meter its customers unless a central government legislative directive is put in place. Metering customers is not politically palatable and the cost of implementation currently out-weighs the benefits when Dunedin city's current water loss drivers are taken into account.

Drinking water standards

The provision of safe drinking water at an acceptable cost was the single highest priority identified in the 3 Waters Strategic Direction Statement customer surveys⁵. The Council aligns its priorities and strategies with the desired outcomes of the community and Dunedin's water is typically very high quality. The Council follows the legislative requirements as outlined in the Health (Drinking Water) Amendment Act 2007:

[to] protect the health and safety of people and communities by promoting adequate supplies of safe and wholesome drinking water from all drinking-water supplies⁶

Currently all operational plants are meeting the minimum standards outlined in the Act with the exception of the Outram Water Treatment Plant, serving a small community of approximately 750 people. To resolve this issue, an upgrade is scheduled to commence in the 2015/16 financial year at a capital cost of \$520,000.

Safe discharges to the environment

The Regional Council is also becoming increasingly stringent regarding contaminant discharges to the environment, and this is likely to affect any future applications to discharge contaminants.

The City Council has committed to improving the quality of discharges to minimise the impact on the environment as a strategic priority. Monitoring wastewater and stormwater outfalls for water quality is a vital part of delivering on this priority and is also a resource consent requirement. As discharge consents are renewed in the future we are expecting more stringent quality requirements to be imposed as conditions. To meet additional requirements some of the rural plants will require upgrade to achieve greater quality, and/or improvements in discharge methodology. Approximately \$97 million has been spent on treatment and disposal upgrades associated with the Tahuna Wastewater Treatment Plant upgrade.

Global research increasingly agrees that stormwater runoff may be having a detrimental effect on receiving environments and untreated stormwater can have a significant effect on ecology. Stormwater collects chemical and microbial contaminants as it runs over roads, rooftops, and impermeable surfaces.

⁵ Dunedin City Council (2010) the 3 Waters Strategic Direction Statement <http://www.dunedin.govt.nz/your-council/council-documents/policies/3-waters-strategic-direction-statement>

⁶ The Crown (2007) Health (Drinking Water) Amendment Act 2007 69A <http://www.legislation.co.nz/act/public/2007/0092/latest/DLM969845.html>

Management of these effects is extremely important for New Zealand's clean, green image and New Zealand's waterways contribute billions to the nation's GDP⁷. The 3 Waters Strategic Direction Statement identifies 'we will improve the quality of our discharges to minimise the impact on the environment' as a key strategic priority.

The Council discharges stormwater to fresh water generally as a permitted activity under the Otago Regional Plan: Water. The Regional Council has indicated they will review stormwater discharge rules in the near future although no timeframes have been confirmed. If the activity status of these discharges were to change, the City Council would need to work through a consent application process, avoiding, remedying and mitigating any adverse effects of the discharge.

Stormwater discharged to the coastal environment is a controlled activity requiring resource consent. Consents to discharge to the Otago Harbour and St Clair Beach were granted in 2013 based on the Integrated Catchment Management Plans developed for each of the 10 contributing catchments. These consents have 35 year term with a five year review period. Generally the consents operate on an adaptive management principle. The Council is required to monitor and where contamination is identified, investigate further and address the source of any contamination.

As part of the suite of environmental monitoring that forms conditions of consents to discharge to the marine environment, the Council conducts analysis of shellfish at stormwater outfalls to assess the accumulation of contaminants in the food chain. Additionally, eight separate sites around the Dunedin coastline are monitored specifically for bathing water quality. The consent principle and monitoring results to date indicate that the risk of significant infrastructure solutions being required in the future is low.

The Council is looking to conduct research to ascertain if contaminant levels in the Otago Harbour outfalls are a consequence from historic discharge practices, or whether it is a recent accumulation. The Council will also investigate whether certain concentrated areas are contributing more to the stormwater contaminant issue, or whether it is widespread throughout the city. Upon completion of the research, a range of options and considerations will be constructed to allow adequate planning going forward (such as stormwater treatment), but there are no tangible investment plans at present.

The Council is anticipating that increasingly stringent conditions will be applied when we apply for consents to discharge to the environment.

⁷ Hannah, Michael (2004) Discussion document into a national programme for evaluation and testing of stormwater products and practises.

Principal responses

The Council is committed to improving the quality of our discharges to minimise the impact on the environment.

The Council will comply with all statutory and regulatory requirements.

Environmental legislation will continue to become more stringent as new technology enables better environmental practises.

Do nothing

Potential changes in the RMA may affect all water utility providers and are likely to drive further legislative reform locally through the Otago Regional Council plans. Even without legislative reform the Regional Council has indicated their intent to undertake various plan changes that are likely to affect 3 Waters activities, including ongoing setting of allocation limits and minimum flows, and addressing stormwater discharges.

Programme delivery

Over the next 5 to 10 years the renewals programme will steadily grow from \$11.7 million to \$21.2 million (\$ today) per annum to enable us to address the hump of historically under-funded renewals. The total programme, including new capital, ranges from \$13.9 million to \$21.2million (\$ today) over the same time frame.

Historically, 3 Waters has struggled to deliver the capital programme due both to a lack of appropriate resources within the Council to get the programme appraised and managed, and the lack of resource in the market place to get the physical works delivered. A range of new approaches to procurement and delivery have been developed and implemented which gives us confidence that this increasing programme can be delivered and this budget can be spent going forward.

The strategy to deliver this growing programme includes the following.

- Minor network capital works and some drain-in common works are included in the new network maintenance contract (value of approximately \$1 million/year). This creates room in our in-house project manager resource and utilises a new construction resource in the market.
- Meetings are held with each of the large contractors in town, informing them of the scope and timing of upcoming capital projects to enable them to better plan and prepare their workforces. Evidence of this market response is already manifested itself.

- Minor, small value treatment facilities capital works are delivered by the respective 3 Waters teams using multiple quotes or invited pricing procurement. Again, this creates room in our in-house project management resource and utilises resource from smaller contractors, perfectly capable of delivering the projects.
- Multi-year renewals package contracts are used where it is appropriate.
- Renewals method-weighting for tender evaluation. Where a renewal can be completed with a number of different methods delivering assets of different expected lives (based on material or construction method), the new weighted evaluation process will help to optimise value, comparing price per year of service with delivery risks.
- Multi-asset renewals. Wherever possible we are now packaging up 3 Waters renewals by area, so that a single tender covers water, wastewater and stormwater renewals. This is more efficient use of contractors, reduces establishment costs and minimises the long term disruption to areas of the city.

With the growing renewals programme the capability and capacity of the teams developing and delivering the programme is also being strengthened accordingly.

Renewals backlog

Renewals expenditure across 3 Waters is currently scheduled to increase steadily over the next 5 to 10 years. Deferral of these renewals will impact noticeably on the ability to effectively deliver services to the community and further increase the backlog of technically 'failed' assets (Figure 11). Additionally, deferring the planned increase in renewals funding will mean that larger step increases in funding will be required in the future if we wish to maintain current levels of service and maintain an acceptable level of risk that is affordable over the long term.

Figure 11 shows the combined replacement cost over a 50 year period (in today's dollars) of all 3 Waters' assets based on condition assessed or modified remaining life rather than purely theoretical useful life. In this graph smoothing is based on informed assumptions and real data, the result of extensive condition assessment. Where assets have already exceeded their useful life and therefore failed (e.g. are not capable of delivering designed service levels such as fire flows in the water network or contained surcharging in the sewer network) these are shown in year one in addition to this year's 'genuine' renewals programme. This 'backlog' represents approximately \$60 million at this stage. Whilst the expected lives of the assets are considered to be robust, the theoretical cost of the renewals does not take into account cost efficiencies that can be gained from effective packaging of work and rationalisation of under-utilised assets.

Clearly the backlog of failed assets and the loading of (particularly wastewater) renewals in years one to five is unable to be addressed within the stated timeframe, but represents our best knowledge to date of when assets should be replaced if there were no constraints around funding or the ability for the market to deliver the work. The renewals peak in 2015 shows the backlog of technically failed assets, i.e. assets that are no longer meeting the required level of service and have exceeded their useful lives. Each year, assets from the backlog are programmed and prioritised into the renewals programme thereby reducing the backlog.

We are proposing to continue our programme of stepping up renewals funding from the current level of \$11.7 million to \$21.2 million by 2021. We then propose to keep funding at the elevated level of \$21.2 million until 2033 when we will adopt the 10 year rolling average funding level.

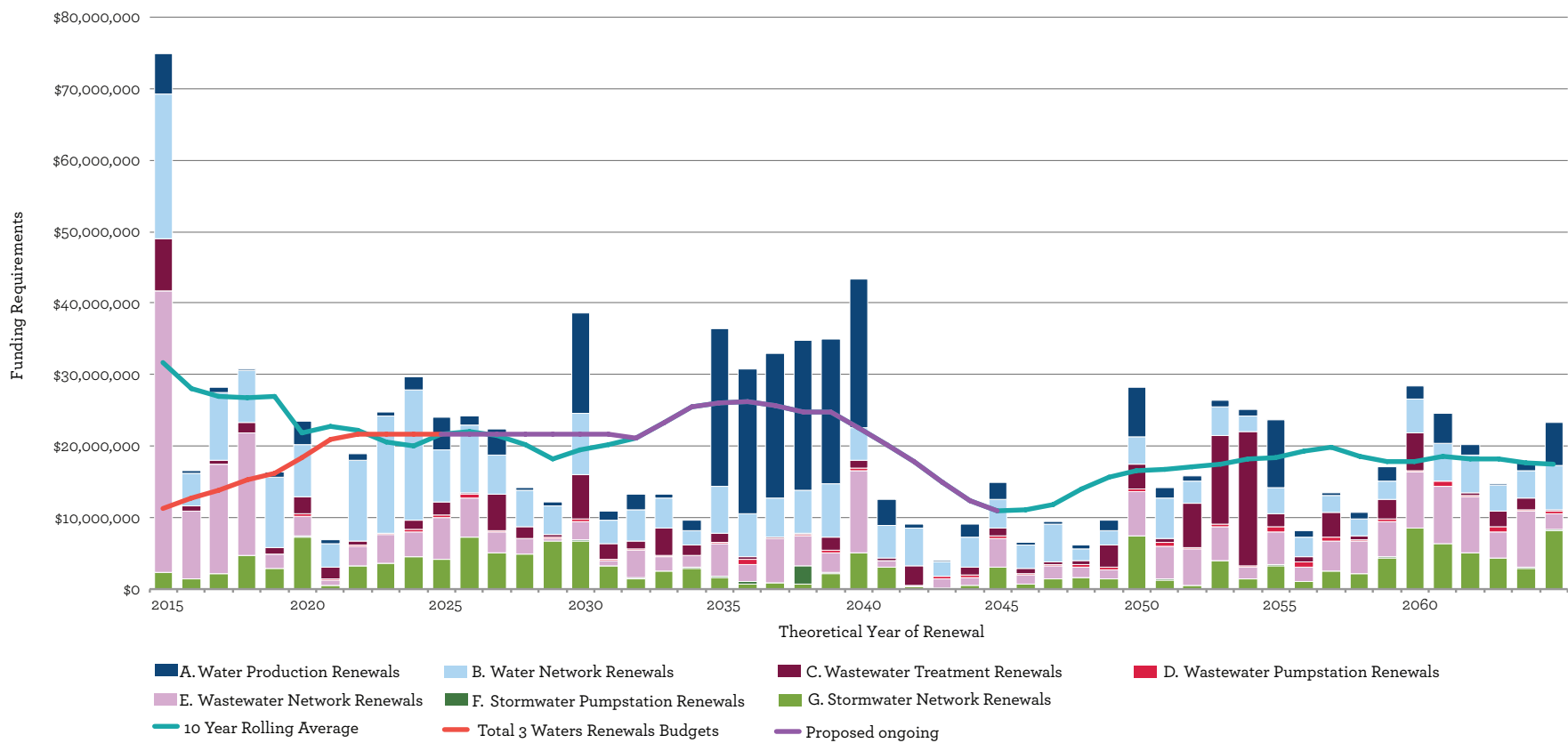
Whilst the data that underpins when assets need to be renewed is relatively robust, the detail on the cost of renewal does not currently take into account any efficiencies that can be made by packaging works efficiently or rationalising the assets that we no longer need. Therefore, whilst the theoretical cost to renew the assets over the next 30 years is \$700 million (in current dollars) we are only proposing to provide funding of \$612 million over the same period. As we review our underlying assumptions on renewal costs over the next LTP period we will have greater clarity of how long it will take to clear the backlog of work. We believe that it is realistic that we can close this gap between theoretical and actual cost by 16% which would allow us to catch up the backlog of renewals by 2039/40. However, if we can only close a gap of 13%, it will take the fully 30 year period of the infrastructure strategy to clear the backlog. We will continue to refine these assumptions over the next LTP period and adjust our long term funding plan accordingly.

We are confident that the funding gap can be closed through a combination of reviewing the cost assumptions to reflect packaging of procurement, network rationalisation and programme optimisation, as well as by delivering projects at reduced cost through smarter procurement and multi-service projects (including place-based planning) which will enable smoothing of the required spend. Furthermore, the market has been primed for the delivery of increasing capital works programmes. Over the next one to two years, as further condition assessment continues to improve our knowledge and efficiencies of a new structure are bedded in, our ability to meet the 16% target and therefore catch up the backlog by 2040 will become clearer.

Additionally, 3 Waters have entered into a development partnership with IDS Ltd (Infrastructure Decision Systems) with the objective of developing a 3 Waters application for the dTIMS software. dTIMS is widely used by transportation authorities around the world to provide a network wide view of the future renewals and maintenance needs of a given asset base. A preliminary water network model has been developed in by Opus International Consultant, Deighton Enterprises, IDS and 3 Waters Staff. Preliminary results of the new tool are encouraging and suggest a proactive strategy of early renewal of the water network provides the lowest lifecycle cost.

As further testing is completed and confidence in the tool grows 3 Waters will look to demonstrate lifecycle management strategies and their consequence both in dollar and level of service terms. After 2033 it is proposed that the Council aim to fund at the level of the 10 year rolling average funding requirement. Currently this is elevated from 2034 to 2040, predominantly to fund the renewal of the Deep Creek and Deep Stream pipelines as a single pipeline, but it is anticipated that further smoothing will be possible in future years.

Figure 11: Renewals Programme Proposal (50 years)
(Please note: the source data for this graph has not had inflation applied, project costs are in today’s dollars).



3 Waters capital expenditure highlights

As shown in Figure 3 on page 19 the forecast budget for the 3 Waters activities remains relatively constant throughout the 30 year infrastructure period.

Operational expenses remain the largest investment of just over \$1 billion dollars for the duration of the 30 year strategy, and this covers operating costs, labour, materials and maintenance.

The renewals component makes up the vast majority of capital expenditure and will increase from \$12 million per year to a peak of around \$25 million in 2035 (\$ today).

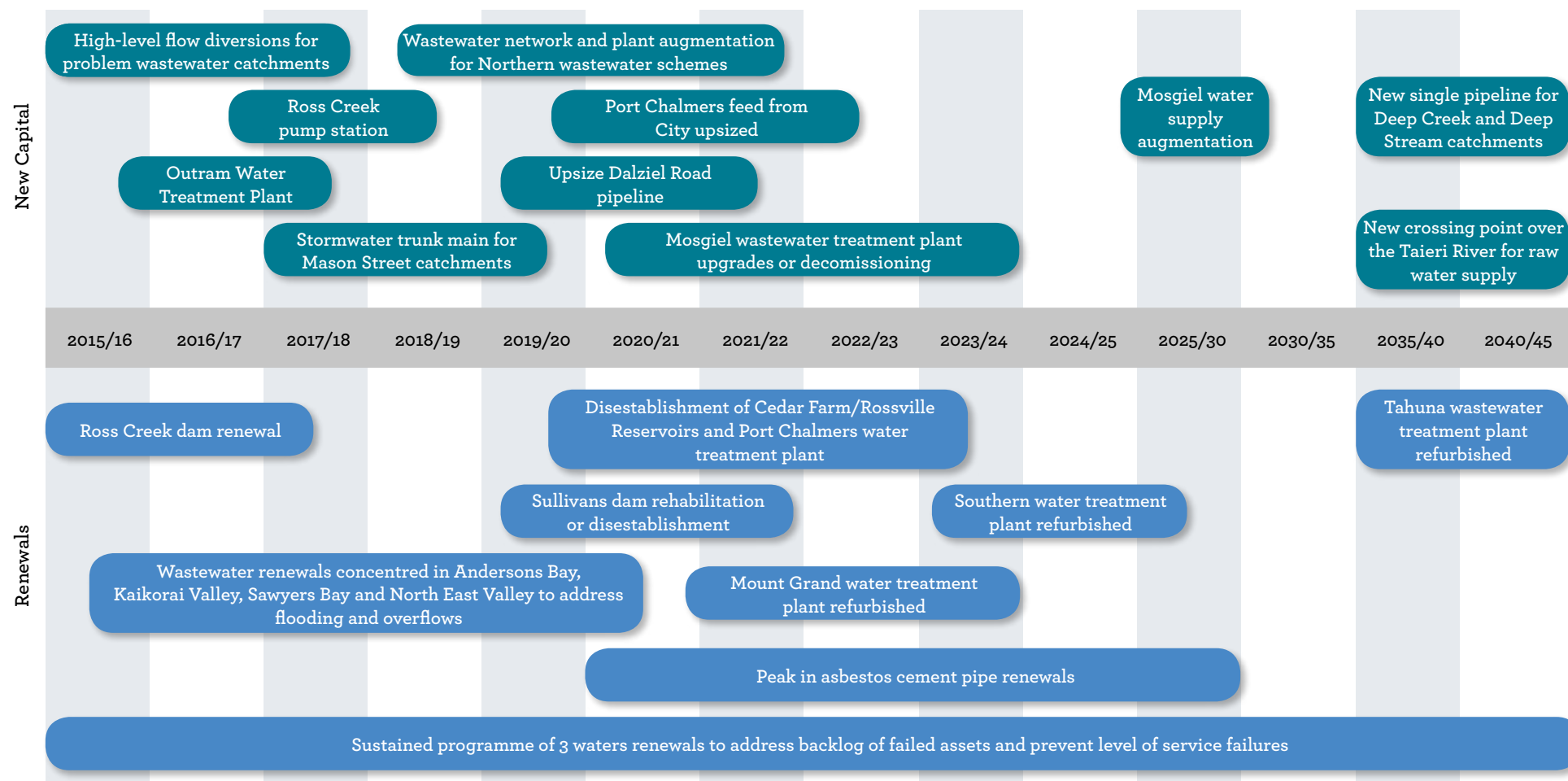
From 2040 on the renewals budget decreases as more of the city's infrastructure assets are replaced. The peak of renewals spending in 2035 is due to the anticipated renewal of the Deep Creek and Deep Stream pipeline as a single line. The Deep Creek and Deep Stream system, constructed in the 1930s and 1970s respectively, allows water to reach Mt Grand Water Treatment plant along 62 km of pipeline. The pipeline crosses the Taieri River on a steel arch bridge constructed in the 1930s and passes over Abbots Hill to reach Mt Grand. System capacity is currently 8,000m³/day from DC and 38,000m³/day from Deep Stream, which provides the majority of Dunedin's water along with an intake at Silverstream. An option is currently being explored on whether it is best to retain the Taieri River crossing bridge, or to divert the anticipated new combined pipe over land which would lower the risk of supply failure.

Aside from the Deep Creek and Deep Stream pipeline, the renewals focus is on replacing the large amount of infrastructure in Dunedin that is reaching the end of its useful life. This results in a budget which slowly climbs as more and more infrastructure reaches the end of its lifecycle and needs replaced, then decreases once the optimum levels of service is reached and the majority of main pipelines are renewed to a more constant level of expenditure (see the renewals section for more detail).

New capital is low priority over the next 30 years, with the budget peaking at \$4.9 million (\$ today) in 2016/17, then dropping to around \$200,000 (\$ today) and remaining a constant projection thereafter. The projections coincide with slow growth patterns within Dunedin, and accounts for historical over spending on new capital such as new water and wastewater treatment plants. In the past, the focus has been on creating new capital assets, with under-investment in renewals, however attitudes towards this have changed, with renewals becoming the top priority as assets reach the end of their lifecycle.

Significant projects over the next 30 years

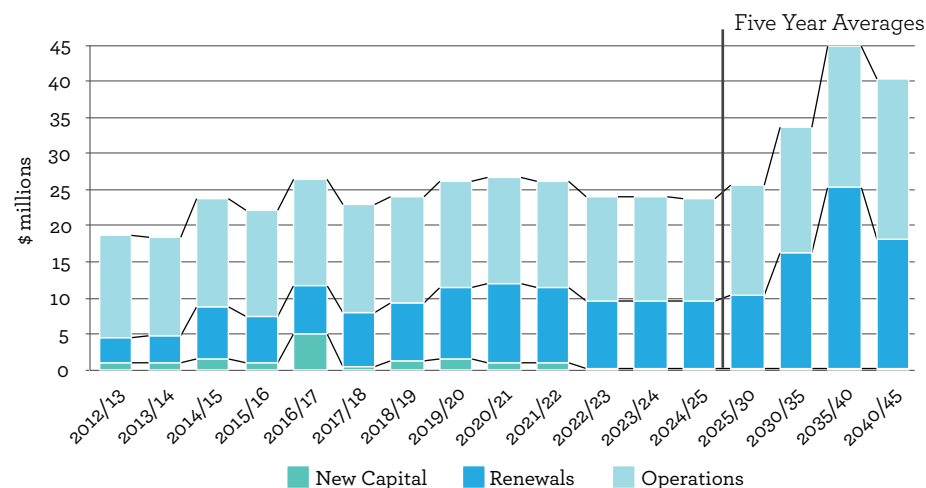
3 Waters estimated timeline of significant Capital Projects



Water supply projects

The information below outlines major projects that incorporate the projected capital expenditure associated with the management of Dunedin water supply infrastructure assets out to 2044/45. The estimated total cost of these works is approximately \$219 million (\$ today). The projects also highlight their level of uncertainty, and an explanation if uncertainty is high. Cost estimates vary with levels of project certainty.

Figure 12: Water supply expenditure profile 2012/13-2044/45 (Inflation applied)



Renewal of water network assets

Dunedin's water network will require significant investment over the next 50 years. The city has begun a programme to renew and, where appropriate, resize critical distribution infrastructure. In conjunction, assets contributing to reticulation network levels of service failures and poor leakage performance are addressed. These renewals are planned over the long term (50 years) based on a combination of remaining asset life, cohort condition observations, pressure, and programming considerations. Over the medium term (10 years), these hypothetical plans are optimised using actual break and other level of service information to prioritise areas where intervention will best impact overall network performance.

To ensure a robust investment programme, each project is subject to detailed engineering appraisal in the short term (three years). At this stage detailed programming is also carried out to ensure the Council's procurement efficiency is maximised by aligning with parallel infrastructure investment programmes such as road resurfacing or drainage network renewals.

The broad nature of this ongoing programme means the level of certainty varies with time. The short term level of uncertainty is low, although this increases over the medium and long term.

Renewal of water treatment plant assets

The Council has invested heavily over the past 10 years in upgrading water treatment plants to improve drinking water quality and meet changing drinking water standards. This means the Council's renewal requirement at these relatively new facilities is modest over the short term, although these will increase around 2025. Investment in water treatment plant membranes will be required in the short to medium term to maintain compliance with drinking water standards.

Outram Water Treatment Plant

The Outram Water Treatment Plant is the last of the Council's water treatment plants requiring upgrade to meet minimum urban drinking water supply standards, set out in the Ministry of Health Drinking Water Standards for New Zealand 2008. Much of the design work has been completed for this project, with property boundary adjustments underway before construction begins in 2015/2016. The estimated cost of this project is \$520,000 (\$ today). There is very little uncertainty associated with this project.

Security of Supply Strategy for Metropolitan Dunedin

A "lifelines" study conducted in the late 1990s identified significant risks associated with key infrastructure servicing Dunedin. Further work in the 2000s identified several options to mitigate these risks with a significant associated expenditure profile. The development of the Security of Supply Strategy for Metropolitan Dunedin in 2010 involved analysis of the same risks in the wider context of Dunedin's water supply network. The outcome was an investment strategy focusing on reuse and refurbishment of existing infrastructure, with a comparatively modest expenditure requirement and significant overall risk mitigation.

The projects that make up this plan are:

Project	Cost (\$ today)	Year of works	Budget	Uncertainty
Southern to Mount Grand Treated Water Pump Station	\$0.97 m	2013/14	New Capital	Low Constructed – commissioning late 2014
Ross Creek Reservoir Refurbishment	\$3.5 m	2014/15 – 2015/16	Renewal	Low Tendering late 2014
Ross Creek to Mount Grand Pump Station and Pipeline	\$4.6 m	2016/17	New Capital and Renewal	Low Funding allocated
Either Re-establishment or Decommissioning of Sullivan's Dam Reservoir	\$2.1 m	2018/19 – 2019/20	New Capital and Renewal	High Funding allocated although some specifics are yet to be determined
Renewal of Deep Creek and Deep Stream Pipelines as a single pipe	\$67.8 m	Nominally 2036	Renewal	Moderate

Dam safety works

Dunedin City Council holds a significant portfolio of medium sized water impoundment structures, or reservoirs. Civil works at reservoirs across the city will be undertaken over the next 30 years. The Council, as a dam owner, is responsible for ensuring these structures are safe. Currently this is achieved by procuring independent expert opinions to carry out a comprehensive Dam Safety Assurance Programme in accordance with the 2008 Building Regulations specific to dam safety.

As a result, the Council regularly receives an updated defects list, with resolution timeframes specified in accordance with the defect's public safety risk. In general these defects are rectified by utilising renewals budgets and relate to ancillary structures, such as bypass channels. However, it is likely that within a 30 year time horizon a defect requiring new capital investment may arise at any one of the Council's seven raw water reservoirs. As these arise funding proposals will be put forward to the Council for approval. There is a high level of uncertainty associated with this area of expenditure in the long term.

Delivery of pressure reducing valves

Dunedin's steep topography presents significant technical challenges in delivering water supply to customers at uniform pressure. Much of the city's low pressure areas have been addressed by past work programmes, however areas with very high pressure (above 1250kpa) still feature in the network. Plans to install five pressure reducing valves in Andersons Bay (three), Green Island (one) and North Road (one) will reduce high water pressure levels to more than 2000 properties, reducing private and public infrastructure deterioration and leakage. This programme began in 2014/15, with three recently commissioned in Andersons Bay, and the remaining installations planned for 2016/17 and 2017/18. The level of uncertainty associated with this project is low.

For more detailed information about water pressure in Dunedin including a current water pressure map, see www.dunedin.govt.nz/services/water-supply/water-pressure.

Power outage resilience

A report will be taken to the Council's Infrastructure Services Committee during the 2015/16 year, which will outline the current level of 3 Waters infrastructure resilience to power supply outage. The mode and time to failure following a power outage of each energy reliant site has been considered, defining the current level of service. It is anticipated that the Council will adopt a minimum level of service. The project does not require additional funding. This project has a high level of uncertainty as it is yet to be considered by elected members.

Aligning with DIA mandatory measures

The Council is committed to reducing leakage to economic levels over the next decade. Delivery of the zone metering programme for improved water accounting is required to better understand the water networks leakage profile.

Following five years of installing two to three meters per year at key strategic points around the city, the remaining 10-12 meters required are to be installed between 2017/18 and 2020/21. This will complete dissection of the city into 'leakage zones', which are used to more effectively account for water losses and target more focussed leak detection programmes. In some cases installation is required under existing resource consent conditions.

This greater level of monitoring will enable the development of a System Leakage Management Plan which will detail areas for investment if required. This project has a low level of uncertainty.

Port Chalmers Water Supply project

Currently Port Chalmers Water Supply is intermittently sourced from Dunedin city. However, during cruise ship season peak demand exceeds supply availability from the city, requiring the operation of a small water treatment plant, fed by two earth dam reservoirs. This is an expensive local water supply arrangement. Work to address this began in 2014/15 and compares the life cycle costs of infrastructure alternatives to meet Port Chalmers peak water supply needs. The options range from maintaining the status quo with no additional investment, to the upsizing of the distribution pipework from the city. Capital cost ranges from zero to \$2.58 million (\$ today). It is anticipated that a report will go to the Council in the 2014/15 year recommending a management strategy. This project has a moderate level of uncertainty.

Mosgiel Water Supply Project

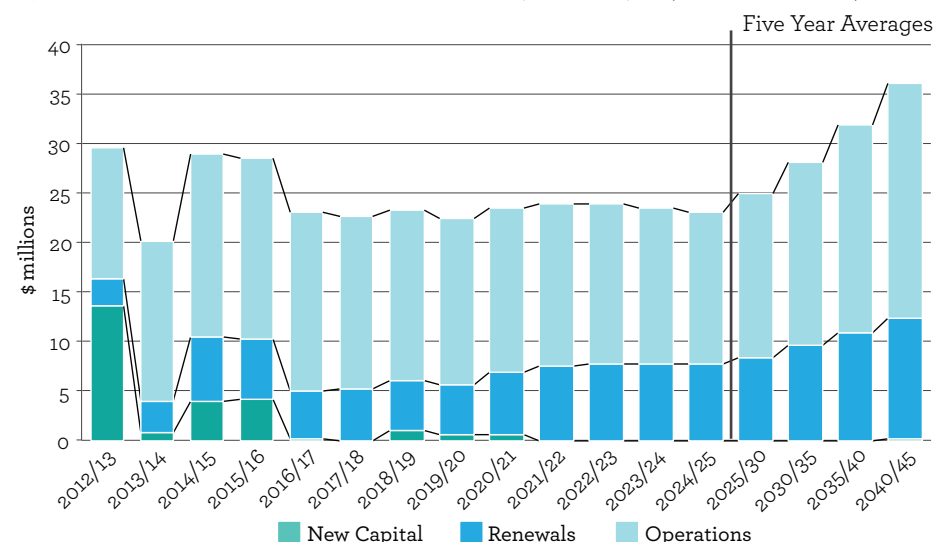
The wider Mosgiel area is serviced by seven groundwater bores, drawing from the North Taieri aquifer which is classed as 'confined'. Once extracted, the water is transmitted to one of five treatment plants, although the only treatment required to meet drinking water standards is to adjust pH levels to avoid problems with public and private pipe corrosion.

Historically, this has been an inexpensive and effective way to supply the Mosgiel community with water. More recently, investigations have indicated that the aquifers confined status may be called into question in the near future, and that evidence of a contamination plume flowing toward the current bore sites is growing. At this stage, further understanding of the movement of the plume will be gained by testing over time. This will give an indication of the timeframes over which the current arrangement can continue. Furthermore, it is unlikely that any intervention which provides an additional level of water treatment will be cost effective. Rather, it is more likely that the supply of fluoridated and chlorinated water from the Mt Grand Water Treatment Plant would be the most economical approach to supplying Mosgiel. In the past this option has received a negative community response, citing a reluctance to consume chlorinated or fluoridated water. Council will continue to assess the aquifers suitability as a drinking water supply by monitoring the quality of the aquifer upstream of the bore sites. A full options report will be compiled for the Council's consideration when further information is compiled. It is important to note that evidence to date suggests the time until action is required is outside of the 10 year long term plan horizon.

Wastewater projects

The information in this section outlines major projects that incur capital expenditure associated with the management of Dunedin's wastewater infrastructure assets out to 2044/45. The total forecast capital expenditure is \$178 million over this period. The level of uncertainty of the projects is highlighted, and an explanation given if uncertainty is high.

Figure 13: Wastewater expenditure profile 2012/13-2044/45(Inflation applied)



Renewal of wastewater reticulation infrastructure

Dunedin's wastewater network will require significant investment over the next 50 years. The city has begun a programme to renew wastewater infrastructure where it is proven to be significantly subject to groundwater infiltration. This infiltration can be fresh or saline water and is addressed further under the heading Mitigating sewer overflows. In conjunction, assets contributing to reticulation network level of service failures and poor environmental performance are addressed. These renewals are planned over the long term (50 years) based on a combination of remaining asset life, cohort condition observations, pressure, and programming considerations. Over the medium term (10 years) these hypothetical plans are optimised using actual break and other level of service information to prioritise areas where intervention will best impact overall network performance.

To ensure a robust investment programme each project is subject to detailed engineering appraisal in the short term (three years). At this stage detailed programming is also carried out to ensure the Council's financial leverage is maximised by aligning with parallel infrastructure investment programmes such as road resurfacing or treated water network renewals.

The broad nature of this ongoing investment programme means the level of certainty varies with time. The short term level of uncertainty is low, although this increases over the medium and long term.

Mitigating sewer overflows

The Council's wastewater network has several areas where insufficient capacity and high levels of inflow and infiltration periodically culminate in network overflow during heavy rainfall events. Typically the areas with high inflow and infiltration levels also coincide with some of the Council's older and most significantly deteriorated pipework. The four main areas identified by hydraulic modelling are:

- the Andersons Bay catchment
- the Kaikorai Valley catchment
- the North East Valley catchment
- the Sawyers Bay catchment.

The Council has started work in Andersons Bay, renewing \$6 million worth of piped infrastructure between 2013 and 2015. Further work will be completed over the next 10 years. The Council has taken a combined services renewal approach, at the same time addressing firefighting incapacity. High pressure areas in the treated water network were addressed by installing pressure reducing valves along with renewing aged and tuberculated cast iron water mains. This approach yielded significant renewals spend efficiency: up to 40% (or \$1.5 million saved) in one tender.

A significant portion of renewals funding will be directed to addressing overflows caused by infiltration and inflow as a priority over the next 10 years and potentially beyond. The following tables outline projected spends in the priority areas.

Project	Cost (\$ today)	Period of works	Budget	Uncertainty
Andersons Bay Wastewater Renewals	\$12 m	2013 – 2023	Renewals	Low. \$6 million invested to date, a further \$6 million is planned for between 2020 and 2023.
Kaikorai Valley Wastewater Renewals	\$25 m	2015 – 2030	Renewals	Low. Investment required based on modelling outputs and CCTV received to date. Several packages are already programmes and further filming to be received in 2015 will confirm the next priorities and overall need.
The Surrey Street Diversion	\$4 m	2015 – 2017	Renewals and New Capital	Low. Large diameter pipe requires renewal and in Hillside Road, there is an opportunity to renew and upsize this pipe at a marginally greater cost to redirect flow from the Surrey Street Bottleneck.
North-east Valley Wastewater Renewals	\$10 m	2019 – 2025	Renewals	Low. Investment required based on modelling outputs and CCTV received to date, further filming to be received in 2015 will confirm priority and overall need.
Sawyers Bay Wastewater Renewals	\$5 m	2017 – 2022	Renewals	Moderate. Investment required based on modelling outputs and CCTV received to date, further filming to be received in 2016 will confirm priority and overall need.

Wastewater treatment plant renewals

The Tahuna wastewater Treatment Plant services approximately 78% of Dunedin's wastewater serviced population. The plant was extensively upgraded from 2009 through to 2015 to provide high quality wastewater treatment to the city, including UV disinfection and to comply with new discharge consent conditions. Subsequently, this major facility will require only relatively minor renewals investment over the short to medium term. However, this will likely increase around 2030.

The other large plants, Mosgiel and Green Island Wastewater Treatment plants, work in unison to serve approximately 21% of serviced customers. Green Island was upgraded in 2000, and provides ultraviolet disinfection to the pre-treated flow from Mosgiel. Mosgiel Wastewater Treatment Plant has not been extensively upgraded since the mid 1980s and will require significant investment within the next 10 years. Green Island no longer treats the industrial flows it was designed to as several key industrial customers ceased their high volume, high concentration discharge activities. The Council is currently working to determine an optimised strategy for the operation of the two plants for the future.

Northern wastewater strategy

Either significant network augmentation or additional treatment infrastructure is expected to be required in the northern townships of Waikouaiti, Karitane, Seacliff and Warrington when their respective wastewater discharge consent renewal applications are submitted. This is assumed to require \$650,000 annually over three years and timing is projected for 2018/19 to 2020/21. The level of uncertainty is moderate as the exact nature of the consent conditions is as yet unknown, however the consent renewal timeframes are strict. The Council is working to firm this up by the end June 2015 by conducting additional environmental monitoring and wastewater network modelling.

Growth projects for the wastewater system

Pump station upgrades are required to accommodate the development at Variation 15 (Burns Street) programmed for 2018/19. The timing of this development is uncertain but for other aspects of delivery the level of uncertainty is low.

A further pump station is required to accommodate developments at Mosgiel East C (Gladstone Rd North) programmed for delivery 2015/16. The level of uncertainty is low.

Reticulated network expansion projects

The Council is required to carry out water and sanitary services assessments in accordance with the requirements of section 125 of the Local Government Act 2002. A full assessment was completed in July 2007 and annual review is completed through the Water and Waste Service Asset Management Plans.

Issues raised in the assessment were prioritised based on environmental impact and since 2007 Council has addressed a number of the highest priority issues including providing a low pressure sewer system for Allanton; reticulating areas of Blanket Bay and Curles Point; and inspecting septic tanks and requiring owners implement remedial measures.

A further recommendation from the assessment was to investigate wastewater disposal systems in Outram, to determine the most sustainably and appropriate long term arrangement. This investigation has not yet commenced as to date the focus has been on addressing the highest priority issues. However, the Council does recognise the need to investigate the wastewater disposal situation in Outram and this will be programmed in due course.

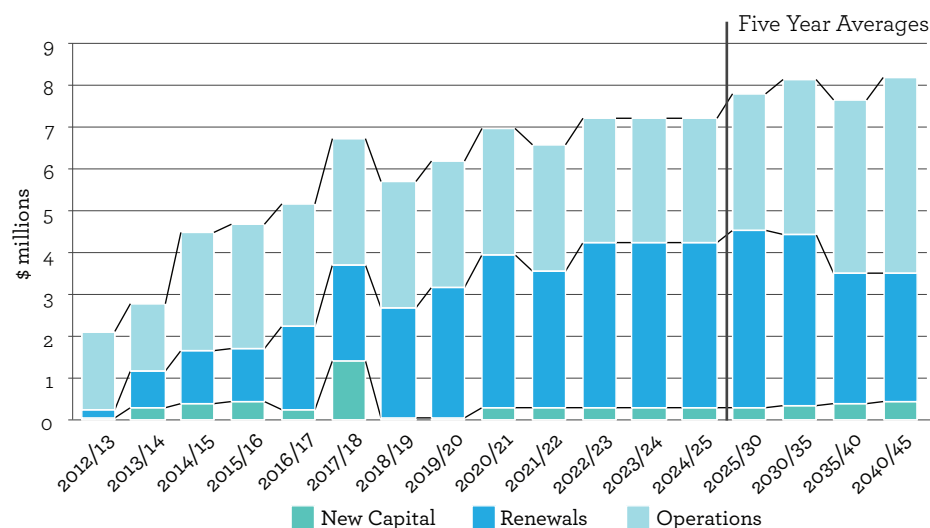
There is potential for a future project to service Outram with reticulated wastewater, replacing an old stock of septic tanks. This project would cost in the order of \$7-\$10 million (\$ today) of new capital and the timing is subject to the establishment of further drivers and significant Council decision making as this work is not budgeted. This project has a high level of uncertainty.

Power outage resilience

A report will be taken to the Council's Infrastructure Services Committee during the 2015/16 year, which will outline the current level of 3 Waters infrastructure resilience to power supply outage. The mode and time to failure following a power outage of each energy reliant site has been considered, defining the current level of service. It is anticipated that the Council will adopt a minimum level of service. The project does not require additional funding. This project has a high level of uncertainty as it is yet to be considered by elected members.

Stormwater projects

The information in this section outlines major projects that incorporate the projected capital expenditure associated with the management of Dunedin's stormwater infrastructure assets out to 2044/45. A total capital expenditure of \$95 million is anticipated over this timeframe. The level of uncertainty of the projects is highlighted, and an explanation given if uncertainty is high.

Figure 14: Stormwater expenditure profile 2012/13-2044/45 (Inflation applied)

Stormwater renewals

Dunedin's stormwater network will require significant investment over the next 50 years. The city has begun a programme to determine the condition of critical stormwater infrastructure. In conjunction, assets contributing to stormwater network levels of service failures are addressed as and when required. These renewals are planned over the long term (50 years) based on a combination of remaining asset life, cohort condition observations, and programming considerations. Over the medium term (10 years), these hypothetical plans are optimised using actual break and other level of service information to prioritise areas where intervention will best impact overall network performance. To ensure a robust investment programme, each project is subject to detailed engineering appraisal in the short term (three years). At this stage detailed programming is also carried out to ensure the Council's procurement efficiency is maximised by aligning with parallel infrastructure investment programmes such as road resurfacing, treated water or wastewater network renewals.

The broad nature of this ongoing programme means the level of certainty varies with time. The short term level of uncertainty is low, although this increases over the medium and long term.

Mitigating flooding

\$1.4 million has been allocated in the capital budget to enable works and design for the creation of a second stormwater trunk main for the Mason St catchment from Queens Gardens to a new proposed outfall at Cross Wharf. The assumed timing for these projects is 2017/18 and carries a moderate level of uncertainty as further modelling and risk analysis will be applied to ensure best value is achieved. For more information refer to the Mason Street Integrated Catchment Management Plan http://www.dunedin.govt.nz/_data/assets/pdf_file/0008/227843/Mason-St-ICMPv1.pdf

The development of several stormwater detention areas to help alleviate bottlenecks and localised flooding issues is required. These types of projects are pursued as opportunities arise, making the level of uncertainty moderate.

Watercourse ownership

A further renewals consideration in the area of stormwater is the management of urban piped watercourses. The City has approximately 305 km of watercourse; 98 km are under DCC ownership (predominantly Parks and Reserves though six different departments of the Council own watercourses) and 207 km are under private ownership. There is very little information held on watercourses, particularly those which are privately owned but the gross replacement cost of all these assets (both Council-owned and privately owned) is estimated at \$220 million. Prudent asset management would see approximately \$2.2 million (\$ today) per annum spent on renewing these assets; \$740,000 by Council and \$1.5 million by private asset owners. There is a high level of certainty that this is not occurring at present and over time this situation means increasing risk to the management of the Dunedin's stormwater. The impacts of climate change will exacerbate this issue as rainfall intensities increase, and subsequently the risk of these watercourses failing increases. The level of uncertainty of this project is high, as presently the subject is for consideration only.

Power outage resilience

A report will be taken to the Council's Infrastructure Services Committee during the 2015/16 year, which will outline the current level of 3 Waters infrastructure resilience to power supply outage. The mode and time to failure following a power outage of each energy reliant site has been considered, defining the current level of service. It is anticipated that the Council will adopt a minimum level of service. The project does not require additional funding. This project has a high level of uncertainty as it is yet to be considered by elected members.

Conclusion

The Infrastructure Strategy demonstrates that the Dunedin City Council has well developed asset planning and management practices which are supported by a financial strategy that provides for the funding of forecast expenditure.

The 3 Waters and roading and footpaths groups of activity are well engaged with long term asset planning, with the Council adopting a 50 year 3 Waters Strategic Direction Statement and a 30 year Integrated Transport Strategy in recent years. These strategies are underpinned by asset management teams with a commitment to continuously improving asset condition knowledge and management of asset life cycles. This is particularly critical in Dunedin where one of the major infrastructure issues is the age of the assets themselves.

The major issues identified in this strategy are the age of infrastructure and the requirement to renew large numbers of these assets over the next 30 years. A number of activity specific issues are considered in this document as well as a high level summary of asset management practice, capability and capacity to deliver programmed work and issues relating to deferrals of renewals.

Consideration of issues shows that there is a need to steadily increase the rate of asset renewal over the next 30 years. While this raises issues of affordability, the financial strategy acknowledges this as a necessity to maintain existing service levels. There is a need to spend more heavily in some activities to catch up on a backlog of renewals. However, it is more prudent to programme this expenditure in the medium term than to risk a longer term more expensive asset failure. The main options for managing infrastructure are summarised on the next page.

Options for managing infrastructure

These are the main options available to the Council for managing infrastructure and were consulted on during the LTP consultation. The third option which involves funding infrastructure spending to the highest level required is not able to be pursued due to the cost of doing so, the lack of capacity in the sector to deal with the volume of work required and the adverse effects on residents from programming large amounts of work to be carried out at the same time. The two options that are considered in the strategy are options one and two. The second option is the Council's preferred option.

Option	Description	Impact on Service Levels	Impact on Rates	Other Impacts
Option 1	Leave renewals funding at present levels. (No changes to the way we manage renewals).	Service levels will trend down over the next 10 years with more breaks in mains, overflows to streams and poorer response times due to the volume of emergency repair work that will be required. This will also drive up operational costs.	A decrease in the overall rates requirement.	Residents satisfaction with the service provided by the Council will be affected.
Option 2 (The Council's proposed option)	Step up renewals funding as proposed in the LTP and 30 year infrastructure strategy.	Service levels will be able to be maintained, without current issues getting significantly worse before they are fixed.	This work is being funded within the proposed rates increases in the LTP.	Future renewals requirements are spread across a 10 – 30 year timespan. This will mean that the next round of renewals will not all fall due over a short period of time.
Option 3	Add additional funding to the draft budgets to catch up backlog more quickly across the first five years of the LTP.	The intention of this option is that service levels will be maintained and that the current issues will be fixed faster. Note: The Council may not be able to deliver the work faster due to limited availability of contractors to deliver the work.	Increased rates	Overall rates increase well above 3% in the 10 years of the LTP. Funding that has been rated for is potentially not spent. Traffic disruptions due to large number of streets 'dug up' at the same time. Service disruptions to large numbers of customers while work is being carried at the same time in different areas of the city.

During deliberations and decision making on the results of consultation in May 2015, the Council formally adopted the Infrastructure Strategy and confirmed that Option 2 would be included in LTP budgets.

Māori Capacity to Contribute to Decision Making

The Local Government Act 2002 requires the Council to consult with Māori and to provide opportunities for Māori to contribute to its decision-making processes. The Council is working with all Māori in Dunedin to facilitate active and meaningful participation at both the organisational and operational levels.

Organisational Level

The Council held a formal meeting with Māori at Ōtākou Marae in February 2003 aimed at consolidating and further developing existing relationships between the Council and Kāi Tahu. As a result of that meeting, a Māori Participation Working Party was established to consider ways in which to further develop Māori capacity to contribute towards Council decision-making.

In 2005, following the election of the new Council, the Māori Participation Working Party was reconvened as an informal Advisory Group on Māori Participation. The advisory group comprises Councillors and representatives from the two local Rūnanga in the Dunedin city area, Te Rūnanga o Ōtākou, and Kati Huirapa Rūnaka ki Puketeraki. The Araiteuru Marae Council are also recognised as representing Taurahere (non-Kāi Tahu Māori) in the city.

The aims of the Advisory Group are:

- to provide a direct line of communication between the Council with Kāi Tahu Rūnanga and Taurahere in the Dunedin area
- to facilitate communication and understanding at the executive/governance level of all parties
- to provide a forum for discussion of strategic level issues
- to provide advice to the Council on issues relating to Māori
- to identify, set out and evaluate options for the participation of Māori in areas arising from the Local Government Act 2002.

The work of the group was formalised in a Memorandum of Understanding between the Council and Te Rūnanga o Kāi Tahu as Manawhenua. The purpose of the memorandum is to define mechanisms to promote and facilitate effective consultation and liaison between the Council and Te Rūnanga o Kāi Tahu. The memorandum was ratified and formally signed with both Rūnanga in 2006. A review of the memorandum and the Māori Participation Working Party was undertaken in December 2009, and another review will be undertaken in 2015.

In addition, Otago local authorities and Manawhenua have developed an enhanced Otago consultation model called Te Roopu. This includes representatives from councils in the Otago region, and all Papatipu Runanga. The local authorities, including Dunedin City Council, provide a subscription to Kāi Tahu ki Otago which is the consultancy arm of Te Roopu and which assists the Papatipu Runanga to resource their contributions to Te Roopu. The objectives of Te Roopu are to:

- create an Otago Takiwa-wide collective forum between Kai Tahu ki Otago and the local authorities of Otago to facilitate better mutual understanding; improve the efficiency of Iwi engagement and resourcing for council-oriented business; and foster and grow Iwi capacity in local government activities, processes and governance
- develop a combined work programme that will help establish stable resourcing levels and avoid duplication of effort for Iwi participation with local authorities; establish priorities of work demand; and move work demands into a medium term perspective in which future needs can be planned
- assist fulfilling local authority obligations to Iwi under all relevant statutes.

The Governance Charter for the Otago-wide consultation model, Te Roopu, was formalised early in 2014 after a year of operation. This had initially been signed as a starting document in November 2012 by the Papatipu Runanga of the Kai Tahu ki Otago Takiwa and local authorities of the Otago region.

Activity Level

In addition to the arrangements for progressing corporate issues and liaison described above, various Council departments have mechanisms in place for consulting with Kāi Tahu on operational matters. For example, the Council's Water and Waste department worked closely with Māori in the development of the Council's Three Waters Strategic Direction Statement, an integrated approach to the sustainable management of water, wastewater and storm water in Dunedin.

A number of projects have been initiated by the Māori Participation Working Party following hui with the wider Māori community. Some of these are:

- the creation of a database of Māori Land in the Dunedin area
- a feasibility study of Māori Tourism initiatives and entrepreneurship with the University of Otago, led by Te Kupeka Umaka Māori ki Araiteuru (KUMA) the Māori Business network
- the development of the 'Tiki Tour', a Māori guide to the lower South Island

- greater coordination and integration of Matariki/Puaka celebrations through funding and the employment of a co-ordinator to develop Matariki/Puaka as an indigenous celebration unique to Dunedin
- tree planting initiatives to encourage native birds in the Dunedin area.

In July 2014, a revised resource consent protocol to facilitate effective consultation and liaison between the Council and the Rūnanga on resource consent matters was signed. The resource consent protocol defines the process for facilitating Kāi Tahu involvement and consultation in the resource consent process used by the Council under the Resource Management Act.

Section 2 – Group Activities



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Introduction

This section of the plan describes the services provided by the Council.

These services are grouped into 12 groups of activity based on the community outcome that they mainly contribute to. The chart on page 4 shows this structure.

The group structure has been revised since the 2012/13 LTP to better align the activities with outcomes and purpose/function. This has resulted in the structure containing 12 groups instead of the previous 11 groups. The changes include splitting the Economic Development and City Promotion group into two groups – Economic Development and City Promotion; and City Investment. This creates two groups that are more closely aligned to their function. Two of the City Property activities, City Property Operational Portfolio and City Property Miscellaneous Portfolio have been moved to the Community Development and Support group as their functions are a better fit with this group. The former Personal Safety grouping has been deleted and the Regulatory Services activities moved into a new group called Planning and Regulatory Services which is composed of the City Development, Resource Consents and Regulatory Services. Civil Defence has been moved into the Community Development and Support group as the services provided align more closely with this group. Administration services which previously sat in the Corporate Support activity group has been relocated to the Community Development and Support group and combined with the Civic Leadership activity as these two activities are managed by the same group manager.

Some of the groups of activity have been set by the Local Government Act 2002 and the Department of Internal Affairs and are known as mandatory groups of activity. These groups also have mandatory performance measures. These groups are Roading and Footpaths, Water Supply, Sewerage and Sewage and the Stormwater. Each of these groups contain a single activity related to the function and service provided to the groups – transportation, water, wastewater and stormwater services.

A consistent format has been developed for the activity group sections. Each group starts with a list of the services/activities that provided by the group – **What service/activity does this group provide?** Next there is a brief description of how the **group fits into our strategic framework**. If the group supports a major strategy, a summary of the vision and high level priorities and goals is provided. A table showing the **main community outcomes linkages** for the group and a list of community outcome indicators that show how we measure our progress against this outcome, shows the relationship between the group and community outcomes. Note: The indicators that are shown here are the indicators that this group has responsibility for reporting against. A full list of outcome indicators for each outcome can be found in section 1. Then we describe what we do – **What do we do?** This is a brief summary of the key functions of the activities in the group. **Why we do this** outlines the reason for providing each activity in the group (the service rationale). This is followed by a table showing the **impact on the interests of the community**. The table summarises the positive impacts the activities have on the interests of the community, describes any significant or potential negative effects and the actions in place to manage these. Then we move onto service levels and measures of service performance under the **What do we do and how we measure it** heading. Here we describe the service we provide briefly and present the major levels of service associated with service and the measures of service performance that provide a meaningful measure of the service level to the community. Only major measures are shown here and that these measures are underpinned by operational measures in the Activity Management plans for each activity group member. A standard format (shown on the next page) is used for the majority of our activity groups. The mandatory groups of activity are exceptions to this, where the structure has had to be varied to fit with the newly imposed mandatory measures of service.

Standardised format for activity group service performance measures

Performance Measure:	Data Source	Actual 2012/13	Actual 2013/14	Previous Target	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 – 2024/2025
This is how we measure our performance against the service level stated at the top of the chart	Indicates where the data used to measure performance comes from	Shows the actual result for 2012/13 year from the 2012/13 Annual Report	Shows the actual result for 2013/14 year from the 2013/14 Annual Report	Shows the target for the 2014/15 year from the 2014/15 Annual Plan	Shows the target for the 2015/16 year	Shows the target for the 2016/17 year	Shows the target for the 2017/18 year	Shows the target for the next seven years of the LTP
Level of Service Statement: Description of the level of service provided to residents								

Other information provided includes a statement regarding service levels for the duration of the plan. Only significant changes to service levels are noted here.

Information about projects that were consulted on with the community in the consultation document, or where reports on items were discussed at the LTP deliberations, is briefly described and includes the outcome of decision-making by the Council. Some of these items may involve a small increase to existing service levels.










Any other legislatively required information, such as Statements of Variance against Sanitary Assessments, is included immediately before the financial information.

The following financial information is provided at the end of each group of activity:

- estimated income statement for the 10 years of the plan and the forecast for the 2014/15 year
- estimated cashflows for the 10 years of the plan and the forecast for the year 2014/15
- funding impact statement for the 10 years of the plan and the previous annual plan year.

As indicated above, the 2014/15 annual plan had a different group structure. To provide consistency with the 2014/15 annual plan year financial information on the Funding Impact Statements the approach taken is as follows. The deletion of the Personal Safety group means the 2014/15 Funding Impact Statement for this group has been incorporated within the Planning and Regulatory Services group activity. The new City Investment group remains included in the Economic Development and City Promotion group.

Activity Group Structure for the 2015/16 Long Term Plan

Community Outcome	Group of Activity	Activity	
 A Thriving and Diverse Economy	Economic Development and City Promotion	Economic Development Marketing Dunedin	Dunedin Centre Visitor Centre
	City Investment	Investment Account Waipori Fund	City Property Investment
 A Connected City	Roading and Footpaths	Transportation	Citipark Parking Services
 A Safe and Healthy City	Water Supply	Water	
	Sewerage and Sewage	Wastewater	
	Stormwater	Stormwater	
	Solid Waste	Solid Waste	
 A Distinctive Built Environment	Planning and Regulatory Services	City Development Resource Consents Regulatory Services	
 A Valued and Protected Natural Environment			
 A Supportive Community	Community Development and Support	Cemeteries and Crematorium Events and Community Development Civic Leadership and Administration	Civil Defence Housing Warm Dunedin City Property – Miscellaneous City Property – Operational
 A Vibrant and Creative City	Museums, Libraries and Art Gallery	Dunedin Public Libraries Dunedin Public Art Gallery Otago Museum Levy	Toitū Otago Settlers Museum including Dunedin Chinese Garden
 A City of Learning			
 An Active City	Sport, Recreation and Leisure	Aquatic Services Botanic Garden	Parks and Reserves
Corporate Support Activities: Business Information Services, City Property Management, Citifleet, Corporate Leadership, Corporate Policy Team, Council Communications, Customer Service Agency, Finance, Human Resources.			

Economic Development and City Promotion

What service/activity does this group provide?

- Economic Development Unit
 - Visitor Centre
 - Marketing Dunedin
 - Dunedin Centre
- } These three activities are collectively known as Enterprise Dunedin.

How does this group fit into our strategic framework?

- This group contributes to the Thriving and Diverse Economy community outcome and supports the city's Economic Development Strategy: By Dunedin for Dunedin and Beyond 2013 – 2023 (EDS).

EDS Economic Goals

- 10,000 jobs over 10 years (requires 2% growth in employment per annum)
- An average of \$10,000 extra income for each person (requires 2.5% growth in GDP per annum)

EDS Themes	EDS Priorities
<ul style="list-style-type: none"> • Business vitality • Alliances for innovation • A hub for skills and talent • Linkages beyond our borders • A compelling destination 	<ul style="list-style-type: none"> • Improving the ease of doing business. Growing the value of exports. • Improving linkages between industry and research. Increasing scale in innovative and tradable sectors. • Increasing the retention of graduates. Building the skills base. Growing migrant numbers. • Increasing international investment. Establishing strategic projects with other cities. • Marketing Dunedin and exporting education uplift.

This is a citywide strategy-partners to the strategy are the University of Otago, the Otago Polytechnic, the Otago Southland Employers Association, the Otago Chamber of Commerce, Ngāi Tahu and the Dunedin City Council.

Main community outcome linkage	A thriving and diverse economy	We measure our progress against this outcome by monitoring
	<p>Where Dunedin has an ambitious, prosperous, diverse and resilient economy that builds on its strengths and is:</p> <ul style="list-style-type: none"> • A city that grows businesses and industries through added value/productivity. • A city that encourages employment opportunities for everyone. • A city that actively attracts visitors, skilled staff and entrepreneurs and investors. • A city that encourages creativity, research, and entrepreneurial excellence. <p>A city that builds alliances between local businesses, community, education and research providers that offer mutual benefit.</p>	<ul style="list-style-type: none"> • Growth in full time equivalent jobs (at least 2% growth per year). • Growth in real GDP per capita (at least 2.5 % growth per year). • Growth in the number of Dunedin Businesses awarded Callahan Institute Research and Development Grants (at least 10% growth per year). • Growth in Total Visitor Nights (at least 1% growth per year). • Growth in the value of international education (\$330 million by 2023).

Impact on the interests of the community:

Activity/Service	Positive Effects	Significant Negative effects	Response to any significant negative effects
Enterprise Dunedin	Work towards achieving the goals of the city's economic development strategy can have a positive impact on the economic, social and cultural interests of the community.	Enterprise Dunedin's activity does not have any significant negative effects on the local community.	
Dunedin Centre	Providing venues and support services for live entertainment performances, conferences, functions and meetings has a positive impact on the economic, social and cultural interests of the community.	<p>Traffic congestion prior to, during and after events that attract large numbers of people.</p> <p>Lack of parking for vehicles of Dunedin Centre patrons visiting the Centre.</p> <p>Lack of parking for equipment vehicles (large trucks) during pack-in and pack-out for shows and events.</p>	These effects are managed by the use of traffic management plans.

What do we do?

Enterprise Dunedin focuses on making Dunedin a great place to live, work, study, visit and invest by supporting and encouraging business vitality, alliances for innovation, a hub of skills and talent, linkages beyond our borders and a compelling destination.

We do this by working in partnership with other agencies to:

- Promote the city, attract visitors and migrants
- Encourage and support business, job growth and entrepreneurial activity

The **Dunedin Centre** is Dunedin's main conference and events centre and consists of the Dunedin Town Hall, the Glenroy Auditorium, the Fullwood Conference Room and a number of other meeting rooms and foyers. Centrally located near the Octagon, it is one of New Zealand's largest and most versatile performance, function, and conference and meeting complexes. It is used for community events, and commercial performances and conferences. The facility is managed by Dunedin Venues Management Limited (DVML), a Council Controlled Organisation.

Why do we do this?

Consultation with Dunedin residents indicates continued support for the Council to be involved in these activities.

What we provide and how we measure it:

Enterprise Dunedin leads four EDS projects and is a partner in all other EDS projects. It also monitors and evaluates the Grow Dunedin Partnership and the effectiveness of the EDS.

- The Economic Development Team has the strategic overview, leading the coordination, development, monitoring and supporting the implementation of the economic initiatives of Dunedin's Economic Development Strategy (EDS) and the Grow Dunedin Partnership.
- Marketing Dunedin plays a key role in talent, education and investment attraction activity.
- The i-SITE Visitor Centre provides visitors with an accessible, accurate booking and information service to encourage spend and meet customer expectation. This is provided daily in a central city office, on cruise days at a satellite site at Port Otago and for special events from a desk at the event site.

The **Dunedin Centre** provides facilities and management services to enable conferences, performance events and community activities. Dunedin Centre Service performance is managed under a Service Level Agreement with DVML.

Performance Measure:	Data Source	Actual 2012/13	Actual 2013/14	Previous Target	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 – 2024/2025
Level of Service: Enterprise Dunedin provides business sector support and coordinates the marketing of the city for tourism and education and attracting investment and skilled migrants								
Percentage of clients satisfied with the work of the Economic Development Unit	Internal Survey	New measure from 2015/16	New measure from 2015/16	New measure from 2015/16	≥50%	≥50%	≥50%	≥50%

Performance Measure:	Data Source	Actual 2012/13	Actual 2013/14	Previous Target	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 – 2024/2025
Percentage growth in Dunedin's Total Visitor Nights	Commercial Accommodation Monitor	-9.6% 788,429 to Dec 2012	+4.8% 826,341 to Dec 2013	1.6% increase on previous year (YE Dec 2013)	1.6% increase on previous year	1.6% increase on previous year	1.6% increase on previous year	1.6% increase on previous year
Dunedin's market share of total NZ convention capacity (percentage increase on previous year)	Convention Activity Survey	New measure 2015/16	New measure 2015/16	New measure 2015/16	5% increase on previous year	5% increase on previous year	5% increase on previous year	5% increase on previous year
Level of Service: The Visitor Centre provides an accessible, accurate tourism information and booking service								
Percentage of external customers satisfied with the i-SITE/Visitor Centre	Internal Survey	92%	90%	≥95%	≥95%	≥95%	≥95%	≥95%

Changes to Service Levels

There are no major changes to service levels across the duration of the 10-year plan.

There have been some small increases to service levels for Enterprise Dunedin since the 2014/15 Annual Plan.

Gigatown

In November 2014 Dunedin won a national competition to become New Zealand's Gigatown. The prize provides broadband internet speed of one gigabit per second and \$700,000 funding for business start-ups and Gigatown related initiatives. This is a significant opportunity for the city with the prize giving Dunedin the fastest internet speed in Australasia.

The Council has provided further funding of \$185,000 in the 2015/16 year to assist with the implementation of the Gigatown plan. This funding brings the total funding for Digital Community Trust to \$250,000. Enterprise Dunedin has responsibility for administering this funding with the Digital Office working on the plan implementation.

Ara Toi Ōtepoti Arts and Culture Strategy

In May 2015, following consideration of a report on Ara Toi Ōtepoti – our creative future: initial actions for adoption, the Council resolved to provide \$70,000 for creative sector economic development projects to Enterprise Dunedin for resourcing of elements of the Ara Toi Ōtepoti Arts and Culture Strategy. This city wide strategy was adopted in April 2015 and has links with the EDS and work streams in Enterprise Dunedin.

Food Resilience

A report to Council in December 2013 identified food resilience as a strategic opportunity. The role of the Council in improving food resilience contributes to its strategic objectives to be an environmentally sustainable and resilient city that enables a prosperous and diverse economy. Funding was provided in the 2014/15 Annual Plan on a six (6) month food resilience project to progress work on a discussion document on food resilience challenges, risks and opportunities in collaboration with the Economic Development team. The discussion document and options for continuing this work were considered by the Council in May 2015.

The Council:

- a) “Noted the work undertaken (as requested by the Council) to enable:
 - i a more coordinated internal approach to food-related issues and opportunities; and
 - ii engagement with city stakeholders, exploring options and mechanisms to address the challenges, risks and opportunities in this area.
- b) Notes that some recommended food resilience activities can be achieved within existing budgets, while others are currently unfunded; and
- c) Approves additional funding of \$39,434 to enable the food resilience work to be carried out within Enterprise Dunedin to further the strategic actions in the recommended plan of action identified by the Food Resilience discussion document.”

Economic Development and City Promotion Group Activity

Estimated Income Statement for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Revenue											
Rates											
General Funds	4,116	4,369	4,166	4,248	4,421	4,464	4,593	4,766	4,861	4,995	5,239
Commercial/Economic Development/Tourism	500	500	513	526	540	555	572	590	609	630	653
External Operating Revenue	736	931	944	979	995	1,034	1,053	1,099	1,122	1,174	1,203
Total	5,352	5,800	5,623	5,753	5,956	6,053	6,217	6,455	6,593	6,800	7,095
Expenditure by Outputs											
Economic Development	1,491	2,010	1,755	1,797	1,842	1,890	1,942	1,999	2,059	2,125	2,196
Tourism Dunedin	1,474										
City Marketing Agency		1,512	1,534	1,566	1,663	1,647	1,690	1,793	1,790	1,842	1,971
Dunedin Centre	1,220	1,110	1,138	1,167	1,199	1,233	1,269	1,310	1,353	1,400	1,450
Visitor Centre	1,171	1,175	1,201	1,228	1,257	1,288	1,318	1,354	1,393	1,434	1,479
Total	5,356	5,806	5,627	5,758	5,961	6,058	6,218	6,456	6,595	6,801	7,096
Net Surplus/(Deficit)	(4)	(7)	(4)	(5)	(5)	(5)	(1)	(1)	(1)	(1)	(1)
Expenditure by Inputs											
Staff Costs	1,710	1,781	1,773	1,809	1,846	1,886	1,928	1,974	2,023	2,075	2,130
Operational Costs	3,639	4,016	3,845	3,939	4,105	4,162	4,289	4,481	4,572	4,725	4,964
Loan Interest											
Depreciation	7	9	9	9	10	10	1	1	1	1	2
Total	5,356	5,806	5,627	5,758	5,961	6,058	6,218	6,456	6,595	6,801	7,096

Economic Development and City Promotion Group Activity

Estimated Cashflows for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
<i>Cashflow from Operating Activities</i>											
Cash is provided from operating activities:											
Rates Received	4,616	4,869	4,679	4,774	4,961	5,019	5,165	5,356	5,471	5,626	5,892
Other Revenue	736	931	944	979	995	1,034	1,053	1,099	1,122	1,174	1,203
<i>Cash was applied to:</i>											
Suppliers and Employees	(5,349)	(5,798)	(5,618)	(5,748)	(5,951)	(6,048)	(6,218)	(6,455)	(6,593)	(6,800)	(7,095)
Net Cash from Operating	3	2	5	5	5	5	0	0	0	0	0
<i>Cashflow from Investing Activities</i>											
Cash is provided from investing activities:											
Cash was applied to:											
Capital Expenditure	(90)										
Net Cash from Investing	(90)	0	0	0	0	0	0	0	0	0	0
<i>Cashflow from Financing Activities</i>											
Cash is provided from financing activities:											
Loan Raised											
Cash was applied to:											
Loan Repayment											
Net Cash from Financing	0	0	0	0	0	0	0	0	0	0	0
<i>Net Increase/(Decrease) in Cash</i>	(87)	2	5	5	5	5	0	0	0	0	0

Economic Development and City Promotion Group Activity

Funding Impact Statement for the years ending 30 June 2015 to 30 June 2025

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Sources of Operating Funding</i>											
General Rates, Uniform Annual General Charges, Rates Penalties	15,510	4,369	4,166	4,248	4,421	4,464	4,593	4,766	4,861	4,995	5,239
Targeted Rates	500	500	513	526	540	555	572	590	609	630	653
Subsidies and Grants for Operating Purposes	0										
Fees and Charges	26,410	931	944	979	995	1,034	1,053	1,099	1,122	1,174	1,203
Internal Charges and Overheads Recovered	9,101										
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts											
Total Operating Funding	51,521	5,800	5,623	5,752	5,955	6,053	6,218	6,455	6,593	6,800	7,095
<i>Applications of Operating Funding</i>											
Payments to Staff and Suppliers	13,840	4,374	4,163	4,260	4,427	4,487	4,615	4,807	4,897	5,051	5,290
Finance Costs	5,102	0	0	0	0	0	0	0	0	0	0
Internal Charges and Overheads applied	5,079	1,244	1,275	1,308	1,344	1,382	1,423	1,468	1,516	1,569	1,625
Other Operating Funding Applications	415	180	180	180	180	180	180	180	180	180	180
Total Applications of Operating Funding	24,436	5,798	5,618	5,748	5,951	6,049	6,218	6,455	6,593	6,800	7,095
<i>Surplus/(Deficit) of Operating Funding</i>	27,085	2	5	5	5	5	0	0	0	0	0

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Sources of Capital Funding</i>											
Subsidies and Grants for Capital Expenditure											
Development and Financial Contributions											
Increase (Decrease) in Debt	(3,299)										
Gross Proceeds from the Sale of Assets	2,169										
Lump Sum Contributions											
Other Dedicated Capital Funding											
Total Sources of Capital Funding	(1,130)	0	0	0	0	0	0	0	0	0	0
<i>Application of Capital Funding</i>											
Capital Expenditure											
– to meet additional demand	2										
– to improve the level of service	1,701										
– to replace existing assets	795										
Increase (Decrease) in Reserves											
Increase (Decrease) of Investments	23,457	2	5	5	5	5					
Total Application of Capital Funding	25,955	2	5	5	5	5	0	0	0	0	0
<i>Surplus/(Deficit) of Capital Funding</i>	(27,085)	(2)	(5)	(5)	(5)	(5)	0	0	0	0	0
<i>Funding Balance</i>	0	0	0	0	0	0	0	0	0	0	0


City Investment

What service/activity does this group provide?

- Waipori Fund
- Investment Account
- City Property Investment

How does this group fit into our strategic framework?

This group contributes to the Thriving and Diverse Economy community outcome and supports the city's Economic Development Strategy: By Dunedin for Dunedin and beyond 2013 – 2023.

Main community outcome linkage	A thriving and diverse economy
	Where Dunedin has an ambitious, prosperous, diverse and resilient economy that builds on its strengths.

Impact on the interests of the community:

Activity/Service	Positive Effects	Significant Negative effects	Response to any significant negative effects
Waipori Fund Investment Account City Property Investment	These activities generate income which allows the Council to hold rates increases to sustainable levels and invest in other city services and infrastructure if required. This has a positive impact on the economic and social interests of the community.	These activities don't have any significant negative effects on the local community.	

What do we do?

The Waipori Fund provides the Council with a source of non-rates income by maximising the fund income while protecting the fund's capital base, subject to the income needs of the Council, capital growth and investment risks.

The Investment Account provides the Council with a transparent place where the dividends from Council-owned companies are received, and where differences between actual and planned revenues and expenditures are reported.

The City Property Investment portfolio provides the Council with an assured source of non-rates income and increased asset values. There are two main reasons for the Council's involvement in investment property:

- Statutory requirement – Dunedin City Endowment Land Act requires the Council to retain the endowment property capital in property.
- Providing a source of external non-rates funding –this reflects the Council's desire to expand external funding sources to minimise rate burdens on citizens

There is a focus on growing the portfolio value through rental growth, divestment of underperforming assets and reinvestment in assets which grow rental income and city amenity values.

Why do we do this?

These investments are designed to provide the Council with an ongoing non-rates revenue stream over a long period of time

What we provide and how we measure it:

Performance Measure:	Data Source	Actual 2012/13	Actual 2013/14	Previous Target	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 – 2024/2025
Level of Service: The Waipori Fund achieves the annual target for non-rates income for offsetting against rates requirements								
Cash received	Annual Financial Reporting	\$1.0 m	\$5.42m	\$3.42 m	\$3.66 m	\$3.66 m	\$3.66 m	\$3.66 m

Performance Measure:	Data Source	Actual 2012/13	Actual 2013/14	Previous Target
Level of Service: The Investment Account receives budgeted dividend				
Dividend received from Council-owned companies: (Interest on Shareholders' Advance plus Dividend from DCHL)	Annual Financial Reporting	\$10.45 m	\$10.45m	\$10.45 m

Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
\$5.9 m	\$5.9 m	\$6.2 m	\$6.7 m	\$7.2 m	\$7.8 m	\$8.3 m	\$8.3 m	\$8.4m	\$8.5 m

Performance Measure:	Data Source	Actual 2012/13	Actual 2013/14	Previous Target	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 – 2024/2025
Level of Service: The City Property Investment portfolio generates returns that can be offset against rates requirements								
Percentage variance from budgeted dividend	Annual Financial Analysis	Budgeted Dividend achieved	\$4.6m	≥budget \$4.2 m	≥budget \$3.7 m	≥budget \$4.9 m	≥budget \$4.4 m	≥budget Range \$4.6 m – \$6.3m
Return on Investment	Annual Financial Analysis	Measure revised from 2015/16 onwards	Measure revised from 2015/16 onwards	Measure revised from 2015/16 onwards	Provision of a long term moving average return greater than the DCC's average cost of capital	Provision of a long term moving average return greater than the DCC's average cost of capital	Provision of a long term moving average return greater than the DCC's average cost of capital	Provision of a long term moving average return greater than the DCC's average cost of capital year
Percentage overall occupancy	Internal Property Records	97%	91%	≥95%	≥95%	≥95%	≥95%	≥95%

Changes to Service Levels

There are no major changes to service levels across the duration of the ten-year plan.

City Investment Group Activity

Estimated Income Statement for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Revenue											
Rates											
General Funds	3,440	4,950	4,950	4,950	4,950	4,950	4,950	5,750	5,750	5,750	5,750
External Operating Revenue	23,667	18,920	19,218	19,609	20,262	21,154	22,070	23,049	23,537	24,064	24,621
Unrealised Investment Property Gains	2,380	2,440	2,501	2,563	2,628	2,693	2,761	2,830	2,900	2,973	3,047
Total	29,487	26,310	26,669	27,122	27,840	28,797	29,781	31,629	32,187	32,787	33,418
Expenditure by Outputs											
Waipori Fund	141	141	141	141	141	141	141	141	141	141	141
City Property Investment	3,456	3,591	3,614	3,664	3,500	3,329	3,377	3,430	3,488	3,554	3,635
Investment Account	171	2,141	2,073	2,004	1,942	1,875	1,804	1,729	1,590	1,448	1,303
Total	3,768	5,873	5,828	5,809	5,583	5,345	5,322	5,300	5,218	5,143	5,079
Net Surplus/(Deficit)	25,719	20,436	20,841	21,313	22,256	23,452	24,459	26,329	26,969	27,644	28,338
Expenditure by Inputs											
Staff Costs	(364)	(362)	(359)	(356)	(352)	(348)	(344)	(340)	(335)	(330)	(325)
Operational Costs	3,046	3,025	3,079	3,137	2,983	2,821	2,880	2,944	3,013	3,086	3,166
Loan Interest	1,086	3,211	3,108	3,028	2,953	2,873	2,787	2,696	2,541	2,388	2,239
Depreciation											
Total	3,768	5,873	5,828	5,809	5,583	5,345	5,322	5,300	5,218	5,143	5,079

City Investment Group Activity

Estimated Cashflows for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
<i>Cashflow from Operating Activities</i>											
Cash is provided from operating activities:											
Rates Received	3,440	4,950	4,950	4,950	4,950	4,950	4,950	5,750	5,750	5,750	5,750
Other Revenue	9,126	9,066	9,269	9,279	9,290	9,530	9,786	10,064	10,366	10,683	11,031
Dividend Received	250	100	100	100	100	100	100	100	100	100	100
Waipori Fund Revenue Received	3,561	3,801	3,896	3,995	4,105	4,222	4,346	4,486	4,632	4,793	4,965
Interest Received	10,730	5,952	5,952	6,235	6,767	7,302	7,838	8,400	8,440	8,488	8,525
Cash was applied to:											
Suppliers and Employees	(2,682)	(2,663)	(2,720)	(2,782)	(2,631)	(2,473)	(2,535)	(2,604)	(2,678)	(2,756)	(2,841)
Interest Paid	(1,086)	(3,211)	(3,108)	(3,028)	(2,953)	(2,873)	(2,787)	(2,696)	(2,541)	(2,388)	(2,239)
Net Cash from Operating	23,339	17,996	18,340	18,750	19,628	20,759	21,698	23,499	24,069	24,671	25,291
<i>Cashflow from Investing Activities</i>											
Cash is provided from investing activities:											
Sale of Assets	2,169			2,625	2,964						
Cash was applied to:											
Capital Expenditure	(1,596)	(350)	(358)	(2,992)	(3,341)	(388)	(399)	(411)	(424)	(438)	(453)
Increase in Investments	(33,440)	(2,551)	(2,551)	(2,551)	(2,551)	(2,551)	(2,551)	(2,551)	(2,551)	(2,551)	(2,551)
Net Cash from Investing	(32,867)	(2,901)	(2,909)	(2,918)	(2,928)	(2,939)	(2,950)	(2,962)	(2,975)	(2,989)	(3,004)
<i>Cashflow from Financing Activities</i>											
Cash is provided from financing activities:											
Loan Raised	30,000										
Cash was applied to:											
Loan Repayment	(793)	(1,303)	(1,266)	(1,331)	(1,389)	(1,452)	(1,519)	(2,390)	(2,519)	(2,475)	(2,545)
Net Cash from Financing	29,207	(1,303)	(1,266)	(1,331)	(1,389)	(1,452)	(1,519)	(2,390)	(2,519)	(2,475)	(2,545)
<i>Net Increase/(Decrease) in Cash</i>	19,679	13,792	14,165	14,501	15,311	16,368	17,229	18,148	18,575	19,207	19,743

City Investment Group Activity

Funding Impact Statement for the years ending 30 June 2015 to 30 June 2025

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Sources of Operating Funding</i>											
General Rates, Uniform Annual General Charges, Rates Penalties		5,550	5,550	5,550	5,550	5,550	5,550	6,350	6,350	6,350	6,350
Targeted Rates											
Subsidies and Grants for Operating Purposes											
Fees and Charges		4,528	3,912	3,982	3,839	3,690	3,763	3,842	3,927	3,855	3,912
Internal Charges and Overheads Recovered		1,087	1,087	1,087	1,288	1,489	1,489	1,489	1,489	1,489	1,489
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts											
Total Operating Funding		11,165	10,549	10,618	10,677	10,730	10,802	11,681	11,766	11,695	11,752
<i>Applications of Operating Funding</i>											
Payments to Staff and Suppliers		2,994	3,051	3,113	3,163	3,206	3,269	3,337	3,411	3,489	3,575
Finance Costs		3,211	3,108	3,028	2,953	2,873	2,787	2,696	2,541	2,388	2,239
Internal Charges and Overheads applied		756	756	756	756	756	756	756	756	756	756
Other Operating Funding Applications											
Total Applications of Operating Funding		6,960	6,914	6,896	6,871	6,835	6,812	6,789	6,708	6,633	6,569
<i>Surplus/(Deficit) of Operating Funding</i>		4,205	3,634	3,722	3,806	3,895	3,990	4,892	5,059	5,062	5,183

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Sources of Capital Funding											
Subsidies and Grants for Capital Expenditure											
Development and Financial Contributions											
Increase (Decrease) in Debt		(1,303)	(1,266)	(1,331)	(1,389)	(1,452)	(1,519)	(2,390)	(2,519)	(2,475)	(2,545)
Gross Proceeds from the Sale of Assets				2,625	2,964						
Lump Sum Contributions											
Other Dedicated Capital Funding											
Total Sources of Capital Funding		(1,303)	(1,266)	1,294	1,575	(1,452)	(1,519)	(2,390)	(2,519)	(2,475)	(2,545)
Application of Capital Funding											
Capital Expenditure											
– to meet additional demand											
– to improve the level of service				2,625	2,964						
– to replace existing assets		350	358	368	377	388	399	411	424	438	453
Increase (Decrease) in Reserves											
Increase (Decrease) of Investments		2,551	2,010	2,024	2,039	2,056	2,073	2,091	2,115	2,149	2,185
Total Application of Capital Funding		2,901	2,369	5,017	5,380	2,443	2,471	2,502	2,539	2,587	2,638
Surplus/(Deficit) of Capital Funding		(4,205)	(3,634)	(3,722)	(3,806)	(3,895)	(3,990)	(4,892)	(5,059)	(5,062)	(5,183)
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

Roading and Footpaths

What service/activity does this group provide?


- Transportation
- Citipark
- Parking Enforcement

How does this group fit into our strategic framework?

This group contributes to the Connected Community outcome and supports the Dunedin City Integrated Transport Strategy 2013 (ITS). This is a 30 year strategy with five areas of focus which are related to six transport objectives.

ITS Vision: Dunedin is one of the world's great small cities, with a safe low-carbon transport system that supports a compact city with resilient centres, inclusive and healthy communities, and national and international connectivity

ITS Areas of Focus	ITS Objectives
<ul style="list-style-type: none"> • Safety • Travel Choices • Centres • Freight • Resilience 	<ul style="list-style-type: none"> • Dunedin has an integrated, affordable, responsive, effective and safe transport network for all modes. • Dunedin has affordable and convenient public transport. • Dunedin is well connected for business, freight and visitors, including excellent connections to key gateways such as Port Otago and Dunedin International Airport. • Dunedin's transportation system provides a platform for sustainable transport choices and the city's dependence on oil for transport is reduced. • Dunedin's transportation network provides for the efficient movement of people and goods. • Dunedin's urban form and design creates high levels of accessibility to key destinations such as healthcare, education, recreation and employment.

Main community outcome linkage	A Connected Community	We measure our progress against this outcome by monitoring
	<p>Dunedin's communities are connected by safe, effective transportation and communications, linked locally, nationally and internationally.</p> <p>Dunedin's transport network is integrated and responsive to changing needs and future challenges.</p> <p>Dunedin is safe and easy to get around for cyclists and pedestrians.</p>	<p>Increase in length of cycle lanes (on and off road).</p> <p>Road Safety crash statistic measures:</p> <ul style="list-style-type: none"> • Number of injury crashes (Number of casualties). • Pedestrian vs vehicle casualties. • Cyclist vs vehicle casualties.

What do we do?

- The planning, construction, maintenance and upgrading of the transport network.
- Management of the transport network including roads, cycleways, footpaths, street lighting, parking meters, traffic signals and road marking.
- The Council owns and operates several carparking buildings and off street car parks and manages enforcement of parking regulations.
- The Council is not currently responsible for public transport/bus services. In January 2015 the Council confirmed its in-principle support for a transfer of public transport planning and operations from the Otago Regional Council to the Dunedin City Council, subject to due diligence, and requested that further work investigating the transfer be undertaken.

Why do we do this?

The transport network is essential to the functioning of Dunedin's economy and is an important contributor to lifestyle. The Council's role is to provide, maintain and upgrade the transport network and manage its use. This is all undertaken within the requirements of relevant legislation and road user rules, in particular the Land Transport Management Act 2003, the Land Transport (Infringement and Reminder Notices) Regulations 2012 and the ITS.

Impact on the interests of the community:

Activity/Service	Positive Effects	Significant Negative effects	Response to any significant negative effects
Transportation	This activity provides services that allow people to move safely and efficiently around the city and contributes to the social, economic and environmental interests of the community.	<p>No significant negative effects are currently identified.</p> <p>Examples of potential negative effects are:</p> <p>Environmental:</p> <ul style="list-style-type: none"> • Air pollution – Added emissions due to congestion not significant • Water resource pollution – Detritus from roads entering drainage systems and waterways • Land resource pollution from dust. <p>Economic:</p> <ul style="list-style-type: none"> • Constricted traffic flow resulting in longer transport time • Limits on loading resulting in more trips to move tonnage • Dust on orchards adjacent gravel roads – affecting quality of produce • Road roughness affecting vehicle operating costs. 	<p>Efforts are made to mitigate any negative effects on well-being through planning and consultation with the community.</p> <p>The Council ensures that contractors follow accepted environmental practices while undertaking construction and maintenance.</p> <p>Ongoing monitoring of the effects of operations is undertaken and action taken to remedy any issues arising.</p>

Activity/Service	Positive Effects	Significant Negative effects	Response to any significant negative effects
<i>Transportation continued</i>		Social: <ul style="list-style-type: none"> Noise disturbance (from road works) Vibration (from road works) Pollution (from road works) Light pollution from artificial lighting (street lighting) Pedestrian safety (accidents) Accessibility during road construction. Cultural: <ul style="list-style-type: none"> Visual impacts on landscape Effects on archaeological sites Effects on heritage areas Effects on areas of cultural significance. 	
Citipark	This activity contributes to the economic and social interest of the community by ensuring the availability of on and off street parking in the central city.	This activity does not have any significant negative effects on the local community.	
Parking Enforcement	This activity contributes to the economic and social interests of the community by enforcing parking provisions to ensure the availability of on and off street parking in the central city.	This activity does not have any significant negative effects on the local community.	

What we provide and how we measure it:

The **Transportation** activity is responsible for the city's long and short term transportation needs and the management of activities on roads and adjacent land that may affect the safety of users and the integrity of the asset.

- Planning to ensure the city's long term transportation needs are met.
- Maintaining the condition of the existing network within service level expectations.
- Renewing assets that have reached the end of their functional life and constructing new assets where required.
- Managing the safe operation of the road network through traffic controls and education.
- Regulating and issuing consents for the appropriate use of the public road corridor.

We do this to plan for and provide a safe, reliable, efficient, integrated, environmentally acceptable and sustainable transport network for the movement of people and goods throughout Dunedin.

Citipark manages three car park buildings and all DCC on-street and off-street car parks (leased and casual) including parking meters and payment machines. We provide this service to ensure the availability of parking spaces through the management of car park buildings; and off-street leased and casual carparks.

Parking Enforcement is responsible for promoting desired parking behaviour and the availability of parking spaces through the enforcement of parking regulations. A six day service operates between the hours of 7.00am and 5.00pm Monday to Friday and 10.00am and 4.00pm on a Saturday. Parking enforcement also manages abandoned vehicles and ensures owners of businesses comply with the 'Commercial Use of Footpaths' Policy in relation to the placement of street furniture, goods and portable signs.

Measurement of service levels for the Transportation activity

Mandatory non-financial performance measures have been formulated by the Department of Internal Affairs (DIA) in accordance with section 261B of the Local Government Act 2002 for roading and footpath services and have been applied to all Councils. These are effective from the 2015/16 year and have been incorporated in the transportation measures shown below. In many instances the new mandatory measures replace or revise existing outcome indicators or service performance measures. The new mandatory measures are identified in the comments field in the table below.

Level of Service	Performance Measure	Data Source	Actual 2013/14	Previous Target	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 – 2024/25	Comments
The transport network facilitates safe travel	The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network expressed as a number	NZTA Dunedin City Road safety report	New Measure	New Measure	Reducing	Reducing	Reducing	Reducing	New DIA Measure. There is also a similar community outcome indicator.
The transport network facilitates comfortable travel	The average quality of ride on local sealed road network measured by smooth travel exposure	RAMM, NZTA	81%	Smooth travel exposure >=80%	Smooth travel exposure >=80%	Smooth travel exposure >=80%	Smooth travel exposure >=80%	Smooth travel exposure >=80%	Existing and New DIA Measure.
The transport network facilitates sustainable maintenance	Percentage of sealed road network that is resurfaced	Work achieved reports	New Measure	Target (m ²) equating to 6% of network	Target (m ²) equating to 6% of network	Target (m ²) equating to 6% of network	Target (m ²) equating to 6% of network	Target (m ²) equating to 6% of network	New DIA Measure.
The transport network facilitates active travel	Percentage of footpaths within the level of service standard adopted by the council in its Asset Management Plan	RAMM Rating	New Measure	New Measure	<=15% of network is rated poor or very poor	<=15% of network is rated poor or very poor	<=15% of network is rated poor or very poor	<=15% of network is rated poor or very poor	New DIA Measure.

Level of Service	Performance Measure	Data Source	Actual 2013/14	Previous Target	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 – 2024/25	Comments
The network is maintained in responsive manner	Percentage of service requests relating to roads and footpaths to which the response is provided within five working days	Customer Service Agency Records	New Measure	>=90%	>=90%	>=90%	>=90%	>=90%	New DIA Measure. Will be measured quarterly.
The transport network facilitates efficient travel	Percentage of residents satisfied with condition of roads throughout the city	ROS	61%	>=60%	>=60%	>=60%	>=60%	>=60%	
The transport network facilitates accessibility	Percentage residents satisfied with parking availability in the central city	ROS	34% (dissatisfied)	>=45%	>=45%	>=45%	>=45%	>=45%	Measure changed to measure satisfaction rather than dissatisfaction from 2015/16.
The transport network facilitates efficient travel	Average travel time by vehicle on five key urban routes at peak time (am)	Travel Time survey							
	1-St Clair to Octagon		Route 1:11 min	Route 1: 15 min	Route 1: 15 min	Route 1: 15 min	Route 1: 15 min	Route 1: 15 min	
	2-Normanby to Octagon		Route 2:10 min	Route 2: 15 min	Route 2: 15 min	Route 2: 15 min	Route 2: 15 min	Route 2: 15 min	
	3-Mosgiel to Octagon		Route 3:18 min	Route 3: 22 min	Route 3: 22 min	Route 3: 22 min	Route 3: 22 min	Route 3: 22 min	
	4-Brockville to Octagon		Route 4:8 min	Route 4: 15 min	Route 4: 15 min	Route 4: 15 min	Route 4: 15 min	Route 4: 15 min	
	5-Waverley to Octagon		Route 5:12 min	Route 5: 15 min	Route 5: 15 min	Route 5: 15 min	Route 5: 15 min	Route 5: 15 min	
The transport network facilitates active travel	Percentage of residents satisfied with the suitability of the road network for cyclists throughout the city	ROS	29%	>=28%	>=28%	>=28%	>=28%	>=28%	
The transport network facilitates active travel	Percentage of residents satisfied with condition of footpaths throughout the city	ROS	60%	>=57%	>=57%	>=57%	>=57%	>=57%	

Level of Service	Performance Measure	Data Source	Actual 2013/14	Previous Target	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 – 2024/25	Comments
The transport network facilitates active travel	Percentage of residents satisfied with the ease of pedestrian access throughout the city	ROS	70%	>=65%	>=65%	>=65%	>=65%	>=65%	
The transport network facilitates safe travel	Percentage of residents satisfied with condition of the streetlights throughout the city	ROS	79%	>=75%	>=75%	>=75%	>=75%	>=75%	

Performance Measure:	Data Source	Actual 2012/13	Actual 2013/14	Previous Target	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 – 2024/2025
Level of Service: Car parking is available and meets the needs of users								
Percentage of residents satisfied with availability of metered on-street parking in the central city 1	ROS	36%	38%	Not a service performance measure previously	≥40%	≥40%	≥40%	≥40%

Performance Measure:	Data Source	Actual 2012/13	Actual 2013/14	Previous Target	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 – 2024/2025
Level of Service: Parking regulations are enforced								
Percentage of residents dissatisfied with the fairness and attitude of parking officers	ROS	20%	18%	≤20%	≤20%	≤20%	≤20%	≤20%

1 Performance measurement for Citipark will be focused on-street parking only as the Council does not own or operate all of the car parking buildings and off street carparks in the city.

Changes to Service Levels

There are no proposed changes to service levels across the duration of the 10-year plan and service levels are unchanged from the 2014/15 Annual Plan.

Portobello Road Safety Improvements

Following consultation on potential timeframes for completing this project the Council has decided to accelerate work on the Portobello Road safety improvement project. This means the work will be completed in three years – by 2018 – rather than 10 years, as originally planned.

The reduced project period has been made possible due to more favourable than expected funding rates from the NZ Transport Agency who will fund 55% of the cost. This has made it possible for both the Council and NZTA to bring forward their shares of the project funding.

This will bring a range of benefits, including reducing the overall costs by \$2.9 million to \$19.9 million and bringing forward the community benefits of the project, such as improved safety and better access to one of the city’s most visited and touristed areas.

The other option considered by the Council was to continue to follow a 10 year programme which would have seen the project completed in 2024/25 at a budgeted cost of \$22.8 million.

Concerns about the impact of harbour reclamation as part of the road widening have led to a Council request that staff consider a reference or advisory group to provide advice and support to staff on ecology, landscape and local character issues during the design and implementation of the roading improvements.

Strategic Cycle Network

Additional central government funding, provided through the Urban Cycleway Fund, has allowed the Council to lift its contribution to Dunedin’s strategic cycle network to \$650,000 per year in the LTP, allowing more of the network to be built sooner. The strategic cycle network is expected to be completed in about 22 years. The planned projects in order of priority are:

- 1. Central City and North-East Valley cycle network
- 2. Mosgiel local cycle network
- 3. West Dunedin cycle network (providing links to Mosgiel and Brighton and includes the rail tunnels)
- 4. Hills and Town Belt cycle network

Funding on cycleway projects will be impacted by a decrease in the amount of NZ Transport agency co-investment across the period of the LTP, dropping from 66% to 51%. This means that the Council would need to increase its share of cycleway project funding in order to maintain the existing levels of expenditure. The Council consulted on four options for the ongoing funding of Strategic Cycleway Funding.

Option 1	Increase the Council’s contribution to \$650,000 per year (the council’s proposed option included in draft LTP budgets)
Option 2	Reducing the Council’s contribution
Option 3	Maintaining the Council contribution at \$340,000 per year
Option 4	Increase the Council’s contribution to maintain the existing \$1 million spend per year

The Council also consulted on the inclusion of a previously unfunded City to Harbour Pedestrian/Cycle Bridge in the LTP. The bridge would provide a route for cyclists from the Portobello – Harington Point Road route and the South Dunedin Cycle Network to safely cross the railway corridor and Thomas Burns Street, which is a key arterial route for heavy traffic to the Port. The proposed Central city plan project includes an eastern freight bypass for heavy traffic to the Port, which involves Thomas Burns Street. The city to harbour cyclist/ pedestrian bridge would improve safety for cyclists and pedestrians and allow the eastern freight bypass to operate more efficiently.

Following hearings and deliberations on submissions on the consultation document options the Council approved their proposed option to increase the Council’s contribution to \$650,000 per annum.

A report on the City to Harbour Pedestrian/Cycle Bridge Funding considered during deliberations advised the Councillors that the proposed City to Harbour pedestrian/cycle bridge had been shortlisted for \$3 million of funding through the Urban Cycleways Programme. It was proposed that the Urban Cycleway Funding in the Long Term Plan be amended to align with the new information. The Council endorsed this proposal and resolved that the Urban Cycleways Programme funding component of the strategic cycle network project be reprofiled as shown below.

Urban Cycleways Programme Funding	2015/16	2016/17	2017/18	Total
Draft 2015/16 – 24/25 Long Term Plan	\$793,000	\$774,000	\$756,000	\$2,323,000
Final 2015/16 – 24/25 Long Term Plan	-	\$200,000	\$2,800,000	\$3,000,000

Central City Upgrade

It has been 20 years since the central city had any major amenity work undertaken and many of the area’s roads, footpaths and underground services are reaching the end of their lives. Upgrading these facilities and services also presents an opportunity to address road safety problems for pedestrians, cyclists and motorists in the central city. The Council’s city development, transportation and water and waste services will coordinate their work on the project to provide the upgrade as efficiently as possible.

The upgrade will cover a large proportion of the central city area including upgrading the Octagon and George Street, to reinforce the latter’s role as Dunedin’s main retail precinct. Work is also planned to refurbish the Exchange and Princes Street areas, along with the Warehouse precinct and Queens Gardens. The overall project will include a range of upgrades from new paving, street furniture, lighting and public art, to improved pedestrian access and safety improvements.

Two options were put out for public consultation and Council consideration. Under the option endorsed by the Council paver renewal work will be completed on an accelerated timeline between 2018/19 and 2020/21, rather than being finished as late as 2024/25. This aspect of the project will be undertaken by the transportation activity and appears as a 10 year capital expenditure programme line item under Transportation.

Council has set aside \$37.3 million in total for the upgrade which will take place between 2015/16 and 2023/24. Funding will come from a mixture of existing city development, transportation and water and waste services budgets, rates and borrowing, along with funding from external agencies such as the NZ Transport Agency.

Unfunded Transportation Projects

The Council consulted on two previously unfunded projects in the Mosgiel Town Centre and the streets around Dunedin’s university and polytechnic area which relate to transport safety and accessibility projects to improve people’s ability to move about without harm. Both projects are also considered to be important because of their contribution to city-wide transportation, safety and accessibility goals.

The Council sought feedback from the public as follows:

University of Otago and Otago Polytechnic area
Option 1: Provide \$1.05 million in budgets for safety and accessibility improvements
Option 2: Do not provide any funding

Mosgiel Town Centre
Option 1: Provide \$2 million in budgets for safety and accessibility improvements
Option 2: Do not provide any funding

Following hearings and deliberation on feedback received during consultation, the Council resolved to request a report back in time for the 2016/17 annual plan process with more detail on the proposed scope, budget and timing of both the Mosgiel Town Centre Upgrade and the Tertiary Precinct Safety and Accessibility Upgrade.

- The Council notes and supports in principle the Mosgiel Town Centre Upgrade as a line item in the current Regional Land Transport Plan.
- The Council continues to note the unfunded Tertiary Precinct Transportation project consulted on in the LTP consultation document as a line item in the 2015/16 – 2024/25 LTP and request staff continue to work with project partners to scope funding requirements and timing, and report back no later than for development of the 2018/21 – 2027/28 LTP.

Weir Road Tidewater

The Weir Road Tidewater project was previously a renewals project. However, with NZ Transport Agency co –investment funding approved for the completion of this work during the 2015/16 year the project has now become a new capital expenditure project for that year.

Roading and Footpaths Group Activity

Estimated Income Statement for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Revenue											
Rates											
General Funds	20,180	18,743	19,962	22,503	24,196	25,868	26,934	27,797	28,749	29,461	30,388
Private Street Lighting Rate	19	29	29	30	30	31	32	33	34	35	36
External Operating Revenue	18,145	17,864	18,320	18,597	18,677	19,046	19,527	20,013	20,558	20,997	21,654
External Capital Revenue	12,092	9,310	15,519	19,363	9,426	10,292	10,201	10,471	11,230	9,497	11,088
Total	50,436	45,946	53,830	60,493	52,329	55,237	56,694	58,314	60,571	59,990	63,166
Expenditure by Outputs											
Transportation Operations:											
Asset Maintenance	10,991	10,518	10,877	11,302	11,403	11,669	11,963	12,315	12,786	13,057	13,472
Safety	26,897	27,192	27,496	28,352	29,288	30,235	31,208	32,134	32,987	33,903	34,777
Citipark	3,020	2,880	2,933	2,767	2,837	2,909	2,964	3,084	3,136	3,189	3,324
Parking Enforcement	2,115	2,009	2,084	2,106	2,183	2,215	2,300	2,341	2,438	2,487	2,613
Total	43,023	42,599	43,390	44,527	45,711	47,028	48,435	49,874	51,347	52,636	54,186
Net Surplus/(Deficit)	7,413	3,347	10,440	15,966	6,618	8,209	8,259	8,440	9,224	7,354	8,980
Expenditure by Inputs											
Staff Costs	3,381	3,576	3,496	3,566	3,639	3,718	3,801	3,891	3,987	4,090	4,199
Operational Costs	19,449	18,966	19,388	19,684	19,753	20,234	20,819	21,462	22,264	22,816	23,599
Loan Interest	1,317	1,263	1,359	1,775	2,201	2,338	2,420	2,366	2,192	2,005	1,762
Depreciation	18,877	18,794	19,148	19,502	20,119	20,738	21,395	22,156	22,904	23,725	24,626
Total	43,023	42,599	43,390	44,527	45,711	47,028	48,435	49,874	51,347	52,636	54,186

Roading and Footpaths Group Activity

Estimated Cashflows for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
<i>Cashflow from Operating Activities</i>											
Cash is provided from operating activities:											
Rates Received	20,199	18,771	19,991	22,532	24,226	25,900	26,966	27,830	28,783	29,496	30,424
Other Revenue	18,220	15,620	21,952	26,052	16,223	17,281	17,469	17,969	18,971	17,470	19,288
Grants and Subsidies for Operating	8,803	8,408	8,670	8,613	8,497	8,581	8,682	8,827	9,013	9,089	9,382
Fuel Tax, Infringement Fees and Fines	3,213	3,146	3,216	3,295	3,383	3,476	3,577	3,688	3,806	3,935	4,072
Cash was applied to:											
Suppliers and Employees	(22,829)	(22,542)	(22,884)	(23,249)	(23,392)	(23,952)	(24,621)	(25,352)	(26,251)	(26,905)	(27,798)
Interest Paid	(1,317)	(1,263)	(1,359)	(1,775)	(2,201)	(2,338)	(2,420)	(2,366)	(2,192)	(2,005)	(1,762)
Net Cash from Operating	26,289	22,140	29,586	35,468	26,736	28,948	29,653	30,596	32,130	31,080	33,606
<i>Cashflow from Investing Activities</i>											
Cash is provided from investing activities:											
Cash was applied to:											
Capital Expenditure	(24,595)	(18,390)	(30,682)	(36,710)	(23,274)	(25,878)	(25,709)	(23,202)	(25,157)	(22,023)	(25,411)
Net Cash from Investing	(24,595)	(18,390)	(30,682)	(36,710)	(23,274)	(25,878)	(25,709)	(23,202)	(25,157)	(22,023)	(25,411)
<i>Cashflow from Financing Activities</i>											
Cash is provided from financing activities:											
Loan Raised	110	938	6,456	7,807	3,441	2,789	2,196	180	465		
Cash was applied to:											
Loan Repayment	(1,005)	(1,088)	(1,067)	(1,151)	(1,376)	(1,454)	(1,587)	(2,572)	(2,702)	(3,134)	(3,552)
Net Cash from Financing	(895)	(150)	5,389	6,656	2,065	1,335	609	(2,392)	(2,237)	(3,134)	(3,552)
<i>Net Increase/(Decrease) in Cash</i>	799	3,600	4,293	5,414	5,527	4,405	4,553	5,002	4,736	5,923	4,643

Roading and Footpaths Group Activity

Funding Impact Statement for the years ending 30 June 2015 to 30 June 2025

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Sources of Operating Funding</i>											
General Rates, Uniform Annual General Charges, Rates Penalties	20,180	18,743	19,962	22,503	24,196	25,868	26,934	27,797	28,749	29,461	30,388
Targeted Rates	19	29	29	30	30	31	32	33	34	35	36
Subsidies and Grants for Operating Purposes	8,803	8,408	8,670	8,613	8,497	8,581	8,682	8,827	9,013	9,089	9,382
Fees and Charges	5,905	2,639	2,619	2,613	2,582	2,640	2,711	2,660	2,863	2,801	2,932
Internal Charges and Overheads Recovered	369	486	498	511	525	540	556	573	592	613	635
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	3,213	3,146	3,216	3,295	3,383	3,476	3,577	3,688	3,806	3,935	4,072
Total Operating Funding	38,489	33,451	34,994	37,565	39,213	41,136	42,492	43,578	45,057	45,934	47,445
<i>Applications of Operating Funding</i>											
Payments to Staff and Suppliers	19,977	19,338	19,599	19,882	19,932	20,393	20,957	21,572	22,346	22,865	23,613
Finance Costs	1,317	1,263	1,359	1,775	2,201	2,338	2,420	2,366	2,192	2,005	1,762
Internal Charges and Overheads applied	3,469	3,690	3,782	3,878	3,985	4,098	4,219	4,354	4,496	4,652	4,819
Other Operating Funding Applications											
Total Applications of Operating Funding	24,763	24,291	24,740	25,535	26,118	26,829	27,596	28,292	29,034	29,522	30,194
<i>Surplus/(Deficit) of Operating Funding</i>	13,726	9,160	10,254	12,030	13,095	14,307	14,896	15,286	16,023	16,412	17,251

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Sources of Capital Funding</i>											
Subsidies and Grants for Capital Expenditure	12,501	9,310	15,519	19,363	9,426	10,292	10,201	10,471	11,230	9,497	11,088
Development and Financial Contributions	224	224	227	232	259	265	346	355	364	341	294
Increase (Decrease) in Debt	(1,005)	(150)	5,388	6,656	2,066	1,335	609	(2,392)	(2,237)	(3,134)	(3,552)
Gross Proceeds from the Sale of Assets											
Lump Sum Contributions											
Other Dedicated Capital Funding											
Total Sources of Capital Funding	11,720	9,384	21,134	26,251	11,751	11,892	11,156	8,434	9,357	6,704	7,830
<i>Application of Capital Funding</i>											
Capital Expenditure											
– to meet additional demand	718	540	2,227	3,222	271	442	427	250	295	189	866
– to improve the level of service	8,325	6,378	15,605	20,155	6,136	6,962	6,306	5,337	6,715	3,238	3,343
– to replace existing assets	16,653	11,472	12,850	13,334	16,868	18,474	18,977	17,615	18,149	18,598	21,203
Increase (Decrease) in Reserves											
Increase (Decrease) of Investments	(250)	154	706	1,570	1,571	321	342	518	221	1,091	(331)
Total Application of Capital Funding	25,446	18,544	31,388	38,281	24,846	26,199	26,052	23,720	25,380	23,116	25,081
<i>Surplus/(Deficit) of Capital Funding</i>	(13,726)	(9,160)	(10,254)	(12,030)	(13,095)	(14,307)	(14,896)	(15,286)	(16,023)	(16,412)	(17,251)
<i>Funding Balance</i>	0	0	0	0	0	0	0	0	0	0	0

Water Supply

What service/activity does this group provide?


- Water

How does this group fit into our strategic framework?

This group contributes to the community outcome of ‘A safe and healthy city’ and strategic direction is primarily provided by the 3 Waters Strategic Direction Statement. A copy of the strategic issues and priorities from the statement can be found on page 63.

The water supply activity also supports the Council’s strategic framework as follows:

- Spatial Plan – by identifying infrastructure based constraints on development and activity.
- Economic Development Strategy – by ensuring that infrastructure planning supports economic growth.
- The water supply activity is expected to support the Environment Strategy through efficient use of natural resources, supporting catchment biodiversity and appropriate management of treatment discharges.

Main community outcome linkage	A safe and healthy city
	<p>Where Dunedin is a clean, green, crime-free city where people feel safe and enjoy a healthy lifestyle.</p> <ul style="list-style-type: none">• Dunedin has resilient water supply, wastewater and storm water infrastructure that meets best practice environmental standards.

What do we do?

We protect the raw water sources, collect and store raw water, treat it to standards that make it safe to drink and supply adequate quantities of water for drinking and other uses. We also supply water to fire hydrants for firefighting.

- 78% of the city’s residents receive A Grade potable water from the Southern and Mt Grand water treatment plants, that complies with the New Zealand Drinking Water Standards 2005(revised 2008) (NZDWS 2005/08); and 8% receive secure groundwater from the Mosgiel bores.
- A further 2% of residents are supplied from smaller water treatment and reticulation schemes at West Taieri and Waikouaiti, which have been upgraded with membrane filtration technology and meet the NZDWS 2005/08.
- Outram rural water scheme provides ungraded water to an estimated population of 734. Work is underway to upgrade the scheme to improve compliance with DWSNZ 2005/2008 by 2016.
- The Mosgiel bores provide water treated with minor pH adjustment only before entering the reticulation system.
- 12% of the city’s population are not serviced by a reticulated public water supply and use bore-water (14%), surface water (12%), tankered water (2%) or roof water (72%) to meet their water needs.

Why do we do this?

To protect public health and safety by delivering adequate quantities of safe water to every customer connected to the network with minimal impact on the environment and at an acceptable financial cost that will secure our ability to deliver appropriate services to future generations, as per the Council's 3 Waters Strategic Direction Statement.

Clean drinking water is essential for public health. Good quality water supply is also essential for the safe and productive operation of many businesses. The Council provides these services to protect the health of its residents and visitors and to support economic activity.

We will provide the following major levels of service:

- residents receive safe clean water
- water supply is available to meet the needs of residents
- water resources are used efficiently and sustainably.

Impact on the interests of the community:

Activity/Service	Positive Effects	Significant Negative effects	Response to any significant negative effects
Water	This activity contributes to the social, economic, environmental and cultural well-being of the community by providing reticulated water supply and access to drinking quality water while minimising the environmental and cultural impacts of water production.	The collection, treatment and distribution of water has potential negative effects on interests of the community: Such as these below.	The Strategic Direction Statement and implementation plan prioritises and plans the resolution of these issues and recognises that some issues can only be resolved pragmatically over longer time periods.
		Social – location of treatment plants close to residential properties; poor water treatment may cause sickness in the community.	Preventative maintenance, emergency management and PHRMP's are in place to limit disruption to well-being.
		Economic – high water supply costs that may affect industries expanding /relocating to Dunedin or treatment upgrades costs being unviable for those ratepayers on low incomes.	Implementation of the Strategic Direction statement should minimise operational cost increases.
		Environmental – discharge of waste and chemicals to waterways; taking of water from waterways.	De-chlorination units are used to control potential contamination from water production.
		Cultural – discharge of waste and chemical into waterways or near areas of cultural significance; transfer of water from one catchment to another.	

What we provide and how we measure it:

The water activity provides drinking quality water to homes and businesses in Dunedin and some outlying areas.

- The Council's water supply service consists of four service areas: – metropolitan Dunedin and the three outlying areas of West Taieri, Outram and Northern Schemes (now fed from Mount Grand).
- The water supply network includes 21,000 hectares of water catchment; 1,367 km of pipeline; 30 pumping stations; 57 reservoirs (raw and treated) and 10 operational treatment plants.

Note on Performance Reporting

Reporting on community outcomes and level of service performance measures that relate specifically to Water Supply has been replaced by reporting on mandatory measures. These measures were formulated by the Department of Internal Affairs (DIA) in accordance with section 261B of the Local Government Act 2002 and apply to all Councils. In many instances the new mandatory measures replace or revise existing outcome indicators or service performance measures.

Performance Measure:		Data Source	Measurement Period	Target	Comment
Level of Service: The water is safe to drink					
The extent to which the local authority's drinking water supply complies with:	a) part 4 of the drinking – water standards (bacteria compliance criteria).	Internal reporting	Quarterly	Bacteriological compliance – Yes to all	The DIA mandatory measure requires bacteriological and protozoa compliance to be recorded by water supply and a yes/no answer for compliance of each.
	b) part 5 of the drinking – water standards (protozoa compliance criteria).	Internal reporting	Quarterly	Protozoa compliance – Yes to all	
Level of Service: Water resources are used efficiently and sustainably					
The percentage of real water loss from the local authority's networked reticulation system (including a description of the methodology used to calculate this).		Internal reporting	Quarterly	≤ 20%	New measure – required under the DIA mandatory measures.

Performance Measure:		Data Source	Measurement Period	Target	Comment
Level of Service: Service calls are responded to promptly					
Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured:	a) attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site.	Internal reporting	Quarterly	60 minutes	New measure – required under the DIA mandatory measures.
	b) resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	Internal reporting	Quarterly	240 minutes	
	c) attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site.	Internal reporting	Quarterly	3 days	New measure – required under the DIA mandatory measures.
	d) resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	Internal reporting	Quarterly	5 Days	

Performance Measure:		Data Source	Measurement Period	Target	Comment
The total number of complaints received by the local authority about any of the following:	Level of Service: The water tastes and looks pleasant				
	Drinking water clarity	Internal reporting	Quarterly	<15 per 1000 connections	New measure – required under the DIA mandatory measures.
	Drinking water taste	Internal reporting	Quarterly		New data structure established in 2014/15 to meet DIA requirements. Target based on very limited baseline data.
	Drinking water odour	Internal reporting	Quarterly		
	Level of Service: Water is supplied at adequate pressure				
	Drinking water pressure or flow	Internal reporting	Quarterly	<15 per 1000 connections	New measure – required under the DIA mandatory measures.
					New data structure established in 2014/15 to meet DIA requirements. Target based on very limited baseline data.
	Level of Service: The water supply is reliable				
	Continuity of supply	Internal reporting	Quarterly	<15 per 1000 connections	New measure – required under the DIA mandatory measures.
					New data structure established in 2014/15 to meet DIA requirements. Target based on very limited baseline data.
Level of Service: The Council is responsive to customer concerns					
The local authority’s response to any of these issues, expressed per 1000 connections to the local authority’s networked reticulation system	Internal reporting	Quarterly	<15 per 1000 connections	New measure – required under the DIA mandatory measures.	
				New data structure established in 2014/15 to meet DIA requirements. Target based on very limited baseline data.	
Level of Service: Water resources are used efficiently and sustainably					
The average consumption of drinking water per day per resident within the territorial authority district.	Internal reporting	Internal reporting	Quarterly	<240 litres per day	New measure – required under the DIA mandatory measures.

Changes to Service Levels

There are no proposed changes to service levels across the duration of the 10-year plan and service levels are unchanged from the 2014/15 Annual Plan.

Statement of Variation to the Assessment of Water and Sanitary Services 2007/08 – Water Supply

In 2007 the Council undertook an Assessment of Water and Sanitary Services on 35 water, wastewater and stormwater systems for communities that are not serviced by a reticulated scheme. This review was completed and the report adopted in 2008. The report identified a number of issues and actions for water and wastewater services as well as a recommended improvement plan.

The Council has a statutory obligation under the Local Government Act 2002 as amended 2010, Schedule 10 Part 1 (6a), to identify and explain significant variations between the Assessment of Water and Sanitary Services 2007/08 and the proposals set out in the Council's draft Long Term Plan. Variations are shown below:

Work to improve the drinking water quality for Northern Coast and the West Taieri is now completed as planned. The 'northern areas' of Waitati, Warrington, Merton and Seacliff are now supplied via a pipeline from Mt Grand.

Progress on upgrading the Outram Water Treatment Plant is currently underway. Due to issues with land ownership and inaccurate parcel boundaries, in 2013 Council sought and received from the Drinking Water Assessor a formal extension of timeframe for compliance with DWSNZ 2005 (amended 2008) such that the upgrade of the Outram Water Treatment Plant was required by 1 July 2016.

The wider Mosgiel area is serviced by seven groundwater bores, drawing from the North Taieri aquifer which is classed as 'confined'. Once extracted, the water is transmitted to one of five treatment plants, although the only treatment required to meet drinking water standards is to adjust pH levels to avoid problems with public and private pipe corrosion. Historically, this has been an inexpensive and effective way to supply the Mosgiel community with water.

There have been some incidents, albeit infrequent, where positive e-coli test results (although low level) have been returned from the Mosgiel bores. This triggered additional testing, investigation by staff, and borehole security checks by independent consultants. No conclusive sources of contamination were found to have caused these low level contamination events. It is suspected, however, that ground water leakage into a chamber following heavy rainfall events may be the source of the problem at one of the bores. Airborne contamination via the aeration chambers at the water treatment plants is another possibility.

All of these matters, including details of corrective action, were communicated to the District Health Board's Drinking Water Assessor as required by the Drinking Water Standards of New Zealand. Incidents were also noted in the Annual Report for the relevant year. The Drinking Water Assessor confirmed that the corrective actions taken in each case were appropriate. However, until some form of disinfection is installed, similar events can be expected to occur from time to time.

More recently, investigations have indicated that the aquifers confined status may be called into question in the near future, and that evidence of a contamination plume flowing toward the current bore sites is growing. At this stage, further understanding of the movement the plume need will be gained by testing over time. This will give an indication of the timeframes over which the current arrangement can continue. Furthermore, it is unlikely that any intervention which provides an additional level of water treatment will be cost effective. Rather, it is more likely that the supply of fluoridated and chlorinated water from the Mt Grand Water Treatment would be the most economical approach to supplying Mosgiel. In the past this option has received a negative community response, citing a reluctance to consume chlorinated or fluoridated water. Council will continue to assess the aquifers suitability as a drinking water supply by monitoring the quality of the aquifer upstream of the bore sites. A full options report will be compiled for Councils consideration when the further information is compiled. It is important to note that evidence to date suggests the time until action is required is outside of the 10 year long term plan horizon.

In 2013 the UV treatment and Mt Grand and Southern Water Treatment Plants ceased continuous use, with Mt Grand UV now only being run for bi monthly testing and the Southern UV now only being used during filter cleaning processes approximately once per month. These cost saving measures still allow full compliance with Drinking Water Standards and production of A grade water.

The security of metropolitan Dunedin's water supply has also improved with completion of a treated water pump station between Southern and Mt Grand in 2014 effectively linking the high levels and low levels of the City, providing greater flexibility to treatment plant or raw water supply outage. Throughout 2015 and 2016 the Ross Creek reservoir will be rehabilitated and an additional pump station supplying water from the reservoir to Mt Grand constructed to further protect the metropolitan area from raw water supply outage.

The Rocklands Rural Water Scheme was divested to community ownership (the Rocklands Rural Water Scheme Ltd) as permitted under the Local Government Act (LGA) 2002. The transfer and handover were successfully completed on 13 July 2013.

Water Activity

Estimated Income Statement for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Revenue											
Rates											
Citywide Water Rate	18,873	19,242	19,917	20,223	21,626	23,990	26,038	26,069	25,335	25,986	26,767
External Operating Revenue	5,763	5,763	5,983	6,161	6,434	6,644	6,875	7,126	7,399	7,688	8,008
External Capital Revenue	350										
Total	24,986	25,005	25,900	26,384	28,060	30,634	32,913	33,195	32,734	33,674	34,775
Expenditure by Outputs											
Water	24,209	24,971	25,880	26,790	27,067	27,811	28,508	29,464	30,085	31,093	31,401
Total	24,209	24,971	25,880	26,790	27,067	27,811	28,508	29,464	30,085	31,093	31,401
Net Surplus/(Deficit)	777	34	20	(406)	993	2,823	4,405	3,731	2,649	2,581	3,374
Expenditure by Inputs											
Staff Costs	3,163	3,353	3,415	3,483	3,554	3,632	3,713	3,800	3,894	3,994	4,101
Operational Costs	9,823	10,215	10,671	11,021	11,278	11,651	12,037	12,479	12,958	13,497	14,032
Loan Interest	1,695	1,565	1,563	1,702	1,588	1,483	1,411	1,300	1,178	1,011	840
Depreciation	9,528	9,838	10,231	10,584	10,647	11,045	11,347	11,885	12,055	12,591	12,428
Total	24,209	24,971	25,880	26,790	27,067	27,811	28,508	29,464	30,085	31,093	31,401

Water Activity

Estimated Cashflows for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
<i>Cashflow from Operating Activities</i>											
Cash is provided from operating activities:											
Rates Received	18,873	19,242	19,917	20,223	21,626	23,990	26,038	26,069	25,335	25,986	26,767
Other Revenue	6,113	5,763	5,983	6,161	6,434	6,644	6,875	7,126	7,399	7,688	8,008
Cash was applied to:											
Suppliers and Employees	(12,986)	(13,568)	(14,086)	(14,504)	(14,832)	(15,282)	(15,749)	(16,279)	(16,852)	(17,491)	(18,133)
Interest Paid	(1,695)	(1,565)	(1,563)	(1,702)	(1,588)	(1,483)	(1,411)	(1,300)	(1,178)	(1,011)	(840)
Net Cash from Operating	10,305	9,872	10,251	10,178	11,639	13,869	15,753	15,616	14,704	15,172	15,802
<i>Cashflow from Investing Activities</i>											
Cash is provided from investing activities:											
Cash was applied to:											
Capital Expenditure	(7,352)	(7,304)	(12,019)	(8,325)	(10,192)	(12,914)	(13,994)	(13,976)	(12,198)	(12,678)	(13,210)
Net Cash from Investing	(7,352)	(7,304)	(12,019)	(8,325)	(10,192)	(12,914)	(13,994)	(13,976)	(12,198)	(12,678)	(13,210)
<i>Cashflow from Financing Activities</i>											
Cash is provided from financing activities:											
Loan Raised		550	4,645	210	278	1,300	672	800			
Cash was applied to:											
Loan Repayment	(1,560)	(1,675)	(1,562)	(1,708)	(1,900)	(2,044)	(2,219)	(2,229)	(2,295)	(2,283)	(2,380)
Net Cash from Financing	(1,560)	(1,125)	3,083	(1,498)	(1,622)	(744)	(1,547)	(1,429)	(2,295)	(2,283)	(2,380)
<i>Net Increase/(Decrease) in Cash</i>	1,393	1,443	1,315	355	(174)	211	212	211	211	211	212

Water Activity

Funding Impact Statement for the years ending 30 June 2015 to 30 June 2025

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Sources of Operating Funding</i>											
General Rates, Uniform Annual General Charges, Rates Penalties											
Targeted Rates	18,873	19,242	19,917	20,223	21,626	23,990	26,038	26,068	25,335	25,986	26,766
Subsidies and Grants for Operating Purposes											
Fees and Charges	5,583	5,583	5,796	5,968	6,161	6,364	6,587	6,830	7,094	7,313	7,682
Internal Charges and Overheads Recovered											
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts											
Total Operating Funding	24,456	24,825	25,713	26,191	27,787	30,354	32,625	32,898	32,429	33,359	34,448
<i>Applications of Operating Funding</i>											
Payments to Staff and Suppliers	11,025	11,335	11,797	12,157	12,421	12,802	13,196	13,644	14,131	14,676	15,217
Finance Costs	1,695	1,565	1,563	1,702	1,588	1,483	1,411	1,300	1,178	1,011	840
Internal Charges and Overheads applied	1,961	2,233	2,289	2,347	2,411	2,480	2,553	2,635	2,721	2,815	2,916
Other Operating Funding Applications											
Total Applications of Operating Funding	14,681	15,133	15,649	16,206	16,420	16,765	17,160	17,579	18,030	18,502	18,973
<i>Surplus/(Deficit) of Operating Funding</i>	9,775	9,692	10,064	9,985	11,366	13,589	15,465	15,319	14,399	14,857	15,475

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Sources of Capital Funding</i>											
Subsidies and Grants for Capital Expenditure											
Development and Financial Contributions	180	180	187	193	273	280	288	296	305	315	326
Increase (Decrease) in Debt	(278)	(1,125)	3,083	(1,499)	(1,622)	(744)	(1,547)	(1,429)	(2,295)	(2,283)	(2,380)
Gross Proceeds from the Sale of Assets											
Lump Sum Contributions											
Other Dedicated Capital Funding	350										
Total Sources of Capital Funding	252	(945)	3,270	(1,306)	(1,349)	(464)	(1,259)	(1,133)	(1,990)	(1,968)	(2,054)
<i>Application of Capital Funding</i>											
Capital Expenditure											
– to meet additional demand	387	55	783	61	785	257	148	170	19	20	20
– to improve the level of service	2,396	939	4,391	537	499	1,623	961	1,054	235	245	255
– to replace existing assets	7,254	6,310	6,845	7,726	8,908	11,033	12,885	12,751	11,943	12,413	12,935
Increase (Decrease) in Reserves											
Increase (Decrease) of Investments	(10)	1,443	1,315	355	(175)	212	212	211	212	211	211
Total Application of Capital Funding	10,027	8,747	13,334	8,679	10,017	13,125	14,206	14,186	12,409	12,889	13,421
<i>Surplus/(Deficit) of Capital Funding</i>	(9,775)	(9,692)	(10,064)	(9,985)	(11,366)	(13,589)	(15,465)	(15,319)	(14,399)	(14,857)	(15,475)
<i>Funding Balance</i>	0	0	0	0	0	0	0	0	0	0	0

Sewerage and Sewage

What service/activity does this group provide?

- Wastewater


How does this group fit into our strategic framework?

This group contributes to the community outcome of “A safe and healthy city” by ensuring that urban wastewater is collected from homes and businesses and treated for safe disposal.

Strategic direction for wastewater is primarily provided the 3 Waters Strategic Direction Statement. A copy of the strategic issues and priorities from the statement can be found on page 63.

The wastewater activity also supports the Council’s strategic framework as follows:

- Spatial Plan – by identifying infrastructure based constraints on development and activity.
- Economic Development Strategy – by ensuring that infrastructure planning supports economic growth and that trade waste charging is fair and equitable.
- The wastewater activity is expected to support the Environment Strategy through ensuring that wastewater is effectively treated and appropriately disposed of. The use of biosolids (the solid waste remaining after wastewater is treated) as a resource for energy generation is also likely to support the Environment Strategy.

Main community outcome linkage	A safe and healthy city
	<p>Where Dunedin is a clean, green, crime-free city where people feel safe and enjoy a healthy lifestyle.</p> <ul style="list-style-type: none"> • Dunedin has resilient water supply, wastewater and storm water infrastructure that meets best practice environmental standards.

What do we do?

Wastewater is the dirty water discharged from toilets, kitchens, bathrooms and laundries in dwellings and commercial premises. It also includes trade waste discharged from industrial premises into public sewers.

The Council collects domestic and trade wastewaters via its systems of sewers and pumping stations, and transfers them to the wastewater treatment plants, where it is treated to a standard acceptable for discharge to the environment.

Why do we do this?

To protect public health and safety by delivering effective wastewater services to every customer connected to the network with minimal impact on the environment and at an acceptable financial cost, and to secure our ability to deliver appropriate services to future generations, as per the 3 Waters Strategic Direction Statement.

We provide wastewater services to protect public health, by ensuring that all urban properties in Dunedin have a safe and reliable wastewater system. Treatment of wastewater also protects the environment from pollution.

We will provide the following major levels of service:

- wastewater services are clean and safe
- wastewater services meet customer needs

Impact on the interests of the community:

Activity/Service	Positive Effects	Significant Negative effects	Response to any significant negative effects
Wastewater	This activity contributes to the social, economic, environmental and cultural interests of the community by providing wastewater collection and sewage treatment services that make Dunedin and safe and healthy place to live.	The collection, treatment and discharge of treated wastewater may have potential negative effects on the interests of the community.	The Strategic Direction Statement and implementation plan prioritises and plans the resolution of these issues and recognises that some issues can only be resolved pragmatically over longer time periods.
		Social – Location of treatment plants close to residential properties can give rise to issues with odour or noise.	Community liaison has been initiated in known areas of community concern. Complex odour and noise mitigation is programmed at treatment plants. Any complaints are generally reported and resolved with urgency.
		Economic – high trade waste charges may affect industries expanding /relocating to Dunedin or treatment upgrade costs contributing to rating increases that are unviable for those ratepayers on low incomes.	Implementation of the Strategic Direction Statement should minimise operational cost increases.
		Environmental – discharge of waste and chemicals to waterways.	Completion of the secondary treatment of wastewater project will mitigate the risk to waterways.
		Cultural – discharge of waste and chemicals into waterways or near areas of cultural significance.	
		Cultural – discharge of stormwater into waterways or near areas of cultural significance.	

What we provide and how we measure it:

The wastewater network comprises 901 km of pipes, 76 reticulation pumping stations, 130 domestic pumping stations and seven treatment plants. The service is provided to approximately 107,000 residents and 106 trade customers.

The Council's wastewater service consists of seven service areas, including metropolitan Dunedin and six outlying areas: Green Island, Mosgiel, Middelmarsh, Seacliff, Waikouaiti/Karitane and Warrington. The Metropolitan system takes the east and west harbour communities of Portobello and Port Chalmers respectively and discharges from Tahuna via the long ocean outfall. Green Island takes the treated Mosgiel effluent and discharges this along with wastes from Green Island, Abbotsford and coastal south Dunedin via the ocean outfall at Waldronville.

The Council operates and maintains the wastewater system from the main sewer (typically in the road) to the point where treated effluent is discharged to the environment. Following a historic programme of sewer separation, the foul sewer system is designed to operate independently from the stormwater sewerage system.

Note on performance reporting

Reporting on community outcomes and level of service performance measures that relate specifically to Wastewater has been replaced by reporting on mandatory measures. These measures were formulated by the Department of Internal Affairs (DIA) in accordance with section 261B of the Local Government Act 2002 and apply to all Councils. In many instances the new mandatory measures replace or revise existing outcome indicators or service performance measures.

Performance Measure:		Data Source	Measurement Period	Target	Comment
Level of Service: Sewage is managed without adversely affecting the quality of the receiving environment					
The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system.		Internal Reporting	Quarterly	0	<p>New measure – required under the DIA mandatory measures.</p> <p>New data structure established in 2014/15 to meet DIA requirements. Target based on very limited baseline data.</p> <p>This measure is also a community outcome indicator for the Sustainable and Resilient City outcome.</p>
Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of:	Abatement notices	Internal Reporting	Quarterly	0	New measure – required under the DIA mandatory measures.
	Infringement notices	Internal Reporting	Quarterly	0	New measure – required under the DIA mandatory measures.
	Enforcement orders	Internal Reporting	Quarterly	0	New measure – required under the DIA mandatory measures.
	Convictions	Internal Reporting	Quarterly	0	New measure – required under the DIA mandatory measures.
Level of Service: Service calls are responded to promptly					
Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured:	a) attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site; and	Internal Reporting	Quarterly	60 minutes	New measure – required under the DIA mandatory measures.
	b) resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault.	Internal Reporting	Quarterly	240 minutes	New measure – required under the DIA mandatory measures.

Performance Measure:	Data Source	Measurement Period	Target	Comment
Level of Service: The wastewater service is reliable and the Council is responsive to customer concerns				
The total number of complaints received by the territorial authority about any of the following:	Sewage odour	Internal Reporting	Quarterly	<5 per 1000 connections New measure – required under the DIA mandatory measures. New data structure established in 2014/15 to meet DIA requirements. Target based on very limited baseline data.
	Sewerage system faults	Internal Reporting	Quarterly	<5 per 1000 connections New measure – required under the DIA mandatory measures. New data structure established in 2014/15 to meet DIA requirements. Target based on very limited baseline data.
	Sewerage system blockages			<5 per 1000 connections New measure – required under the DIA mandatory measures. New data structure established in 2014/15 to meet DIA requirements. Target based on very limited baseline data. Will replace previous community outcome ‘No. of wastewater blockages per 100km of mains’ and be recorded as a total number of complaints per annum.
	The territorial authority’s response to issues with its sewerage system, expressed per 1000 connections to the territorial authority’s sewerage system.	Internal Reporting	Quarterly	<5 per 1000 connections New measure – required under the DIA mandatory measures. New data structure established in 2014/15 to meet DIA requirements. Target based on very limited baseline data. This measure is changing from a percentage to a whole number median.

Changes to Service Levels

There are no proposed changes to service levels across the duration of the 10-year plan and service levels are unchanged from the 2014/15 Annual Plan.

Statement of Variation to the Assessment of Water and Sanitary Services 2007/08 – Wastewater

In 2007 the Council undertook an Assessment of Water and Sanitary Services on 35 water, wastewater and stormwater systems for communities that are not serviced by a reticulated scheme. This review was completed and the report adopted in 2008. The Report identified a number of issues and actions for water and wastewater services as well as a recommended improvement plan.

The Council has a statutory obligation under the Local Government Act 2002 as amended 2010, Schedule 10 Part 1 (6a), to identify and explain significant variations between the Assessment of Water and Sanitary Services 2007/08 and the proposals set out in the Council's Long Term Plan.

Outputs from hydraulic modelling undertaken as part of the Three Waters Strategy project completed in 2011 have identified the key wastewater issues and problem areas in some of Dunedin's urban catchments. Recommendations have been put forward outlining a prioritised work programme consisting of capital works and operational changes, as well as planning and further investigations that are required over the short, medium and long term. The recommendations have been built into the relevant capital and operational programmes to be included in the Wastewater Activity Management Plan and implemented accordingly. Capital expenditure requirements are fed through to the LTP and Annual Plans as and when necessary.

The Council's wastewater network has several areas where insufficient capacity and high levels of inflow and infiltration periodically culminate in network overflow during heavy rainfall events. Typically the areas with high inflow and infiltration levels also coincide with some of the Council's older and most significantly deteriorated pipework. There were four main areas identified by hydraulic modelling are:

- the Andersons Bay Catchment
- the Kaikorai Valley Catchment
- the North East Valley Catchment
- the Sawyers Bay Catchment .

Council has started work in Andersons Bay, renewing \$6 million worth of piped infrastructure between 2013 and 2015. Further work will be completed over the next 10 years.

A new Reticulated Services Policy was adopted in February 2009 and amended in February 2010.

Since 2007, the Council has received a number of reports outlining the need to provide a wastewater reticulated service for the community of Allanton.

- Consultation and review for the proposed Allanton wastewater scheme was undertaken in 2009/10 and it was decided that a reticulated wastewater was to be established.
- A revised Allanton New Reticulated Services Policy was adopted in February 2011.
- In July 2011, the Allanton Pressure Sewer Wastewater Scheme was successfully commissioned.

A similar system for Blanket Bay and Curles Point was installed in 2011/12.

The funding for both of these projects was from within the existing 10-year budget contained within the Council's Network New Capital Wastewater budget line for 2011/12.

A further recommendation from the assessment was to investigate wastewater disposal systems in Outram, to determine the most sustainably and appropriate long term arrangement. This investigation has not yet commenced as to date the focus has been on addressing the highest priority issues. However, the Council does recognise the need to investigate the wastewater disposal situation Outram and this will be programmed in due course.

There is potential for a future project to service Outram with reticulated wastewater, replacing an old stock of septic tanks. This project would cost in the order of \$7-\$10 million of new capital and the timing is subject to the establishment of further drivers and significant Council decision making as this work is not budgeted.

Either significant network augmentation or additional treatment infrastructure is expected to be required in the northern townships of Waikouaiti, Karitane, Seacliff and Warrington when their respective wastewater discharge consent renewal applications are submitted. This is assumed to require \$650,000 annually over three years and timing is projected for 2018/19 – 2020/21. The level of uncertainty is moderate as the exact nature of the consent conditions is as yet unknown; however the consent renewal timeframes are strict. The Council is working to firm this up by the end of June 2015 by conducting additional environmental monitoring and wastewater network modelling.

Completion of the Wastewater Strategy has seen significant investment in Tahuna WWTP over the past five (5) years with the completion of the long ocean outfall (1.1km) and an upgrade of the plant to secondary treatment and UV disinfection prior to discharge.

Sewerage and Sewage Activity

Estimated Income Statement for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Revenue											
Rates											
Citywide Drainage Rate	23,771	24,203	26,094	28,054	28,428	28,283	30,013	31,987	33,232	34,021	35,020
Allanton Drainage Rate	20	20	20	20	20	20	20	20	20	20	20
Blanket Bay Rate	4	4	4	4	4	4	4	4	4	4	4
Curles Point Rate	3	3	3	3	3	3	3	3	3	3	3
External Operating Revenue	605	606	629	648	774	796	820	846	875	905	939
Total	24,403	24,836	26,750	28,729	29,229	29,106	30,860	32,860	34,134	34,953	35,986
Expenditure by Outputs											
Wastewater	27,574	26,908	27,756	28,084	28,362	28,901	29,422	29,873	29,030	29,563	30,332
Total	27,574	26,908	27,756	28,084	28,362	28,901	29,422	29,873	29,030	29,563	30,332
Net Surplus/(Deficit)	(3,171)	(2,072)	(1,005)	646	867	205	1,438	2,988	5,104	5,390	5,654
Expenditure by Inputs											
Staff Costs	2,237	2,399	2,443	2,492	2,543	2,598	2,656	2,719	2,786	2,858	2,934
Operational Costs	10,215	10,029	10,384	10,604	11,027	11,403	11,728	12,239	12,721	13,108	13,668
Loan Interest	5,523	5,335	5,277	4,989	4,684	4,397	4,108	3,807	3,459	3,089	2,695
Depreciation	9,599	9,145	9,652	9,999	10,108	10,503	10,930	11,108	10,064	10,508	11,035
Total	27,574	26,908	27,756	28,084	28,362	28,901	29,422	29,873	29,030	29,563	30,332

Sewerage and Sewage Activity

Estimated Cashflows for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
<i>Cashflow from Operating Activities</i>											
Cash is provided from operating activities:											
Rates Received	23,799	24,231	26,121	28,081	28,455	28,310	30,040	32,015	33,259	34,048	35,047
Other Revenue	605	606	629	648	774	796	820	846	875	905	939
Cash was applied to:											
Suppliers and Employees	(12,452)	(12,428)	(12,827)	(13,095)	(13,569)	(14,001)	(14,384)	(14,958)	(15,507)	(15,966)	(16,602)
Interest Paid	(5,523)	(5,335)	(5,277)	(4,989)	(4,684)	(4,397)	(4,108)	(3,807)	(3,459)	(3,089)	(2,695)
Net Cash from Operating	6,429	7,074	8,647	10,645	10,976	10,708	12,368	14,096	15,168	15,898	16,689
<i>Cashflow from Investing Activities</i>											
Cash is provided from investing activities:											
Cash was applied to:											
Capital Expenditure	(6,910)	(10,428)	(5,425)	(5,630)	(6,878)	(6,515)	(8,395)	(9,322)	(10,144)	(10,543)	(10,986)
Increase in Investments	(444)	(443)	(442)	(440)	(428)						
Net Cash from Investing	(7,354)	(10,871)	(5,866)	(6,070)	(7,306)	(6,515)	(8,395)	(9,322)	(10,144)	(10,543)	(10,986)
<i>Cashflow from Financing Activities</i>											
Cash is provided from financing activities:											
Loan Raised	711	4,200	302		655	500	500				
Cash was applied to:											
Loan Repayment	(3,741)	(3,848)	(4,194)	(4,159)	(4,560)	(4,566)	(4,346)	(4,648)	(4,897)	(5,228)	(5,577)
Net Cash from Financing	(3,030)	352	(3,892)	(4,159)	(3,905)	(4,066)	(3,846)	(4,648)	(4,897)	(5,228)	(5,577)
<i>Net Increase/(Decrease) in Cash</i>	(3,955)	(3,445)	(1,112)	416	(236)	127	127	127	127	127	126

Sewerage and Sewage Activity

Funding Impact Statement for the years ending 30 June 2015 to 30 June 2025

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Sources of Operating Funding</i>											
General Rates, Uniform Annual General Charges, Rates Penalties											
Targeted Rates	23,799	24,231	26,121	28,081	28,455	28,310	30,040	32,015	33,259	34,048	35,047
Subsidies and Grants for Operating Purposes											
Fees and Charges	525	526	546	562	580	599	620	643	668	694	724
Internal Charges and Overheads Recovered											
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts											
Total Operating Funding	24,324	24,757	26,667	28,643	29,035	28,909	30,661	32,658	33,927	34,742	35,771
<i>Applications of Operating Funding</i>											
Payments to Staff and Suppliers	10,400	10,134	10,475	10,684	11,091	11,453	11,761	12,250	12,711	13,072	13,605
Finance Costs	5,988	5,335	5,277	4,989	4,684	4,397	4,108	3,807	3,459	3,089	2,695
Internal Charges and Overheads applied	2,052	2,295	2,352	2,412	2,478	2,549	2,624	2,708	2,796	2,893	2,997
Other Operating Funding Applications											
Total Applications of Operating Funding	18,440	17,764	18,104	18,085	18,253	18,399	18,493	18,765	18,966	19,054	19,297
<i>Surplus/(Deficit) of Operating Funding</i>	5,884	6,993	8,563	10,558	10,782	10,510	12,167	13,893	14,961	15,688	16,474

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Sources of Capital Funding</i>											
Subsidies and Grants for Capital Expenditure											
Development and Financial Contributions	80	80	83	86	194	196	200	203	207	211	215
Increase (Decrease) in Debt	(580)	352	(3,892)	(4,159)	(3,905)	(4,066)	(3,846)	(4,648)	(4,897)	(5,228)	(5,577)
Gross Proceeds from the Sale of Assets											
Lump Sum Contributions											
Other Dedicated Capital Funding											
Total Sources of Capital Funding	(500)	432	(3,809)	(4,073)	(3,711)	(3,870)	(3,646)	(4,445)	(4,690)	(5,017)	(5,362)
<i>Application of Capital Funding</i>											
Capital Expenditure											
– to meet additional demand	715	770	330	17	436	120	124	29	31	32	33
– to improve the level of service	2,761	3,627	87	90	852	621	643	154	160	166	173
– to replace existing assets	6,309	6,030	5,007	5,522	5,591	5,772	7,627	9,138	9,953	10,347	10,779
Increase (Decrease) in Reserves											
Increase (Decrease) of Investments	(4,401)	(3,002)	(670)	856	192	127	127	127	127	126	127
Total Application of Capital Funding	5,384	7,425	4,754	6,485	7,071	6,640	8,521	9,448	10,271	10,671	11,112
<i>Surplus/(Deficit) of Capital Funding</i>	(5,884)	(6,993)	(8,563)	(10,558)	(10,782)	(10,510)	(12,167)	(13,893)	(14,961)	(15,688)	(16,474)
<i>Funding Balance</i>	0	0	0	0	0	0	0	0	0	0	0

Stormwater

What service/activity does this group provide?

- Stormwater


How does this group fit into our strategic framework?

This group contributes to the community outcome of “A safe and healthy city” by ensuring that urban wastewater is collected from homes and businesses and treated for safe disposal.

Strategic direction for stormwater is primarily provided in the 3 Waters Strategic Direction Statement. A copy of the strategic issues and priorities from the statement can be found on page 63.

The stormwater activity also supports the Council’s strategic framework as follows:

- Spatial Plan – by identifying infrastructure based constraints on development and activity
- Economic Development Strategy – by ensuring that infrastructure planning supports economic growth
- The stormwater activity is expected to support the Environment Strategy through ensuring that stormwater is disposed of without adversely affecting the quality of the receiving environment.

Main community outcome linkage	A safe and healthy city
	<p>Where Dunedin is a clean, green, crime-free city where people feel safe and enjoy a healthy lifestyle.</p> <ul style="list-style-type: none">• Dunedin has resilient water supply, wastewater and storm water infrastructure that meets best practice environmental standards.

What do we do?

Stormwater is rainwater that flows across the ground and does not get absorbed into the soil. It flows into stormwater pipes and streams, and from there into the sea. The Council owns and maintains a large network of pipes, pumping stations and other infrastructure to collect and safely dispose of stormwater.

Why do we do this?

To protect public safety by ensuring adequate stormwater provision to Dunedin residents, with minimal impact on the environment and to secure our ability to deliver appropriate services to future generations, as per the Council’s 3 Waters Strategy.

Effective management of stormwater is essential to prevent flooding of properties and businesses. Controls are also necessary to ensure that stormwater does not become excessively contaminated and cause pollution of the watercourses, the harbour and ocean.

We will provide the following major level of service:

- Stormwater services meet customer needs

Impact on the interests of the community:

Activity/Service	Positive Effects	Significant Negative effects	Response to any significant negative effects
Stormwater	This activity contributes positively to the social, economic, environmental and cultural interests of the community by providing stormwater collection and discharge services which make Dunedin and safe and healthy place to live.	The collection and disposal of stormwater may have the following potential negative effects on the interests of the community:	The ORC is controlling authority for the streams. A high proportion of the runoff is from erosion of land in rural catchments. The Strategic Direction Statement and implementation plan prioritises and plans the resolution of these issues and recognises that some issues can only be resolved pragmatically over longer time periods.
		Social – Residents will be affected if heavy rain events result in stormwater overflows, flooding properties and land; poor stormwater quality may cause beach closures and/or illness to users.	Pump station overflows are generally resolved quickly. Work is in progress to better understand secondary flow paths using Stormwater Catchment Models.
		Economic – Flooding problems may impact on property or trade values; potential loss of businesses if repeated flooding impacts their ability to insure; service upgrade costs may be unviable for those ratepayers on low incomes.	Modelling of the stormwater system to identify mains that are at capacity and may constrain future development.
		Environmental – discharge of contaminated stormwater to waterways.	Water quality testing and harbour sediment contaminant testing monitor contamination.
		Cultural – discharge of stormwater into waterways or near areas of cultural significance.	

What we provide and how we measure it:

The Council's stormwater service manages the collection and disposal of stormwater to domestic and commercial residents in eight service areas – metropolitan Dunedin and seven outlying areas: Brighton/Waldronville; Green Island, Mosgiel, Middlemarch, Mosgiel, Outram, Port Chalmers and Waikouaiti/Karitane and Warrington. The stormwater network comprises 372 km of pipes and 11 pumping stations.

In general, the Council's stormwater sewers are piped, with open channels running through private properties falling under riparian ownership. There are, however, some exceptions to this rule.

Note on Performance Reporting

Reporting on community outcomes that relate specifically to Stormwater has been replaced by reporting on mandatory measures. These measures were formulated by the Department of Internal Affairs (DIA) in accordance with section 261B of the Local Government Act 2002 and apply to all Councils. In many instances the new mandatory measures replace or revise existing outcome indicators or service performance measures.

DIA Mandatory Measure:		Data Source	Measurement Period	Target	Comment
Level of Service: Stormwater services perform adequately and reliably					
System and adequacy	The number of flooding events that occur in a territorial authority district.	Internal Reporting	Quarterly	0	New measure – required under the DIA mandatory measures.
	For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system.).	Internal Reporting	Quarterly	0	*New data structure established in 2014/15 to meet DIA requirements. Target based on very limited baseline data.
Service Level: Stormwater is managed without adversely affecting the quality of the receiving environment					
Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of:	Abatement notices	Internal Reporting	Quarterly	0	
	Infringement notices	Internal Reporting	Quarterly	0	
	Enforcement orders	Internal Reporting	Quarterly	0	
	Successful prosecutions	Internal Reporting	Quarterly	0	
Service Level: Service calls are responded to promptly					
The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site.		Internal Reporting	Quarterly	60 minutes	New measure – required under the DIA mandatory measures.
The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system.		Internal Reporting	Quarterly	<1 per 1000 connections	*New data structure established in 2014/15 to meet DIA requirements. Target based on very limited baseline data.

Changes to Service Levels

There are no proposed changes to service levels across the duration of the 10-year plan and service levels are unchanged from the 2014/15 Annual Plan.

Statement of Variation to the Assessment of Water and Sanitary Services 2007/08 – Storm water

In 2007 the Council undertook an Assessment of Water and Sanitary Services on 35 water, wastewater and stormwater systems for communities that are not serviced by a reticulated scheme. This review was completed and the report adopted in 2008. The report identified a number of issues and actions for water and wastewater services as well as a recommended improvement plan.

The Dunedin City Council has a statutory obligation under the Local Government Act 2002 as amended 2010, Schedule 10 Part 1 (6a) to identify and explain significant variations between the Assessment of Water and Sanitary Services 2007/08 and the proposals set out in the Council's Long Term Plan.

Outputs from hydraulic modelling undertaken as part of the 3 Water Strategy project completed in 2011, have identified the key stormwater quantity and quality issues and problem areas in Dunedin's urban stormwater catchments. The Council completed 10 Integrated Catchment Management Plans in 2011, which present recommendations for potential solutions to address these issues. The recommendations have been built into the relevant capital and operational programmes and are included in the Stormwater Activity Management Plan and implemented accordingly. Capital expenditure requirements are fed through to the LTP and Annual Plans as and when necessary.

An extensive dry weather sampling regime has been implemented for each of the consented outfalls to track down and eliminate any contamination of stormwater from cross connections. Generally stormwater has been found to be of high quality, meeting guidelines for shellfish gathering and bathing within the mixing zone.

A further consideration in the area of stormwater is the treatment of watercourses in the future. Watercourses are owned by whomever owns the land through which they pass (riparian ownership) whether open or piped. The City has approximately 305km of watercourse; 98km are under Council ownership (predominantly Parks and Reserves though six different departments of the Council own watercourses) and 207km are under private ownership. There is very little information held on watercourses, particularly those which are privately owned but the gross replacement cost of all these assets (both Council owned and privately owned) is estimated at \$220 million.

Prudent asset management would see \$2.2 million per annum spent on renewing these assets; \$740,000 by Council and \$1.5 million by private asset owners. This is not occurring at present and will present an increasing risk to the management of stormwater into the future if not addressed.

A separate report will be produced on the broad options surrounding watercourse management in the 2014/15 year. This will also focus on potential liabilities where Council stormwater discharges into watercourses over private land. It should be noted that the impacts of climate change are only going to exacerbate these issues.

Stormwater Activity

Estimated Income Statement for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Revenue											
Rates											
Citywide Drainage Rate	4,466	4,108	4,940	5,981	6,103	6,853	7,988	7,775	8,899	9,227	9,590
External Operating Revenue	120	120	125	128	132	137	142	147	152	159	165
Total	4,586	4,228	5,065	6,109	6,235	6,990	8,130	7,922	9,051	9,386	9,755
Expenditure by Outputs											
Stormwater	5,438	5,399	5,620	5,834	6,033	6,245	6,444	6,714	7,001	7,301	7,637
Total	5,438	5,399	5,620	5,834	6,033	6,245	6,444	6,714	7,001	7,301	7,637
Net Surplus/(Deficit)	(852)	(1,171)	(555)	275	202	745	1,686	1,208	2,050	2,085	2,118
Expenditure by Inputs											
Staff Costs	501	559	569	580	592	605	619	633	649	666	684
Operational Costs	2,261	2,138	2,208	2,273	2,347	2,424	2,509	2,602	2,702	2,808	2,926
Loan Interest	72	71	89	117	167	161	156	149	143	136	128
Depreciation	2,604	2,631	2,754	2,862	2,927	3,055	3,161	3,330	3,507	3,691	3,899
Total	5,438	5,399	5,620	5,834	6,033	6,245	6,444	6,714	7,001	7,301	7,637

Stormwater Activity

Estimated Cashflows for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
<i>Cashflow from Operating Activities</i>											
Cash is provided from operating activities:											
Rates Received	4,466	4,108	4,940	5,981	6,103	6,853	7,988	7,775	8,899	9,227	9,590
Other Revenue	120	120	125	128	132	137	142	147	152	159	165
Cash was applied to:											
Suppliers and Employees	(2,762)	(2,696)	(2,777)	(2,854)	(2,939)	(3,029)	(3,128)	(3,235)	(3,351)	(3,474)	(3,610)
Interest Paid	(72)	(71)	(89)	(117)	(167)	(161)	(156)	(149)	(143)	(136)	(128)
Net Cash from Operating	1,752	1,461	2,199	3,138	3,129	3,800	4,846	4,538	5,557	5,776	6,017
<i>Cashflow from Investing Activities</i>											
Cash is provided from investing activities:											
Cash was applied to:											
Capital Expenditure	(1,279)	(1,733)	(2,324)	(3,982)	(2,971)	(3,635)	(4,677)	(4,362)	(5,375)	(5,586)	(5,821)
Net Cash from Investing	(1,279)	(1,733)	(2,324)	(3,982)	(2,971)	(3,635)	(4,677)	(4,362)	(5,375)	(5,586)	(5,821)
<i>Cashflow from Financing Activities</i>											
Cash is provided from financing activities:											
Loan Raised		287	250	981							
Cash was applied to:											
Loan Repayment	(28)	(29)	(37)	(50)	(71)	(77)	(82)	(89)	(95)	(102)	(110)
Net Cash from Financing	(28)	258	213	931	(71)	(77)	(82)	(89)	(95)	(102)	(110)
<i>Net Increase/(Decrease) in Cash</i>	445	(14)	88	87	87	88	87	87	87	88	88

Stormwater Activity

Funding Impact Statement for the years ending 30 June 2015 to 30 June 2025

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Sources of Operating Funding</i>											
General Rates, Uniform Annual General Charges, Rates Penalties											
Targeted Rates	4,466	4,108	4,940	5,981	6,103	6,853	7,988	7,775	8,899	9,227	9,590
Subsidies and Grants for Operating Purposes											
Fees and Charges	33	33	34	35	36	38	39	40	42	44	45
Internal Charges and Overheads Recovered											
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts											
Total Operating Funding	4,499	4,141	4,974	6,016	6,139	6,891	8,027	7,815	8,941	9,271	9,635
<i>Applications of Operating Funding</i>											
Payments to Staff and Suppliers	2,435	2,305	2,376	2,443	2,517	2,595	2,680	2,774	2,875	2,981	3,099
Finance Costs	72	71	89	117	167	161	156	149	143	136	128
Internal Charges and Overheads applied	328	391	401	411	423	435	447	462	477	493	511
Other Operating Funding Applications											
Total Applications of Operating Funding	2,835	2,767	2,866	2,971	3,107	3,191	3,283	3,385	3,495	3,610	3,738
<i>Surplus/(Deficit) of Operating Funding</i>	1,664	1,374	2,108	3,045	3,032	3,700	4,744	4,430	5,446	5,661	5,897

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Sources of Capital Funding											
Subsidies and Grants for Capital Expenditure											
Development and Financial Contributions	87	87	90	93	96	99	103	106	111	115	120
Increase (Decrease) in Debt	259	258	213	931	(71)	(77)	(82)	(89)	(95)	(102)	(110)
Gross Proceeds from the Sale of Assets											
Lump Sum Contributions											
Other Dedicated Capital Funding											
Total Sources of Capital Funding	346	345	303	1,024	25	22	21	17	16	13	10
Application of Capital Funding											
Capital Expenditure											
– to meet additional demand	55	47	58	322	14	14	72	75	79	82	85
– to improve the level of service	339	411	223	1,189	63	66	276	286	303	314	328
– to replace existing assets	867	1,275	2,043	2,471	2,893	3,555	4,330	3,999	4,993	5,191	5,407
Increase (Decrease) in Reserves											
Increase (Decrease) of Investments	749	(14)	87	87	87	87	87	87	87	87	87
Total Application of Capital Funding	2,010	1,719	2,411	4,069	3,057	3,722	4,765	4,447	5,462	5,674	5,907
Surplus/(Deficit) of Capital Funding	(1,664)	(1,374)	(2,108)	(3,045)	(3,032)	(3,700)	(4,744)	(4,430)	(5,446)	(5,661)	(5,897)
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

3 Waters Strategic Direction Statement – Vision, Strategic Issues and Key Strategic Priorities

Vision: A city that makes the most of its natural and built environment and which meets the needs of today's community, without jeopardising the ability of future generations to meet their needs.

Six Strategic Issues	Relevant Key Strategic Priorities
<ol style="list-style-type: none"> 1. Security of water supply (drought) 2. Leakage 3. Risk of critical infrastructure failure 4. Stormwater contamination 5. Foul sewer overflows and property flooding 6. Affordability 	<ul style="list-style-type: none"> • We will meet the water needs of the city for the next 50 years from existing water sources. • We will meet the water needs of the city for the next 50 years from existing water sources. • We will be able to adapt to a variety of future scenarios for climate change and fluctuations in population. • We will improve the quality of our discharges to minimise the impact on the environment. • We will improve the quality of our discharges to minimise the impact on the environment. • We will ensure that, as a minimum, key service levels are maintained into the future. • We will reduce our reliance on non-renewable energy sources and oil based products. • We will ensure that, as a minimum, key service levels are maintained into the future. • We will limit cost increases to current affordability where practical. • We will adopt an integrated approach to management of the three waters and embrace the concept of kaitiakitaka (guardianship).

Solid Waste

What service/activity does this group provide?

- Solid Waste

How does this group fit into our strategic framework?

This group contributes to the Safe and Healthy City’ outcome and will support the Environment Strategy.

The Waste Management and Minimisation Plan 2013, (WMMP13) underpins the service provided by this group.


The vision of the WMMP13: “Dunedin is a zero waste city where resources are valued by the community, enhancing the health of our environment, economy and people.”

Three goals were set to achieve this vision:

Goal 1: Build community capability and encourage proactive engagement

Goal 2: Improve the efficiency of resource use and minimise waste

Goal 3: Minimise the harmful effects of waste.

Main community outcome linkage	A safe and healthy city
	<p>Where Dunedin is a clean, green, crime-free city where people feel safe and enjoy a healthy lifestyle.</p> <ul style="list-style-type: none">• Dunedin is a clean city with high-quality solid waste and recycling infrastructure.

What do we do?

- Kerbside collection of refuse and recycling for most urban residents and some businesses.
- Disposal facilities for refuse and Resource Recovery Centres at Green Island, and Waikouaiti and a transfer station at Middlemarch for residents to drop off refuse, which is then transferred to Green Island Landfill.
- Public place recycling infrastructure and servicing is provided on the streets in the CBD and several rural locations in the district.
- Monitors the state of the Council’s open and four closed landfills in accordance with conditions of consents.
- Solid waste also delivers education programs promoting “rethinking, reducing, reusing and recycling”, cleaner production and sustainable business practice.

Why do we do this?

To provide effective collection, resource recovery and residual disposal in a way that protects public health, and minimises impact on the environment.

Impact on the interests of the community:

Activity/Service	Positive Effects	Significant Negative effects	Response to any significant negative effects
Solid Waste	<p>The solid waste activity contributes positively to the environmental interests of the community through refuse and recycling collection at the kerbside and public places, educating and promoting environmentally sustainable behaviour and managing landfill and transfer station facilities.</p> <p>More resources recovered from the waste stream can provide for employment of members of the local community in both the collection and processing of the material.</p>	<p>There are potential negative effects associated with the collection service and waste management facilities. These mostly affect the environmental interests of the community, but with nearby residential neighbours, social interests are affected also through odour and noise. In addition, future developments at Green Island landfill to comply with national standards, and the likely formation of a new landfill at Smooth Hill, will have significant costs associated, thus potentially affecting the economic well-being of the Dunedin community.</p> <p>Recoverable resources that end up in landfill are a loss of resource efficiency.</p>	Council's current and proposed future approach for management of the identified significant negative effects is in accordance with existing resource consents for this activity.

What we provide and how we measure it:

The Council's Solid Waste activity provides a collection, resource recovery and residual disposal service for domestic and some commercial residents in Dunedin. It also manages the Council's collection and recycle sorting contracts, two landfill facilities, one recover store and three recycling stations.

Performance Measure:	Data Source	Actual 2012/13	Actual 2013/14	Previous Target	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 – 2024/2025
Level of Service: Refuse collection and kerbside recycling meet customer expectations								
Number of complaints regarding missed collections	Collection contract data	New measure from 2015/16	New measure from 2015/16	New measure from 2015/16	<50	<50	<50	<50
Level of Service: Waste minimisation targets are met								
The quantity and quality of diverted material collected via the DCC's collection service for diverted material*	Internal Quarterly Reports	8,883 tonnes	(9,491 tonnes) 8,803 tonnes sold	Increase on the previous year quantity	>2% annual growth in diverted material sold	>2% annual growth in diverted material sold	>2% annual growth in diverted material sold	>2% annual growth in diverted material sold

*This measure is also a community outcome indicator for the Sustainable and Resilient City outcome.

The Council's Waste Management and Minimisation Plan (WM&MP) was reviewed in 2013. Revised performance indicators were established in relation to the goals and actions in the plan.

Changes to Service Levels

There are no proposed changes to service levels across the duration of the 10-year plan and service levels are unchanged from the 2014/15 Annual Plan.

Statement of variation against previously adopted Waste Management and Minimisation Plans

The Council had a statutory obligation under the Waste Minimisation Act 2008, Part 4 s43, to review the Council's Resource Recovery and Waste Management Strategy (RRWMS), and develop a Waste Management and Minimisation Plan, (WMMP). The review required a full waste assessment to be completed based on comprehensive data and information from all waste collectors.

The new Waste Management and Minimisation Plan was developed and adopted by the Council in September 2013 through a public consultation process.

Refuse continues to be collected in Council-approved user-pays black plastic bags on a weekly collection service.

The CBD recycling collection services are being developed at present through a pilot trial of neighbourhood drop off recycling facilities.

Business recycling collections are to be piloted using a back of house collection methodology via hosted sites.

Solid Waste Activity

Estimated Income Statement for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Revenue											
Rates											
General Funds	506	621	606	621	638	656	676	697	720	745	772
Kerbside Recycling Rate	2,688	2,796	2,866	2,939	3,020	3,106	3,197	3,299	3,407	3,525	3,652
External Operating Revenue	6,637	7,223	7,418	7,620	8,759	9,024	9,306	9,609	9,942	12,083	12,103
Total	9,831	10,640	10,890	11,180	12,416	12,786	13,179	13,605	14,069	16,353	16,527
Expenditure by Outputs											
Landfills	4,143	4,161	4,429	4,441	4,903	5,034	5,153	5,262	5,311	712	732
Recover Store										303	314
Waste Strategy	302	316	340	332	358	351	379	373	403	425	462
Recycling	2,607	2,715	2,778	2,837	2,914	2,987	3,065	3,150	3,239	3,569	3,682
Refuse/Litter Collection	1,954	2,027	2,051	2,099	2,162	2,222	2,287	2,358	2,434	2,692	2,789
Transfer Station										7,952	8,255
Total	9,006	9,219	9,598	9,709	10,337	10,594	10,884	11,143	11,387	15,653	16,234
Net Surplus/(Deficit)	825	1,421	1,292	1,471	2,080	2,192	2,295	2,462	2,682	700	293
Expenditure by Inputs											
Staff Costs	339	405	413	421	430	439	449	460	471	483	496
Operational Costs	7,734	7,994	8,357	8,552	9,161	9,404	9,699	9,990	10,214	14,692	15,240
Loan Interest	251	234	214	194	172	148	122	95	67	45	29
Depreciation	682	586	614	542	574	603	614	598	635	433	469
Total	9,006	9,219	9,598	9,709	10,337	10,594	10,884	11,143	11,387	15,653	16,234

Solid Waste Activity

Estimated Cashflows for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
<i>Cashflow from Operating Activities</i>											
Cash is provided from operating activities:											
Rates Received	3,194	3,417	3,472	3,560	3,658	3,762	3,873	3,997	4,127	4,270	4,424
Other Revenue	6,637	7,223	7,418	7,620	8,759	9,024	9,306	9,609	9,942	12,083	12,103
Cash was applied to:											
Suppliers and Employees	(7,972)	(8,299)	(8,670)	(8,873)	(9,490)	(9,743)	(10,048)	(10,350)	(10,685)	(15,175)	(15,736)
Interest Paid	(251)	(234)	(214)	(194)	(172)	(148)	(122)	(95)	(67)	(45)	(29)
Net Cash from Operating	1,608	2,107	2,006	2,113	2,755	2,895	3,009	3,161	3,317	1,133	762
<i>Cashflow from Investing Activities</i>											
Cash is provided from investing activities:											
Reduction in Investments	224										
Cash was applied to:											
Capital Expenditure	(552)	(605)	(1,047)	(746)	(974)	(769)	(882)	(779)	(843)	(832)	(425)
Increase in Investments	(200)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)		
Net Cash from Investing	(528)	(705)	(1,147)	(846)	(1,074)	(869)	(982)	(879)	(943)	(832)	(425)
<i>Cashflow from Financing Activities</i>											
Cash is provided from financing activities:											
Loan Raised											
Cash was applied to:											
Loan Repayment	(236)	(253)	(272)	(293)	(315)	(339)	(364)	(380)	(396)	(208)	(224)
Net Cash from Financing	(236)	(253)	(272)	(293)	(315)	(339)	(364)	(380)	(396)	(208)	(224)
<i>Net Increase/(Decrease) in Cash</i>	844	1,149	587	974	1,366	1,687	1,663	1,902	1,978	93	113

Solid Waste Activity

Funding Impact Statement for the years ending 30 June 2015 to 30 June 2025

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Sources of Operating Funding</i>											
General Rates, Uniform Annual General Charges, Rates Penalties	506	621	606	621	638	656	676	697	720	745	772
Targeted Rates	2,688	2,796	2,866	2,939	3,020	3,106	3,197	3,299	3,407	3,525	3,652
Subsidies and Grants for Operating Purposes											
Fees and Charges	6,637	6,075	6,833	6,647	7,394	7,337	7,645	7,708	7,963	11,989	11,992
Internal Charges and Overheads Recovered	901	745	763	783	804	827	851	879	907	167	173
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts											
Total Operating Funding	10,732	10,237	11,068	10,990	11,856	11,926	12,369	12,583	12,997	16,426	16,589
<i>Applications of Operating Funding</i>											
Payments to Staff and Suppliers	8,820	8,922	9,308	9,528	10,163	10,435	10,760	11,085	11,444	15,189	15,750
Finance Costs	251	234	214	194	172	148	122	95	67	45	29
Internal Charges and Overheads applied	53	122	125	128	131	135	139	144	148	153	159
Other Operating Funding Applications											
Total Applications of Operating Funding	9,124	9,278	9,647	9,850	10,466	10,718	11,021	11,324	11,659	15,387	15,938
<i>Surplus/(Deficit) of Operating Funding</i>	1,608	959	1,421	1,140	1,390	1,209	1,348	1,259	1,338	1,039	651

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Sources of Capital Funding											
Subsidies and Grants for Capital Expenditure											
Development and Financial Contributions											
Increase (Decrease) in Debt	(236)	(253)	(272)	(293)	(315)	(339)	(364)	(380)	(396)	(208)	(224)
Gross Proceeds from the Sale of Assets											
Lump Sum Contributions											
Other Dedicated Capital Funding											
Total Sources of Capital Funding	(236)	(253)	(272)	(293)	(315)	(339)	(364)	(380)	(396)	(208)	(224)
Application of Capital Funding											
Capital Expenditure											
– to meet additional demand											
– to improve the level of service	443	417	713	378	622	380	510	365	446	391	0
– to replace existing assets	109	188	335	368	352	389	373	413	396	440	426
Increase (Decrease) in Reserves											
Increase (Decrease) of Investments	820	101	101	101	101	101	101	101	100		1
Total Application of Capital Funding	1,372	706	1,149	847	1,075	870	984	879	942	831	427
Surplus/(Deficit) of Capital Funding	(1,608)	(959)	(1,421)	(1,140)	(1,390)	(1,209)	(1,348)	(1,259)	(1,338)	(1,039)	(651)
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

City Planning and Regulatory Services

What service/activity does this group provide?




- City Development
- Resource Consents
- Regulatory – Alcohol Services
- Regulatory – Animal Services
- Regulatory – Building Services
- Regulatory – Environmental Health

How does this group fit into our strategic framework?

This group contributes to three community outcomes and supports the city's spatial plan – Dunedin Towards 2050, which sets the strategic direction for Dunedin's growth and development for the next 30 plus years.

Spatial PlanVision: Dunedin is one of the world's great small cities

Six principles for the Council's role in managing urban development	Six Key Strategic Directions	Objectives
<ul style="list-style-type: none"> • Demonstrate leadership and good governance through collaboration and engagement. • Commitment to Te Tiriti o Waitangi /Treaty of Waitangi principles. • Champion good urban design. • Ensure integration and coordination. • Ensure outcomes are equitable. • Show leadership in the global challenges that face the city. 	A liveable city	<ul style="list-style-type: none"> • A healthy and safe environment; quality air and water; a connected community; recreation, leisure and learning, opportunities; healthcare, and warm housing.
	An environmentally sustainable and resilient city	<ul style="list-style-type: none"> • Resilient ecosystems and communities; actively responding to climate change; reducing dependence on non-renewable resources; seismic-strengthened heritage buildings.
	A memorable and distinctive city	<ul style="list-style-type: none"> • Protecting significant landscapes; quality architecture and urban design; memorable and engaging public art; celebrating Tangata Whenua and European heritage; actively re-using built heritage.
	A city that enables a prosperous and diverse economy	<ul style="list-style-type: none"> • Maintaining and growing our rural economy, industrial base and world class communications; attracting and retaining internationally-focused people; supporting and benefiting from the tertiary education sector.
	An accessible and connected city	<ul style="list-style-type: none"> • An urban form that supports accessibility from a range of modes and sustainable transport choices; a safe and efficient road network; affordable and convenient public transport; it is safe and pleasant to walk and cycle.
	A vibrant and exciting city	<ul style="list-style-type: none"> • A successful arts and culture scene, vibrant central city and local centres.

Main community outcome linkages	Outcome Vision and Priorities	We measure our progress against this outcome by monitoring
<p>A Distinctive Built Environment</p> 	<p>Dunedin is a compact city with a vibrant centre for people to work, live and play; complemented by thriving suburban and rural centres.</p> <ul style="list-style-type: none"> Dunedin is enhanced through quality architectural, urban and landscape design. Dunedin's built heritage is valued and heritage buildings are in active re-use. Dunedin's central city area is the vibrant focal point for urban life, supported by a hierarchy of successful suburban and rural centres. <p>Development respects the unique character of Dunedin as a compact harbour city enclosed by hills.</p>	<ul style="list-style-type: none"> Number of properties and structures protected under District Plan that are demolished.
<p>A Valued and Protected Natural Environment</p> 	<p>Dunedin is recognised as a place with outstanding natural environments and significant biodiversity. Our distinctive rural and coastal landscapes are sustainably managed and protected.</p> <ul style="list-style-type: none"> Our rural and coastal landscapes are protected and maintained. Dunedin's wildlife and natural habitats (flora and fauna) are respected and enhanced. Dunedin's people value the natural environment and are the custodians of a regenerative and flourishing natural environment. <p>We lead by example in environmental practices and promote awareness of impacts of human activity on our local environment.</p>	<ul style="list-style-type: none"> Total area of indigenous habitat in Dunedin protected by the District Plan, DCC reserve land and land held under QEII covenants and other statute-based protective mechanisms.
<p>A Safe and Healthy City</p> 	<p>Dunedin is a clean, green, crime-free city where people feel safe and enjoy a healthy lifestyle.</p> <ul style="list-style-type: none"> Dunedin is a place where people are safe in their homes, work and public spaces. 	

What do we do?

The Council works with other agencies to set the direction for managing Dunedin's built and natural environment. The Council has a regulatory role related to building and resource management, animal control, environmental health and alcohol licensing.

City Planning (City Development and Resource Consents) is responsible for promoting the sustainable management of the natural and physical resources through its administration of the functions of the Council under the Resource Management Act 1991 (RMA). This includes:

- Developing, reviewing, and administering the District Plan and related policies (fully operative 3 July 2006, with a revised second generation plan to be publicly consulted on in late 2015)
- processing applications for resource consents under the District Plan
- providing planning assistance in relation to the Building Act 2004 and Hazardous Substances and New Organisms Act 1996
- providing planning, heritage, biodiversity, landscape architecture, and urban design advice to other parts of the Council
- providing planning, heritage, biodiversity, landscape architecture, and urban design advice and planning information to the Dunedin community and responding to complaints
- developing, reviewing and administering policies related to spatial planning, heritage, biodiversity and urban design.

Regulatory Services contributes directly to the Safe and Healthy City outcome and enhances personal safety in relation to building services, animal services, health licensing, and the sale and supply of alcohol.

- Alcohol licensing monitors and enforces the Sale and Supply of Alcohol Act 2012 in licensed premises and manages the District Licensing Committee for Dunedin City
- Animal Services provides monitoring services to enforce standards of public safety with the control of dogs
- Building Services provides building consent plan approval and inspection services to monitor and enforce standards of public health and safety for the building work. The Dunedin City Council is an accredited Building Consent Authority under the Building Act 2004.
- Health Licensing provides licensing and inspection services to monitor and enforce standards of public health for food premises, mobile traders, hairdressing salons, camping grounds, beauticians, tattooists and skin piercing, and hazardous substances in public places and private dwellings.

The Council is legally required to provide and manage these services.

Why do we do this?

- To promote and maintain the distinctive look and feel of Dunedin City by the provision of quality plans; the delivery of urban design and landscape planning services; and the monitoring of the effectiveness of the District Plan.
- To implement the rules of the District Plan by providing the public with quality advice, processing resource consents efficiently and monitoring consent conditions.
- To protect the public by monitoring and enforcing standards of public safety.

Impact on the interests of the community:

Activity/Service	Positive Effects	Significant Negative effects	Response to any significant negative effects
City Development Resource Consents	These activities contribute positively to the environmental interests of the community by fulfilling the Council's statutory functions and obligations under the Resource Management Act 1991 (RMA),	<p>These activities don't have any significant negative effects on the local community.</p> <p>However, District Plan policies and rules, their administration via resource consent decisions can have negative effects on the interests of people within the community.</p> <p>These effects include changes to the economic returns that can be made from development, the cost of development (including due to effects on the timing of development), and costs due to significant fee increases.</p> <p>Other negative effects can arise if activities within City Planning are not designed or implemented appropriately. For example, city improvement projects.</p>	<p>None of the effects listed are considered to be significant enough to warrant management in terms of the LTP.</p> <p>If these policies and rules and their administration is done effectively and appropriately, the effects should maximise the potential benefits to the community as a whole, which may require some negative effects on individuals' interests.</p>
Regulatory Services	These activities contribute positively to the social and environmental interests of the community by ensuring the safety of the community.	Because the Building Services unit is not able to control the incoming work load sometimes it is not able to issue consents within the statutory time frames. This can have a negative effect on businesses and rate payers.	The short fall in processing capacity is compensated for by contracting other Building Consent Authorities to assist with the work.

What we provide and how we measure it:

The **City Development** team provides strategic direction for sustainable future development options for the main Dunedin urban area and outlying settlements and townships, and ensures the city has enough land for housing. It also creates business opportunities by fostering and enhancing a vibrant CBD and tertiary precinct. Key activities include: developing and reviewing the District Plan and related strategic spatial planning policies; providing incentives for built heritage restoration and active re-use; leading place based urban revitalization projects, and designing and implementing amenity improvements; contributing to policy development, strategic planning and projects. City Development also supports and provides incentives for biodiversity protection and enhancement.

The **Resource Consent** team undertakes a range of work, including providing RMA planning and Hazardous Substances and New Organism Act advice, processing resource consent applications, monitoring, and compliance work

The **Regulatory Services** teams provide:

- monitoring services to enforce standards of public safety with the control of dogs
- building services that meet customer needs and statutory requirements
- protection for the public by monitoring and enforcing standards of public health
- services to reduce alcohol-related harm by monitoring and enforcing standards within licensed premises, and to provide Alcohol Licensing Committee services for Dunedin City.

Performance Measure:	Data Source	Actual 2012/13	Actual 2013/14	Previous Target	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 – 2024/2025
Level of Service: Residents are satisfied with the look and feel of the city								
Percentage of residents satisfied with the overall look and feel of the city	ROS	72%	75%	≥75%	≥75%	≥75%	≥75%	≥75%
Level of Service: Resource consent customer information needs are met								
Percentage of customer requests for advice at the front counter fulfilled	External Counter Survey	100%	100%	≥90%	≥90%	≥90%	≥90%	≥90%
Level of Service: Resource consents are processed efficiently and meet statutory timeframes								
Percentage of resource consents processed within statutory timeframes	Quarterly Internal Report	99%	100%	100%	100%	100%	100%	100%
Level of Service: Legislative standards and bylaws are enforced to protect the public								
Percentage of residents satisfied with the control of roaming dogs 1	ROS	Measured revised to measure satisfaction 2015/16	Measured revised to measure satisfaction 2015/16	Measured revised to measure satisfaction 2015/16	≥90%	≥90%	≥90%	≥90%
Percentage of “A” graded food premises	DCC internal reporting	New Measure from 2015/16	New Measure from 2015/16	New Measure from 2015/16	≥65%	≥65%	≥65%	≥65%

Performance Measure:	Data Source	Actual 2012/13	Actual 2013/14	Previous Target	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 – 2024/2025
Level of Service: Monitoring of legislative standards and bylaws is undertaken to protect the public								
Percentage of registered health premises inspected annually	DCC Internal Reporting	100%	100%	100%	100%	100%	100%	100%
Number of alcohol licensing monitoring visits completed each quarter	DCC Internal Reporting	New measure from 2015/16	New measure from 2015/16	New measure from 2015/16	≥50 per quarter	≥50 per quarter	≥50 per quarter	≥50 per quarter
Level of Service: Statutory timeframes for processing of building consent applications and certifications are met								
Percentage of building consent applications processed in accordance with statutory timeframes	Internal Processing Analysis	98%	58%	100%	100%	100%	100%	100%
Percentage of Code Compliance Certificates issued in accordance with statutory timeframes	Internal Processing Analysis	100%	100%	100%	100%	100%	100%	100%

Changes to Service Levels

There are no proposed changes to service levels across the duration of the 10-year plan and service levels are unchanged from the 2014/15 Annual Plan.

Central City Plan

A Dunedin Central City Plan has been designed to guide development of the central city area for the next 10-15 years. It establishes a vision for the central city area and an integrated series of initiatives and changes designed to work towards the vision. The vision is aspirational and aimed to support the city's goal of becoming "one of the world's great small cities". It aims to create a central city space that is vibrant and compelling, safe and accessible, environmentally sustainable and a hub for the community and economic activity. The Plan also aims to assist in the creation of a compelling and memorable city centre.

This plan was adopted by the Council in May 2015 and is supported by funding decisions consulted on in the draft LTP consultation document to accelerate the funding and timing of city amenity, roading and footpath, water and waste works to facilitate the upgrade of the central city.

Central City Upgrade

It has been 20 years since the central city had any major amenity work undertaken and many of the area's roads, footpaths and underground services are reaching the end of their lives. Upgrading these facilities and services also presents an opportunity to address road safety problems for pedestrians, cyclists and motorists in the central city. The Council's city development, transportation and water and waste services will coordinate their work on the project to provide the upgrade as efficiently as possible.

The upgrade will cover a large proportion of the central city area including upgrading the Octagon and George Street, to reinforce the latter's role as Dunedin's main retail precinct.

Work is also planned to refurbish the Exchange and Princes Street areas, along with the Warehouse precinct and Queens Gardens. The overall project will include a range of upgrades from new paving, street furniture, lighting and public art, to improved pedestrian access and safety improvements.

Two options were put out for public consultation and Council consideration. Under the option endorsed by the Council paver renewal work will be completed on an accelerated timeline between 2018/19 and 2020/21, rather than being finished as late as 2024/25.

The Council has set aside \$37.3 million in total for the upgrade which will take place between 2015/16 and 2023/24. Funding will come from a mixture of existing city development, transportation and water and waste services budgets, rates and borrowing, along with funding from external agencies such as the NZ Transport Agency.

City Safety

The Ministry of Justice advised that the Crime Prevention and Community Safety Grant will end on 30 June 2015. The Council's role in the Community Crime Prevention Partnership Programme, including the activities of the City Safety Officers (CSOs), was funded by the Grant. However, the Government would not be renewing the grants programme.

The City Safety programme operated in collaboration with the Dunedin Police with a goal of increasing the level and perception of safety in the city centre and reducing alcohol-related violence and disorder. A key aspect of the programme was the use of CSOs. Crime trends and survey results indicate that the programme was having a positive effect.

The council approved \$40,000 annual funding to be included in the LTP for the continuation of City Safety Initiatives and in particular the CSO patrols.

Planning and Regulatory Group Activity

Estimated Income Statement for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Revenue											
Rates											
General Funds	7,889	7,817	8,076	8,382	8,557	8,972	9,335	9,621	9,899	10,178	10,217
Heritage Earthquake Strengthening Rate	0	66	132	197	263	329	395	461	526	592	592
Private Drainage Warrington Rate	1	1	1	1	1	1	1	1	1	1	1
External Operating Revenue	6,980	7,241	7,340	7,526	7,732	7,953	8,187	8,449	8,725	9,028	9,352
Total	14,870	15,125	15,549	16,106	16,553	17,255	17,918	18,532	19,151	19,799	20,162
Expenditure by Outputs											
City Development	1,792	1,876	1,913	1,951	1,990	2,029	2,066	2,107	2,155	2,210	2,272
Second Generation District Plan	354	217	309	320	326	332	282	287	294	302	310
Amenity Improvement	349	345	378	418	492	615	744	870	912	921	904
Heritage Support	448	481	490	500	404	411	419	427	437	448	461
Biodiversity Support	66	66	67	68	69	71	72	74	75	77	79
Earthquake Strengthening	23	52	80	108	139	167	193	217	238	257	264
Resource Consents	2,709	2,726	2,783	2,844	2,910	2,982	3,056	3,138	3,226	3,320	3,421
Regulatory Services	9,035	9,188	9,272	9,515	9,704	9,979	10,201	10,517	10,780	11,141	11,448
Total	14,776	14,951	15,292	15,724	16,034	16,586	17,033	17,637	18,117	18,675	19,159
Net Surplus/(Deficit)	94	174	257	382	519	669	885	895	1,034	1,124	1,003
Expenditure by Inputs											
Staff Costs	7,620	7,883	7,951	8,110	8,276	8,457	8,645	8,849	9,068	9,301	9,550
Operational Costs	6,889	6,770	6,992	7,207	7,280	7,535	7,678	7,975	8,214	8,554	8,830
Loan Interest	264	291	343	398	473	589	704	808	829	813	772
Depreciation	3	7	6	9	5	6	6	5	6	7	7
Total	14,776	14,951	15,292	15,724	16,034	16,586	17,033	17,637	18,117	18,675	19,159

Planning and Regulatory Group Activity

Estimated Cashflows for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
<i>Cashflow from Operating Activities</i>											
Cash is provided from operating activities:											
Rates Received	7,890	7,884	8,209	8,581	8,822	9,302	9,731	10,083	10,426	10,772	10,811
Other Revenue	6,902	7,158	7,255	7,439	7,643	7,861	8,093	8,351	8,624	8,923	9,244
Fuel Tax, Infringement Fees and Fines	78	83	85	87	90	92	95	98	101	105	108
Cash was applied to:											
Suppliers and Employees	(14,510)	(14,652)	(14,943)	(15,316)	(15,556)	(15,992)	(16,323)	(16,823)	(17,282)	(17,856)	(18,381)
Interest Paid	(264)	(291)	(343)	(398)	(473)	(589)	(704)	(808)	(829)	(813)	(772)
Net Cash from Operating	96	182	263	393	526	674	892	901	1,040	1,131	1,010
<i>Cashflow from Investing Activities</i>											
Cash is provided from investing activities:											
Cash was applied to:											
Capital Expenditure	(25)	(500)	(615)	(825)	(1,755)	(1,805)	(2,287)	(1,180)	(1,219)	(1,009)	(46)
Increase in Loans and Advances	(427)	(450)	(450)	(450)	(450)	(450)	(450)	(450)	(450)	(450)	(450)
Net Cash from Investing	(452)	(950)	(1,065)	(1,275)	(2,205)	(2,255)	(2,737)	(1,630)	(1,669)	(1,459)	(496)
<i>Cashflow from Financing Activities</i>											
Cash is provided from financing activities:											
Loan Raised	450	950	1,050	1,200	2,075	2,075	2,450	1,200	800	450	450
Cash was applied to:											
Loan Repayment	(154)	(181)	(246)	(316)	(395)	(494)	(603)	(720)	(821)	(921)	(963)
Net Cash from Financing	296	769	804	884	1,680	1,581	1,847	480	(21)	(471)	(513)
<i>Net Increase/(Decrease) in Cash</i>	(60)	(1)	2	2	1	0	2	(249)	(650)	(799)	1

Planning and Regulatory Group Activity

Funding Impact Statement for the years ending 30 June 2015 to 30 June 2025

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Sources of Operating Funding</i>											
General Rates, Uniform Annual General Charges, Rates Penalties	8,876	7,817	8,076	8,382	8,557	8,972	9,335	9,621	9,899	10,178	10,217
Targeted Rates	291	67	133	199	265	330	396	462	528	594	594
Subsidies and Grants for Operating Purposes											
Fees and Charges	6,480	7,158	7,255	7,439	7,643	7,861	8,093	8,351	8,624	8,923	9,244
Internal Charges and Overheads Recovered											
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	500	83	85	87	90	92	95	98	101	105	108
Total Operating Funding	16,147	15,125	15,549	16,107	16,555	17,255	17,919	18,532	19,152	19,800	20,163
<i>Applications of Operating Funding</i>											
Payments to Staff and Suppliers	11,434	14,018	14,293	14,650	14,871	15,287	15,598	16,075	16,509	17,056	17,553
Finance Costs	395	291	343	398	473	589	704	808	829	813	772
Internal Charges and Overheads applied	4,064	634	650	666	685	704	725	748	773	800	828
Other Operating Funding Applications											
Total Applications of Operating Funding	15,893	14,943	15,286	15,714	16,029	16,580	17,027	17,631	18,111	18,669	19,153
<i>Surplus/(Deficit) of Operating Funding</i>	254	182	263	393	526	675	892	901	1,041	1,131	1,010

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Sources of Capital Funding											
Subsidies and Grants for Capital Expenditure											
Development and Financial Contributions											
Increase (Decrease) in Debt	1,149	769	804	884	1,680	1,581	1,847	480	(21)	(471)	(513)
Gross Proceeds from the Sale of Assets											
Lump Sum Contributions											
Other Dedicated Capital Funding											
Total Sources of Capital Funding	1,149	769	804	884	1,680	1,581	1,847	480	(21)	(471)	(513)
Application of Capital Funding											
Capital Expenditure											
– to meet additional demand											
– to improve the level of service	48	501	616	789	1,755	1,805	2,288	1,180	1,219	1,009	0
– to replace existing assets				37							46
Increase (Decrease) in Reserves	(25)										
Increase (Decrease) of Investments	1,380	450	451	451	451	451	451	201	(199)	(349)	451
Total Application of Capital Funding	1,403	951	1,067	1,277	2,206	2,256	2,739	1,381	1,020	660	497
Surplus/(Deficit) of Capital Funding	(254)	(182)	(263)	(393)	(526)	(675)	(892)	(901)	(1,041)	(1,131)	(1,010)
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

Community Development and Support

What service/activity does this group provide?

- Cemeteries and Crematorium
- Events and Community Development
- Housing
- Operation Property Portfolio
- Miscellaneous Property Portfolio
- Civil Defence
- Civic Leadership and Administration
- Warm Dunedin Targeted Rate

How does this group fit into our strategic framework?


This group contributes to the Supportive Community outcome and supports Dunedin’s Social Wellbeing Strategy 2013-2023 and the recently adopted Ara Toi Ōtepoti – Our Creative Future Dunedin Arts and Culture strategy.

Social Wellbeing Strategy Vision: Dunedin is one of the world’s great small cities, with a safe low-carbon transport system that supports a compact city with resilient centres, inclusive and healthy communities, and national and international connectivity.

Five Strategic Directions	Priorities	Three Implementation Pathways
Connected people	<ul style="list-style-type: none">• Dunedin people feel included in their local communities and the wider city• Dunedin people are connected to the places they need to go by safe, affordable, and user-friendly transport options• Dunedin people participate in community and city-wide affairs• Dunedin people have access to lifelong learning opportunities	Manaakitanga
Vibrant and cohesive communities	<ul style="list-style-type: none">• Dunedin is comprised of strong, vibrant neighbourhoods and communities• Dunedin celebrates its identity and cultural diversity• Dunedin communities are resilient and have good access to information and resources	
Healthy and Safer People	<ul style="list-style-type: none">• All people have good access to health services• There are high levels of participation in recreation and leisure activities• People are safe and feel safe in their homes, neighbourhoods and public places	
Five Strategic Directions	Priorities	
A reasonable standard of living for all	<ul style="list-style-type: none">• A range of employment opportunities for all• Dunedin people can afford to exercise genuine choices• Dunedin people have a great work/life balance	Stronger Communities
Affordable and healthy homes	<ul style="list-style-type: none">• Dunedin people live in warm and healthy homes• Affordable housing options are available to all	
		Better Homes

Arts and Culture Strategy Vision: Dunedin is one of the world's great small cities with arts and culture at its core

Four Strategic Themes	Goals
Identity Pride	<p>Stand up, Stand Out – Be confident in Dunedin's distinct culture and creative thinking</p> <p>Kāi Tahu Taonga – Treasure the place of Kāi Tahu in the arts and culture landscape and invest for the future</p> <p>Creative Creature – Embed a creative perspective in all Dunedin's decision-making and action</p> <p>Spaces to Skite About – Foster a creative physical environment, chock full of exciting public art, festivals and events</p>
Access and Inclusion	<p>Open Access – Invest in providing arts and culture so everyone can participate, giving people opportunities to dream while boosting wellbeing and success</p> <p>Hunger for the Edge – Take risks and bravely champion artistic experimentation that pushes boundaries</p> <p>For the Love of It – Value the desire to make and create for its own sake, and support diverse expression</p>
Inspired Connections	<p>Networked Winner – Capitalise on the city's connected creative communities</p> <p>Ambitious Partner – Facilitate public, private and creative sector partnerships to conceive and deliver magnificent projects here and internationally</p> <p>Studio Innovator – Embed multi-disciplinary approaches to generate fresh thinking, creative solutions and imaginative outcomes</p>
Creative Economy	<p>Growth Driver – Leverage arts and culture as a key driver of local and regional economic development</p> <p>Promote and Profile – Use the city's creative excellence to build dynamic and productive relationships nationally and around the world</p> <p>Talent Incubator – Be a city where great creative people train, work, set up businesses and have fantastic careers</p> <p>World Class Player – Ensure the best arts and culture from around the world is available on our doorstep</p>

Main community outcome linkage	A Supportive Community	We measure our progress against this outcome by monitoring
	<p>Where Dunedin's citizens feel included and connected with their wider community and enjoy a good quality of life.</p> <ul style="list-style-type: none"> • A city that supports strong and connected neighbourhoods and communities. • People have a sense of belonging and actively contribute to the wider community and volunteering is encouraged. • People are empowered to participate in decision-making and have open access to information. • Dunedin communities are inclusive of all people, and our relationship with Kai Tahu is strong. • People enjoy a standard of living to enable them to have a positive quality of life and exercise genuine choices. 	<ul style="list-style-type: none"> • Residents' sense of community within their local community. • Residents' perception that Dunedin recognises and supports cultural diversity.

What do we do?

- The Cemeteries and Crematorium activity provides burials, cremations, chapel hire, book of remembrance, genealogical information and attractive memorial parks.
- The Events and Community Development activity provides advice and support to existing community and service providers. It also provides a low level of direct community support such as the administration of grants.
- City Property owns and manages a portfolio of rental housing and complexes. This activity provides elderly and low-income people with more quality accommodation options and is managed on a break-even basis.
- City Property manages the operational property assets utilised by the Council in providing services to the community.
- City Property manages a number of properties which are of historic value to the community.
- The Civic Leadership and Administration activity supports the democratic local decision-making and action by, and on behalf of, Dunedin communities.
- The Civil Defence activity works with a wide range of organisations and communities to understand and minimise the consequences of hazards and to plan and prepare for response to and recovery from emergency events. This activity also has a strong link to the sustainable and resilient city outcome.

Why do we do this?

- To provide an affordable, sensitive burial and crematorium service in attractive memorial parks that recognise the social and cultural heritage of the city.
- To enable a strong sense of community and social inclusion through the provision of advice and support to community groups and social agencies.
- To provide for qualifying elderly low-income citizens, affordable, good quality housing, where rental values will not exceed operating expense.
- To effectively manage a diverse group of properties which are owned by the Council, some of which the community considers valuable to the historic nature of Dunedin's environment.
- To provide appropriate property assets to enable the Council to function effectively and efficiently.

- To manage an effective democratic process that is transparent and encourages participation and provides opportunities for engagement with elected members.
- To minimise and manage risks to the community from a wide range of hazards, and to facilitate an effective and co-ordinated response to emergency events.

Impact on the interests of the community:

Activity/Service	Positive Effects	Significant Negative effects	Response to any significant negative effects
Cemeteries and Crematorium	This activity contributes positively to the environmental and social interests of the community by providing an efficient and sympathetic burial and cremation service along with cemeteries maintained to a high level of presentation.	The products of combustion from operation of the cremator.	Management through compliance with all the conditions of consent as set out in the Discharge Permit – Consent No. 99667. This activity also guarantees that this is further mitigated by using trained staff ensuring that the equipment and plant are maintained at optimum levels at all times, and that new technology is employed to reduce and minimise any effects.
Events and Community Development	This activity provides advice, assistance and support to the community and the Council on social, arts, events and community issues. This provides positive benefit for the social, economic, environmental and cultural interests of the city.	This activity does not have any significant negative effects on the local community.	
Housing	This activity contributes positively to the social interests of the community by providing a financially self- sustaining housing option for elderly people and people on low incomes at no cost to the ratepayer.	This activity does not have any significant negative effects on the local community.	
Operational Property Portfolio	This activity contributes to the well-being of the community by leading and supporting buildings utilised for service delivery by the Councils activities.	This activity does not have any significant negative effects on the local community.	
Miscellaneous Property Portfolio	This activity contributes to the well-being of the community by maintaining and leasing a portfolio of buildings that are of value to the community socially, culturally or economically.	This activity does not have any significant negative effects on the local community.	

Activity/Service	Positive Effects	Significant Negative effects	Response to any significant negative effects
Civil Defence	This activity contributes to the social and environmental interests of the community by carrying out the Council's role as a member of the Otago Civil Defence Emergency Management Group.	This activity does not have any significant negative effects on the local community.	
Civic Leadership and Administration	This activity contributes to the social interests of community by supporting the democratic process through administration of local body elections and administrative support of the Council's committee and council meetings.	This activity does not have any significant negative effects on the local community.	

What we provide and how we measure it:

The **Cemeteries and Crematorium Services** manage a total of 20 cemeteries (15 metropolitan cemeteries and five rural cemeteries) and a crematorium and chapel to provide facilities, burial and cremation services to Dunedin residents. This includes the management of seven cemeteries that are closed to further burials.

The **Events and Community Development** team helps to ensure the people of Dunedin city have access to a broad range of community support functions and advice.

The **Housing** activity supports people 55 years and older, and qualifying low-income people, through the provision of well maintained, affordable housing at no cost to the ratepayer. The Council manages 954 housing units.

The **Operational Property Portfolio** manages property investments and related land that are required for service administration and delivery purposes by the Council. This includes the Civic Centre buildings; Dunedin Town Hall; Dunedin Centre; 'YMCA' Building (Civil Defence); Community Halls (20); Council Service Centres and Libraries in Dunedin, Mosgiel, Blueskin Bay (Waitati), Port Chalmers and Waikouaiti; Toitū Otago Settlers Museum; Dunedin Public Art Gallery; Dunedin Chinese Garden; and city-wide public toilets.

The **Miscellaneous Property Portfolio** manages a group of property investments that are required for a wide range of community arts, culture, sport and other heritage service purposes by the Dunedin City Council. These include the Fortune Theatre, Regent Theatre, Edgar Centre and Lion Arena, High Performance Sports Centre, Dunedin Railway Station and Precinct, Sargood Centre and Logan Park Tennis Centre, Ice Sports Stadium, Dunedin Gasworks Museum and others.

The **Civic Leadership and Administration** activity supports the democratic process for the Council. It assists community engagement in the political process by the provision of public forums and hearings. Civic Leadership also provides analytical and administrative services to support the elected members in carrying out their powers, duties and functions; analytical, legal and administrative services to support officers in carrying out their duties when liaising with councillors and community board members; liaison and support for the Council with the Office of the Auditor General and the Remuneration Authority, and liaison between the Council, Council Committees and subcommittees and Corporate Leadership Team.

The **Civil Defence** activity allows the Council to meet its responsibilities under the Civil Defence Emergency Management Act 2002 to plan and provide for civil defence emergency management within its district, which includes risk reduction and readiness for, response to and recovery from emergency events. The Council is a member of the Otago Civil Defence Emergency Management Group, which has the role of promoting co-ordinated and co-operative civil defence emergency management between its members.

Performance Measure:	Data Source	Actual 2012/13	Actual 2013/14	Previous Target	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 – 2024/2025
Level of Service: Cemetery and Crematorium services meet the needs of funeral directors and the bereaved								
Percentage of users satisfied with the range of services provided at, and the presentation of, Dunedin cemeteries managed by the DCC.	ROS	New measure from 2015/16	New measure from 2015/16	New measure from 2015/16	≥80%	≥80%	≥80%	≥80%
Level of Service: Advice and support is provided to the community and key stakeholders								
Percentage of customers satisfied with advice, support, and assistance provided by Community Development.	Annual Survey	95%	92%	≥95%	≥95%	≥95%	≥95%	≥95%
Level of Service: Grants funding and contract support is appropriately administered and monitored								
Percentage of service level/ grant funded groups that meet funding contract accountability requirements.	Internal Reporting	97%	100%	≥95%	≥95%	≥95%	≥95%	≥95%
Level of Service: Council funded events meet the needs of residents								
Percentage of residents satisfied with city festivals and events.	ROS	67%	66%	≥75%	≥70%	≥70%	≥70%	≥70%
Level of Service: The housing by the Council provided meets the needs of tenants								
Percentage of tenants satisfied with the Council's rental housing.	Tenant Survey	93%	96%	≥95%	≥95%	≥95%	≥95%	≥95%
Percentage occupancy of rental housing.	Annual Review	96%	95%	≥94%	≥94%	≥94%	≥94%	≥94%

Performance Measure:	Data Source	Actual 2012/13	Actual 2013/14	Previous Target	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 – 2024/2025
Level of Service: Housing rental values will not exceed operating expenses								
Housing revenue equals housing expenses.	DCC Monthly financial reporting	Revenue + 2.9% (favourable) Expenditure: +11.6% (favourable)	Revenue +0.6% (favourable) Expenditure +2.7% (favourable)	+/- 5%	100% (tolerance of +/- 5%)	100%	100%	100%
Level of Service: Properties in the City Property Miscellaneous Portfolio are appropriately managed								
Percentage of Miscellaneous property portfolio assets maintained and developed to the City Property quality standard.	Quarterly analysis of non-compliance exceptions	85%	90%	≥85%	≥85%	≥85%	≥85%	≥85%
Level of Service: Property assets utilised by Council services are appropriate								
Percentage of operational property portfolio that fits the purpose and meets the needs of services.	Internal Property Records	New measure from 2015/16	New measure from 2015/16	New measure from 2015/16	≥85%	≥85%	≥85%	≥85%
Level of Service: The information required to participate in the democratic process is appropriately available								
Percentage of non-public material that is assessed for proactive release to the public during each Council Committee meeting round.	Internal Assessment of Committee	New measure from 2015/16	New measure from 2015/16	New measure from 2015/16	100%	100%	100%	100%
Percentage LGOIMA official information requests that are responded to within 20 working days	Internal Analysis of LGOIMA processing	New measure from 2015/16	New measure from 2015/16	100%	100%	100%	100%	100%

*Documents that can be made public will be released before the concluding Council meeting in each meeting round.

Performance Measure:	Data Source	Actual 2012/13	Actual 2013/14	Previous Target	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 – 2024/2025
Level of Service: Dunedin City Council is prepared to respond to emergency situations with an operative Civil Defence Plan in place at all times								
Status of Civil Defence Plan	Internal status Review	Operative	Achieved	Plan is operative at all times	Plan is operative at all times	Plan is operative at all times	Plan is operative at all times	Plan is operative at all times
The Civil Defence Emergency Management Plan is reviewed annually	Council Meeting Minutes	New Measure 2015/16	New Measure 2015/16	New Measure 2015/16	Reviewed plan adopted by the Council each year	Reviewed plan adopted by the Council each year	Reviewed plan adopted by the Council each year	Reviewed plan adopted by the Council each year

Changes to Service Levels

There are no proposed changes to service levels across the duration of the 10-year plan and service levels are unchanged from the 2014/15 Annual Plan.

Housing Fees

There will be no increase to rental housing fees for tenants in the 2015/16 year.

Ara Toi Ōtepoti – Our Creative Future Dunedin Arts and Culture Strategy

In May 2015, following consideration of a report on Ara Toi Ōtepoti – our creative future: initial actions for adoption, the Council resolved to provide the following funding to Community Development to implement the initial actions from the strategy:

- a further \$100,000 for community arts development
- \$50,000 for the establishment and operation of an Urban Dream Brokerage franchise
- \$25,000 to advance Ara Toi's public art objectives.

The Council also asked for a report on future funding levels for inclusion in the 2016/17 Annual Plan discussions.

This city wide strategy was adopted in April 2015 and has also has links with the Economic Development Strategy and work streams in Enterprise Dunedin.

Cosy Home Charitable Trust Funding

A request was made by the Cosy Homes Trust asking the Council to consider providing \$75,000 from the Consumer Electricity Fund (CEF) (total annual funding of \$200,000) to support the vision and objectives of the Trust. The CEF was used currently to pay the power accounts of people who were struggling financially and unable to pay for their power accounts. Cosy Homes sought to use a portion of the funding to coordinate the number of different activities that were currently taking place in the city to improve the insulation and energy efficiency of the housing stock. The proposal to utilise funding from the Consumer Electricity Fund was not due to the underutilisation of the fund, but rather looking for longer term solutions to alleviate fuel poverty. Discussions had been held with representatives from: Cosy Homes Charitable Trust, Cosy Home Governance Group, Anglican Family Care and CEF administrators who were aware of the transfer.

Following consideration of the request the Council approved funding of \$50,000 to the Cosy Home Trust from the Consumer Electricity Fund and asked that the Trust demonstrates the achievement of independent funding to enable achievement of the Trust's goals before renewal of this funding in future years.

Graffiti Trial

A report from Events and Community Development to the LTP deliberations provided an update to Council on the progress of the graffiti trial and an option to extend the trial until 31 December 2015. This would allow further work to be undertaken to determine whether graffiti removal could be streamlined with more efficient use of contractors. The report noted that a number of successes had been achieved during the trial and it illustrated that the provision of additional hours would ensure the coordination of graffiti removal activity across the Council, and better educate private property owners of the benefits of the quick removal of graffiti and encourage them to do so.

The Council noted that this item is unbudgeted and resolved to increase the Community Development budget by \$10,000 to provide an additional 10 hours per week funding for the Graffiti Coordinator to 31 December 2015.

Warm Dunedin Targeted Rate

A trial of an Eco Housing Retrofit Targeted Rate Scheme was initiated by the Council in February 2013. The scheme, called Warm Dunedin, works alongside the Energy Efficiency and Conservation Authority (EECA) Warm up New Zealand: Heat Smart programme, which offers subsidies to homeowners for installing insulation and/or approved clean heating. Clean heating is defined as heat pumps, efficient log burners, pellet fires and externally-flued gas heaters, as specified by the Energy Efficiency and Conservation Authority. The scheme provides advances to Dunedin homeowners and landlords to install insulation and/or efficient heating in their homes and properties.

The main objectives of the Warm Dunedin Targeted Rate pilot programme are to:

- reduce the effect of the upfront cost of insulation and/or efficient heat
- improve the health of Dunedin residents
- improve the warmth of Dunedin's housing stock
- improve the energy efficiency of Dunedin's housing stock.

The Dunedin City Council's Warm Dunedin Targeted Rate Scheme offers a targeted rate to assist homeowners of eligible properties with installing insulation and/or approved heating by providing advances up to \$5,000 (GST inclusive) per property toward the upfront costs. The ratepayer pays back the advance, including GST and interest (8.3% per annum fixed), over a 10-year period as an additional part of their regular rate payment. The rate commences in the financial year following the provision of the insulation and/or clean heating. The Warm Dunedin programme was designed to be cost-neutral for the Council, with costs such as administration and interest charges to be recovered via the targeted rate. Health and safety audits are carried out with each service provider under Department of Labour provisions, and EECA audits five percent of insulation jobs. Dunedin City Council has set up a liability and legal framework under which Warm Dunedin operates in order to manage potential risks to the Council. The target for the trial period was to insulate and/or more efficiently heat 500 Dunedin homes in a year and \$2,250,000 (debt funded) was set aside to do this, with costs being paid back by ratepayer recipients over a 10-year period. It should be noted that this scheme, although rates neutral, does impact on the Council's overall debt reduction strategy as debt is raised to provide the funding for advances to ratepayers accessing the scheme.

Prior to September 2013, the government funded 60% of insulation costs for homeowners with Community Services Cards and for landlords of tenants with Community Services Cards. The remaining 40% was funded by the ratepayers themselves, with some using the Warm Dunedin targeted rate scheme to fund this. Other eligible households (general income) were funded 33% of the cost (up to \$1,300 including GST).

The Government implemented changes to the funding of insulation in September 2013. These changes mean that 100% of insulation costs are now funded for low income households and those with high health needs. Funding comes from a combination of government and other third party funding. This new policy means that homeowners outside the low income/high health needs category are not catered for under the central government, fully funded scheme and must fund the full cost of insulation themselves. This is where voluntary targeted rates schemes, such as the Warm Dunedin scheme, provide opportunities to insulate homes.

In September 2013 the Council decided to extend the Warm Dunedin trial until 30 June 2014, using the remaining \$1,018,360 of the funds that Council had made available for the Warm Dunedin trial and which had not yet been allocated. The objectives of extending the trial were to:

- facilitate insulation and/or provide clean heating for an additional 250 to 300 houses, thus improving the health of Dunedin's housing stock
- enable the scheme's processes to be streamlined using lessons learned to date
- allow for an assessment of demand following the recent changes to the EECA subsidy rules.

As at 28 February 2014, 512 Dunedin homes have had insulation and/or more efficient heating installed, with a total of 698 homes estimated to benefit by 30 June 2014.

In January 2014 the Council requested a review of the pilot scheme with the review report to be presented during the annual plan deliberations in May 2014. After consideration of the report the Council resolved to continue the Warm Dunedin Scheme for 2014/15 year, with a further review requested before consultation on 2015/16 Long Term Plan.

A report on the Warm Dunedin targeted programme was provided to the LTP deliberations in May 2015. This report outlined the uptake of the scheme to date and provided options for the future of the scheme. The Warm Dunedin targeted rate programme had helped to improve the homes of more than 750 ratepayers by providing an average debt funded rate advance of \$2,900 per ratepayer to install insulation, clean heating or both. The target for the first year of Warm Dunedin was 500 homes. While Warm Dunedin was intended to be cost neutral in the long term, it had affected the Council's debt reduction strategy in the short term. Projections for ongoing uptake of the scheme suggested that a further 214 ratepayers might participate within the current residual debt provision for Warm Dunedin if it was carried forward to 2015/16.

Following discussion of the report the Council resolved to continue the scheme in the 2015/16 year with the existing debt level being carried forward.

Statement of Variation to the Assessment of Water and Sanitary Services 2007/08 – Public Toilets

The Council has a statutory obligation under the Local Government Act 2002 as amended 2010, Schedule 10 Part 1.6, to identify and explain significant variations between the Assessment of Water and Sanitary Services 2007 and the proposals set out in the Council's Long Term Plan.

In 2008, the Council undertook public consultation on a Public Toilet Service Review. This review was completed and the report adopted at the Infrastructure Services Committee on 8 September 2008. The report identified an increase in the level of service standard by renewing some existing facilities and refurbishing all public toilets to a more consistent fit out standard. The report also identified a number of new toilet facilities to be installed around the city and on reserves to contribute to the city's public toilet network. The funding for these new facilities is from within the existing 10-year budget contained within City Property's capital budget.

In 2011, Council staff undertook a review of the Public Toilet Service Review. It was agreed that the Public Toilet Service Review 2008 was still relevant in terms of delivering an improved service for public toilet facilities.

Work is continuing on the upgrading of the public toilets located in both rural and urban areas of the city. Over the last two years, significant work on upgrading the public toilet facilities at Middlesmarch, Waikouaiti and Dunedin Railway Station has been undertaken.

The Service Review also recommended investigating the need for a 24-hour facility in the Octagon. Work on possible locations has been carried out and a potential site has been identified. Further investigative work relating to this site is required, with a view to the development of a new facility in 2015/16.

The proposed capital expenditure budgets for 2015/16 to 2024/25 have resulted in planned capital expenditure on new public toilets, with the exception of a 24 hour public toilet facility in The Octagon, being deferred until 2018/19.

Community Development and Support Group Activity

Estimated Income Statement for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Revenue											
Rates											
General Funds	13,745	13,473	13,828	13,738	14,202	14,880	14,853	15,189	16,044	16,014	16,380
Warm Dunedin Rate	290	341	437	437	437	437	437	437	437	331	147
External Operating Revenue	9,877	9,781	9,999	10,121	10,412	10,973	11,099	11,509	12,127	12,368	12,797
External Capital Revenue					86						
Total	23,912	23,595	24,264	24,296	25,137	26,290	26,389	27,135	28,608	28,713	29,324
Expenditure by Outputs											
Cemeteries and Crematorium	1,675	1,690	1,687	1,750	1,785	1,863	1,922	1,996	2,075	2,142	2,130
Events and Community Development	4,406	4,603	4,593	4,726	4,828	4,982	5,106	5,286	5,426	5,632	5,798
Housing	5,503	5,570	5,745	5,932	6,132	6,346	6,573	6,819	7,085	7,366	7,646
Civic Defence	996	882	918	941	969	993	1,021	1,056	1,087	1,124	1,163
Civic and Administration Services	3,101	3,724	4,119	3,690	3,758	4,417	3,968	4,063	4,799	4,328	4,452
Warm Dunedin	318	365	427	434	443	454	467	482	501	399	211
City Property Miscellaneous	3,747	3,481	3,309	3,304	3,300	3,294	3,287	3,281	3,311	3,304	3,302
Operational	3,403	3,962	3,919	3,875	3,831	3,818	3,804	3,792	3,780	3,768	3,757
Total	23,149	24,277	24,717	24,652	25,046	26,167	26,148	26,775	28,064	28,063	28,459
Net Surplus/(Deficit)	763	(682)	(453)	(356)	91	123	241	360	544	650	865
Expenditure by Inputs											
Staff Costs	2,607	2,919	2,977	2,990	3,053	3,167	3,187	3,265	3,395	3,429	3,522
Operational Costs	11,155	11,990	12,424	12,347	12,688	13,685	13,629	14,155	15,285	15,354	15,942
Loan Interest	3,731	3,642	3,365	3,196	3,017	2,827	2,624	2,407	2,178	1,938	1,695
Depreciation	5,656	5,726	5,951	6,119	6,288	6,488	6,708	6,947	7,206	7,342	7,280
Total	23,149	24,277	24,717	24,652	25,046	26,167	26,148	26,775	28,064	28,063	28,459

Community Development and Support Group Activity

Estimated Cashflows for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
<i>Cashflow from Operating Activities</i>											
Cash is provided from operating activities:											
Rates Received	14,035	13,814	14,265	14,175	14,639	15,317	15,290	15,627	16,481	16,345	16,527
Other Revenue	9,757	9,656	9,870	9,989	10,362	10,833	10,955	11,361	11,974	12,210	12,633
Grants and Subsidies for Operating	120	126	129	132	136	140	144	148	153	158	164
Cash was applied to:											
Suppliers and Employees	(13,762)	(14,909)	(15,401)	(15,337)	(15,741)	(16,852)	(16,816)	(17,420)	(18,680)	(18,784)	(19,465)
Interest Paid	(3,731)	(3,642)	(3,365)	(3,196)	(3,017)	(2,827)	(2,624)	(2,407)	(2,178)	(1,938)	(1,695)
Net Cash from Operating	6,419	5,045	5,498	5,763	6,379	6,611	6,949	7,309	7,750	7,991	8,164
<i>Cashflow from Investing Activities</i>											
Cash is provided from investing activities:											
Reduction in Loans and Advances	635	2,500			600						
Reduction in Investments		710	500	500							
Cash was applied to:											
Capital Expenditure	(2,240)	(3,848)	(3,114)	(4,020)	(4,071)	(3,242)	(3,134)	(3,078)	(3,322)	(3,229)	(3,308)
Increase in Loans and Advances	(340)	(652)									
Net Cash from Investing	(1,945)	(1,290)	(2,614)	(3,520)	(3,471)	(3,242)	(3,134)	(3,078)	(3,322)	(3,229)	(3,308)
<i>Cashflow from Financing Activities</i>											
Cash is provided from financing activities:											
Loan Raised	404	652									
Cash was applied to:											
Loan Repayment	(3,030)	(4,770)	(2,266)	(2,379)	(2,535)	(2,703)	(2,883)	(3,075)	(3,245)	(3,312)	(3,324)
Net Cash from Financing	(2,626)	(4,118)	(2,266)	(2,379)	(2,535)	(2,703)	(2,883)	(3,075)	(3,245)	(3,312)	(3,324)
<i>Net Increase/(Decrease) in Cash</i>	1,848	(363)	618	(136)	373	666	932	1,156	1,183	1,450	1,532

Community Development and Support Group Activity

Funding Impact Statement for the years ending 30 June 2015 to 30 June 2025

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Sources of Operating Funding</i>											
General Rates, Uniform Annual General Charges, Rates Penalties	7,790	13,473	13,828	13,738	14,202	14,880	14,853	15,189	16,044	16,014	16,380
Targeted Rates		341	437	437	437	437	437	437	437	331	147
Subsidies and Grants for Operating Purposes	120	126	129	132	136	140	144	148	153	158	164
Fees and Charges	6,978	9,569	9,735	9,816	10,038	10,530	10,586	10,930	11,451	11,605	11,939
Internal Charges and Overheads Recovered	972	6,218	6,374	6,535	6,715	6,906	7,110	7,337	7,541	7,804	8,084
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts											
Total Operating Funding	15,860	29,727	30,503	30,658	31,528	32,893	33,130	34,041	35,626	35,912	36,714
<i>Applications of Operating Funding</i>											
Payments to Staff and Suppliers	11,497	17,278	17,829	17,827	18,299	19,483	19,525	20,216	21,531	21,734	22,521
Finance Costs	44	3,642	3,365	3,196	3,017	2,827	2,624	2,407	2,178	1,938	1,695
Internal Charges and Overheads applied	2,525	3,849	3,945	4,045	4,157	4,275	4,401	4,542	4,690	4,853	5,027
Other Operating Funding Applications											
Total Applications of Operating Funding	14,066	24,769	25,139	25,068	25,473	26,585	26,550	27,165	28,399	28,525	29,243
<i>Surplus/(Deficit) of Operating Funding</i>	1,793	4,958	5,364	5,590	6,055	6,308	6,580	6,876	7,227	7,387	7,471

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Sources of Capital Funding											
Subsidies and Grants for Capital Expenditure					86						
Development and Financial Contributions											
Increase (Decrease) in Debt	(384)	(4,117)	(2,266)	(2,379)	(2,535)	(2,703)	(2,883)	(3,075)	(3,245)	(3,312)	(3,324)
Gross Proceeds from the Sale of Assets											
Lump Sum Contributions											
Other Dedicated Capital Funding											
Total Sources of Capital Funding	(384)	(4,117)	(2,266)	(2,379)	(2,449)	(2,703)	(2,883)	(3,075)	(3,245)	(3,312)	(3,324)
Application of Capital Funding											
Capital Expenditure											
– to meet additional demand		34	3	5	39	39	39	39	50	53	45
– to improve the level of service		2,058	1,536	1,575	1,949	1,249	1,286	1,323	1,366	1,410	1,459
– to replace existing assets	1,705	1,757	1,576	2,440	2,083	1,954	1,810	1,715	1,906	1,766	1,806
Increase (Decrease) in Reserves											
Increase (Decrease) of Investments	(296)	(3,008)	(17)	(809)	(465)	363	562	724	660	846	837
Total Application of Capital Funding	1,409	841	3,098	3,211	3,606	3,605	3,697	3,801	3,982	4,075	4,147
Surplus/(Deficit) of Capital Funding	(1,793)	(4,958)	(5,364)	(5,590)	(6,055)	(6,308)	(6,580)	(6,876)	(7,227)	(7,387)	(7,471)
Funding Balance	0	0	0	0	0	0	0	0	0	0	0



Museums, Art Gallery and Libraries

What service/activity does this group provide?

- Dunedin Public Libraries
- Dunedin Public Art Gallery
- Toitū Otago Settlers Museum
- Dunedin Chinese Garden
- Otago Museum Levy

How does this group fit into our strategic framework?

This group contributes to two community outcomes – vibrant and creative city and a city of learning.

Main community outcome linkage		We measure our progress against this outcome by monitoring
<p>A Vibrant and Creative City</p> 	<p>Dunedin is a city known for its diverse and engaging arts and culture.</p> <ul style="list-style-type: none"> • Dunedin has a diverse range of arts and cultural facilities and activities, which are accessible to all. • We celebrate the unique identity, character and history of the diverse communities and cultures that make up Dunedin. • We support the city's legacy of creative and artistic activity. <p>Art is truly valued and integrated in the design and development of the city.</p>	<ul style="list-style-type: none"> • Perception that Dunedin is a creative city. <p>Note: These activities influence perceptions but are not directly responsible for this indicator.</p>
<p>A City of Learning</p> 	<p>Dunedin is a leading city of education, and its community engages in lifelong learning.</p> <ul style="list-style-type: none"> • Our city provides opportunities and environments that encourage learning, accessible to all. 	

What do we do?

The Council is a joint service provider for public access to cultural heritage. The Council owns and operates the Dunedin Public Libraries, Dunedin Public Art Gallery, Toitū Otago Settlers Museum and the Dunedin Chinese Garden. The Council is one of four local authorities in Otago that contribute to the management and funding of the Otago Museum under the Otago Museum Trust Board Act 1996.

Why do we do this?

- To provide and preserve accessible public library collections in a wide range of hard copy and electronic formats which encourages learning, leisure and culture.
- To provide visitors and residents with opportunities to access and experience visual arts and culture by viewing art collections held in a safe and quality environment.
- To provide residents and visitors with opportunities to access our culture and heritage in a safe and quality environment.

Feedback from previous Long Term Plan consultations indicates support for the provision of these activities and endorses the Council's position that cultural, educational and leisure opportunities provided by the Museums, Garden, Libraries and the Art Gallery are important to the city.

Legal obligations in respect of trusts and bequests mean the Council has responsibility for items, funds and buildings that have been gifted to the city.

What we provide and how we measure it:

Dunedin Public Libraries manages five libraries in Dunedin, Mosgiel, Blueskin Bay, Port Chalmers and Waikouaiti; operates two bookbuses to serve the suburban and rural areas of Dunedin and provides home services. This gives all residents and ratepayers in Dunedin access to a physical item and/or information from a library; opportunities for life-long learning skills; awareness of library resources; and preservation of the Library's Heritage collections.

The Dunedin Public Art Gallery is the oldest art gallery in New Zealand, founded in 1884 by William Mathew Hodgkins, cultural activist, artist, and father of famous New Zealand painter, Frances Hodgkins. The Art Gallery has been located in the Octagon since 1996, and is recognised as one of New Zealand's best galleries, with significant holdings of historical European art, Japanese prints and decorative arts, as well as an excellent collection of New Zealand works. The collection spans a 600-year timeframe, from the mid-14th century to the present, and represents a diverse range of media, including painting, sculpture, photography and works on paper.

The strength of the collection, combined with its varied programme of activity, has gained national and international recognition. In addition to the local and international exhibitions the gallery provides a wide range of visitor programmes as well as events and education services all of which aim to stimulate an understanding and appreciation of the visual arts. These constantly changing programmes attract local residents to make regular and repeat visits and generates an extremely positive profile of the city to the rest of New Zealand and internationally.

Toitū Otago Settlers Museum and the Dunedin Chinese Garden

The **Otago Settlers Museum** was founded by the Otago Settlers Association in 1898 to mark the 50th anniversary of the planned European settlement of Otago. A purpose-built gallery was opened in 1908 and is still part of today's Museum. During the 1990s, the original Edwardian galleries were linked with the classic Art Deco buildings of Dunedin's former New Zealand Rail Road Transport building. The Museum collections relate to the City of Dunedin, its people, social history, transport and technology. The museum reopened in December 2012 following major capital redevelopment which included two new buildings: a collections store meeting international standards of collections care and a new entrance building. Te Pae o Mahutonga, the Museum's Ngai Tahu Advisory Group, offered to the Otago Settlers' Museum Board a mana whenua name, 'Toitū', which was endorsed by the Council and incorporated into the name of the redeveloped facility.

The **Dunedin Chinese Garden** was gifted to the City in July 2008 by the Dunedin Chinese Garden Trust. The Trust had secured funding from a number of sources and worked directly with Shanghai, Dunedin's Sister City, in obtaining materials and artisans from Shanghai to construct the complex, which is one of very few original Chinese gardens in the world outside of China.

Management of the Dunedin Chinese Garden transferred to Toitū Otago Settlers Museum on 1 July 2013. Existing budget lines, service objectives, service levels, service performance measures and fee structures for the Dunedin Chinese Garden have been retained but are now managed and reported within the Toitū Otago Settlers Museum activity.

The **Otago Museum** contributes to the culture and learning city outcome by providing world class collections, exhibitions, culture, nature and heritage, and as such, the Council provides funding towards these activities. The Council maintains a keen interest in the management of the Otago Museum through four appointments with the Board of Directors. This provides a transparent way of reporting the Council's contribution to this institution via the Otago Museum Levy.

Performance Measure:	Data Source	Actual 2012/13	Actual 2013/14	Previous Target	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 – 2024/2025
Level of Service: Library facilities are accessible and collections meet the needs of the community								
Percentage of residents who used Dunedin Public Libraries annually.	ROS	New measure from 2015/16	New measure from 2015/16	New measure from 2015/16	≥35%	≥35%	≥35%	≥35%
Percentage of residents satisfied with Dunedin Public Libraries.	ROS	New measure from 2015/16	New measure from 2015/16	New measure from 2015/16	≥90%	≥90%	≥90%	≥90%
Level of Service: The range of library collection materials is maintained and updated								
Number of new library materials (non-serial) acquired per 1,000 population annually.	Annual Statistical Analysis	274	248	≥270	≥270	≥270	≥270	≥270
Level of Service: Provision of learning opportunities								
Number of participants in lifelong learning programmes conducted by the library.	Monthly statistics	47,022	51,782	≥40,000	≥45,000	≥45,000	≥45,000	≥45,000
Level of Service: The Dunedin Public Art Gallery provides access to a diverse visual art experience which meets the expectations of visitors								
Percentage of users satisfied or very satisfied with their visit to the Dunedin Public Art Gallery.	User Exit Survey	90%	95%	≥90%	≥90%	≥90%	≥90%	≥90%
Number of visitors annually to Dunedin Public Art Gallery.	Electronic Door Count	203,319	256,337	180,000 to 190,000	≥195,000	≥195,000	≥195,000	≥195,000
Percentage of designated exhibition galleries that are committed to displays from the permanent collection (in order to provide access to the city's holding of nationally significant art).	Calculation based on floor areas vs. time	64%	72%	≥40%	≥40%	≥40%	≥40%	≥40%

Performance Measure:	Data Source	Actual 2012/13	Actual 2013/14	Previous Target	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 – 2024/2025
Level of Service: The Dunedin Public Art Gallery collection is managed according to international best practice								
Percentage of catalogued collection items housed to international best practice at the Dunedin Public Art Gallery.	Assessment of housing conditions	100%	100%	100%	100%	100%	100%	100%
Level of Service: The Toitū Otago Settlers Museum (TOSM) facilities provide a access to a diverse social history experience which meets the expectations of visitors								
Percentage of users satisfied or very satisfied with their visit to TOSM.	ROS	94%	94%	≥95%	≥95%	≥95%	≥95%	≥95%
Total number of visitors attracted to TOSM per annum (local/regional, national and international visitors)	Electronic Door Count	221,415	268,739	≥180,000	≥200,000	≥200,000	≥200,000	≥200,000
Number of special exhibitions, public programmes and events staged per year at TOSM and the Dunedin Chinese Garden.	Annual Status Analysis	New Measure from 2013/14	151	≥40	≥100	≥100	≥100	≥100
Level of Service: Visitors enjoy an authentic Chinese architectural and cultural experience								
Percentage of users satisfied or very satisfied with their visit to the Dunedin Chinese Garden.	Visitor Satisfaction Survey from 2011/12	93%	59% (ROS)	≥90%	≥90%	≥90%	≥90%	≥90%
Number of visitors to the Dunedin Chinese Garden.	Ticket sales	31,774	40,208	≥40,000	≥40,000	≥40,000	≥40,000	≥40,000

The Otago Museum produces its own Annual Plan and Annual Report each year. These documents contain performance measures and results for the Otago Museum.

These documents are available on the Otago Museum website: <http://www.otagomuseum.govt.nz> (on the “About Us” menu tab).

Changes to Service Levels

There are no proposed changes to service levels across the duration of the 10-year plan and service levels are unchanged from the 2014/15 Annual Plan.

Library Collection Funding

The Council had proposed to reduce collection funding by \$50,000 in 2015/16 and 2016/17 and close the McNab Room (Heritage Collections) on Sundays from 1 July 2015 in draft LTP budgets. In response to public and Councillor concerns about these proposed reductions to service levels, the Council resolved to maintain the existing levels of \$913,200 for Dunedin Public Libraries collections, for 2015/16 and 2016/17 and \$68,200 for Heritage Collections by drawing down funds from the Reed Trust and RJ Trust. The Council also resolved to maintain the current opening hours of the McNab Room from within existing budgets.

South Dunedin Community Complex Project

Please note: the funding for this project is held in the Investment Property capital expenditure budget.

Ideas for various forms of a South Dunedin community complex have been part of the Long Term Plan since 2002. It is now planned to develop a South Dunedin Community Complex housed in a redeveloped heritage building. The complex could host a mix of services such as: a community learning centre, a library, a youth hub, a DCC Service Centre, visitor information, a bike library, a Pasifica Language Centre, meeting rooms, public toilets and free internet access. Building redevelopment and fit out costs for the complex would be an estimated \$5.2 million (a reduction on the previous budget estimate of \$8 million because this proposal involves reuse of a heritage building rather than a completely new building).

The Council consulted on three options for progressing the South Dunedin Community Complex

Option 1	Continue planning and consultation for a South Dunedin community complex funded from the sale of an existing operational or investment property.	This is the Council's proposed option and is included in budgets. The costs of running the complex (\$971,000) will increase rates from 2018/19 onwards.
Option 2	Continue planning and consultation for a South Dunedin community complex funded by increasing debt.	This option will increase Council debt by \$5.2 million and have implications for the Council's target to reduce debt to \$230 million by 2021. The cost of borrowing will increase rates. The costs of running the complex (\$971,000) will increase rates from 2018/19 onwards.
Option 3	Status quo/Do Nothing.	This option will mean that the South Dunedin community will continue to rely on existing Council facilities. This may mean travel to the central city. Some of the proposed services are new and not available elsewhere. Service levels will remain unchanged. There will be no impact on rates.

During deliberations on the results of consultation, there was consideration of the submissions on the South Dunedin Community Complex and of the possibility of the vacant space within the South City Mall being used for the development. The Council resolved to immediately investigate the use of vacant space in the South City Mall with a view to accelerating the provision of the desired community services, and that a report to this effect (including budgetary implications) be provided to inform decisions on the Long Term Plan.

Staff provided further information on this later in the deliberation and the Council requested that staff report further on the practicality and cost of locating the South Dunedin Library complex in the South City Mall.

The Council then endorsed staff facilitating, as soon as possible, community led consultation in South Dunedin as to their priorities and aspirations for what a South Dunedin Community Centre might contain or offer. The Council also approved the continued planning and consultation for a South Dunedin community complex be funded from the sale of an existing operational or investment property (option 1).

City of Literature

On 1 December 2014, Dunedin became New Zealand’s first city to be accepted as a member of the UNESCO Creative Cities Network when it was given the title City of Literature.

Being a UNESCO City of Literature creates ties with the 69 other Creative Cities Network members worldwide. This presents opportunities for exchanges, conferences, events, partnerships, performances, collaborations, internships and creative tourism that tie in strongly with the LTP community objectives of Dunedin being a thriving and diverse economy, a vibrant and creative city and a city of learning.

After advice from other Cities of Literature and New Zealand funding agencies, the Council has endorsed establishing an independent Dunedin City of Literature Trust, and proposed funding of \$100,000 in the 2015/16 year, with subsequent annual funding of \$50,000 in draft LTP budgets. These funds would assist in meeting the \$220,000 total estimated budget required to support Dunedin’s City of Literature activities. The balance of funds would come from other local partners, grants and national funding sources.

As well as a Board, the trust would have a director and part-time administrative support position. The Trust’s tasks would include facilitating and promoting literary activities with a local, national and international scope, seeking funding support, liaising with other cities in the UNESCO Creative Cities Network on Dunedin’s behalf and reporting regularly to UNESCO.

The Council consulted on two options in the LTP consultation document.

Option 1	Provide additional rates funding to support the work programme for the Dunedin City of Literature Trust: <ul style="list-style-type: none">• \$100,000 in 2015/16• \$50,000 per annum from 2016/17 – 2024/25
Option 2	Not to provide any additional funding to the Dunedin City of Literature Trust.

Following consideration of the results of consultation, the Council resolved to include option 1 in final LTP budgets.

Otago Museum Project Funding

The Otago Museum has asked the Council for financial assistance with 13 projects spanning the next 10 years. The total cost of the 13 projects is \$1,025,000.

Project	Year	Amount requested	Estimated Total Project cost
Shanghai: Natural History Museum Exhibition to be staged at the Shanghai museum	2015/16	\$75,000	\$375,000
Discovery World – Educational Suite component of the larger Discovery World upgrade	2016/17	\$50,000	\$2.7 million
Shanghai: Jade and Pounamu Exhibition to be developed with the Shanghai museum	2016/17	\$75,000	\$375,000
Tangata Whenua Digitisation Project	2017/18	\$50,000	\$100,000
Museum 150th Birthday Exhibition	2018/19	\$50,000	\$500,000
Conservation Centre of Excellence – seed funding for feasibility study only	2018/19	\$25,000	To be developed
Collections Centre and Open Store	2019/20	\$100,000	\$10 million
People of the World Gallery	2021/22	\$100,000	\$1.5 million
Pacific Cultures Gallery	2022/23	\$100,000	\$1 million
Southern People/Southern Land Gallery	2023/24	\$100,000	\$2 million
Museum Entrance Area	2024/25	\$200,000	\$2 million
Moa Gallery	2025/26	\$50,000	\$2 million
Sir Edmund Hillary Gallery	2025/26	\$50,000	\$250,000

The Council proposed funding of \$75,000 per annum from 2015/16 – 2018/19 to support the first six projects and consulted on the following three options in the LTP consultation document:

Option 1	Fund 13 projects across the next 10 years
Option 2	Fund six projects over the next four years
Option 3	Not to provide any funding for these projects

Following hearing and deliberations on the results of consultation, the Council resolved to adopt option two, the Council's proposed option from the LTP consultation document, funding six projects by providing annual grants of \$75,000 per annum from 2015/16 – 2018/19.

Museums, Libraries and Art Gallery Group Activity

Estimated Income Statement for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Revenue											
Rates											
General Funds	23,946	23,145	23,715	24,210	25,960	27,049	27,460	28,118	28,917	29,512	30,377
External Operating Revenue	1,672	1,702	1,745	1,789	1,838	1,891	1,947	2,009	2,075	2,146	2,223
External Capital Revenue	30	86	88	90	93	96	98	102	105	108	112
Total	25,648	24,933	25,548	26,089	27,891	29,036	29,505	30,229	31,097	31,766	32,712
Expenditure by Outputs											
Dunedin Public Libraries	10,185	10,195	10,347	10,557	11,186	12,082	12,497	12,928	13,355	13,698	14,083
Dunedin Public Art Gallery	4,174	4,101	4,202	4,299	4,407	4,550	4,664	4,797	4,949	5,090	5,078
Toitu Otago Settlers Museum	6,343	6,173	6,236	6,317	6,412	6,670	6,778	6,890	7,000	7,121	7,235
Chinese Gardens	664	684	697	710	726	743	760	781	802	827	853
Otago Museum	3,849	3,924	4,023	4,125	4,238	4,275	4,401	4,542	4,690	4,853	5,027
Total	25,215	25,077	25,505	26,008	26,969	28,320	29,100	29,938	30,796	31,589	32,276
Net Surplus/(Deficit)	433	(144)	43	81	922	716	405	291	301	177	436
Expenditure by Inputs											
Staff Costs	8,077	8,631	8,786	8,961	9,326	9,714	9,931	10,165	10,416	10,685	10,971
Operational Costs	13,699	13,074	13,375	13,696	14,376	15,050	15,459	16,001	16,596	17,122	17,737
Loan Interest	1,354	1,289	1,242	1,192	1,137	1,114	1,189	1,221	1,141	1,055	963
Depreciation	2,085	2,083	2,102	2,159	2,130	2,442	2,521	2,551	2,643	2,727	2,605
Total	25,215	25,077	25,505	26,008	26,969	28,320	29,100	29,938	30,796	31,589	32,276

Museums, Libraries and Art Gallery Group Activity

Estimated Cashflows for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
<i>Cashflow from Operating Activities</i>											
Cash is provided from operating activities:											
Rates Received	23,946	23,145	23,715	24,210	25,960	27,049	27,460	28,118	28,917	29,512	30,377
Other Revenue	1,309	1,428	1,464	1,501	1,543	1,586	1,633	1,686	1,741	1,801	1,866
Grants and Subsidies for Operating	246	248	254	260	267	275	283	292	302	312	323
Fuel Tax, Infringement Fees and Fines	148	113	115	118	122	125	129	133	137	142	147
Cash was applied to:											
Suppliers and Employees	(21,776)	(21,705)	(22,161)	(22,657)	(23,702)	(24,764)	(25,390)	(26,165)	(27,012)	(27,807)	(28,707)
Interest Paid	(1,354)	(1,289)	(1,242)	(1,192)	(1,137)	(1,114)	(1,189)	(1,221)	(1,141)	(1,055)	(963)
Net Cash from Operating	2,519	1,940	2,145	2,240	3,053	3,157	2,926	2,843	2,944	2,905	3,043
<i>Cashflow from Investing Activities</i>											
Cash is provided from investing activities:											
Cash was applied to:											
Capital Expenditure	(1,878)	(1,516)	(1,540)	(1,533)	(2,289)	(4,247)	(3,904)	(1,796)	(1,815)	(1,694)	(1,740)
Net Cash from Investing	(1,878)	(1,516)	(1,540)	(1,533)	(2,289)	(4,247)	(3,904)	(1,796)	(1,815)	(1,694)	(1,740)
<i>Cashflow from Financing Activities</i>											
Cash is provided from financing activities:											
Loan Raised						1,925	1,925				
Cash was applied to:											
Loan Repayment	(619)	(616)	(665)	(717)	(774)	(846)	(957)	(1,056)	(1,139)	(1,220)	(1,313)
Net Cash from Financing	(619)	(616)	(665)	(717)	(774)	1,079	968	(1,056)	(1,139)	(1,220)	(1,313)
<i>Net Increase/(Decrease) in Cash</i>	22	(192)	(60)	(10)	(10)	(11)	(10)	(9)	(10)	(9)	(10)

Museums, Libraries and Art Gallery Group Activity

Funding Impact Statement for the years ending 30 June 2015 to 30 June 2025

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Sources of Operating Funding</i>											
General Rates, Uniform Annual General Charges, Rates Penalties	23,946	23,145	23,715	24,210	25,960	27,049	27,460	28,118	28,917	29,512	30,377
Targeted Rates											
Subsidies and Grants for Operating Purposes	246	248	254	260	267	275	283	292	302	312	323
Fees and Charges	1,279	1,342	1,376	1,411	1,450	1,491	1,535	1,584	1,636	1,693	1,753
Internal Charges and Overheads Recovered	129	129	132	136	139	143	147	152	157	163	168
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	148	113	115	118	122	125	129	133	137	142	147
Total Operating Funding	25,748	24,977	25,592	26,135	27,938	29,083	29,554	30,279	31,149	31,822	32,768
<i>Applications of Operating Funding</i>											
Payments to Staff and Suppliers	15,522	16,000	16,313	16,661	17,293	17,918	18,342	18,892	19,501	20,035	20,656
Finance Costs	1,814	1,289	1,242	1,192	1,137	1,114	1,189	1,221	1,141	1,055	963
Internal Charges and Overheads applied	6,382	5,834	5,980	6,132	6,548	6,990	7,196	7,426	7,668	7,935	8,219
Other Operating Funding Applications											
Total Applications of Operating Funding	23,718	23,123	23,535	23,985	24,978	26,022	26,727	27,539	28,310	29,025	29,838
<i>Surplus/(Deficit) of Operating Funding</i>	2,030	1,854	2,057	2,150	2,960	3,061	2,827	2,740	2,839	2,797	2,930

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Sources of Capital Funding</i>											
Subsidies and Grants for Capital Expenditure	30	86	88	90	93	96	98	102	105	108	112
Development and Financial Contributions											
Increase (Decrease) in Debt	(619)	(616)	(665)	(717)	(774)	1,080	968	(1,056)	(1,139)	(1,220)	(1,313)
Gross Proceeds from the Sale of Assets											
Lump Sum Contributions											
Other Dedicated Capital Funding											
Total Sources of Capital Funding	(589)	(530)	(577)	(627)	(681)	1,176	1,066	(954)	(1,034)	(1,112)	(1,201)
<i>Application of Capital Funding</i>											
Capital Expenditure											
– to meet additional demand	95										
– to improve the level of service	453	385	466	320	383	2,702	2,605	359	371	383	397
– to replace existing assets	1,202	1,130	1,074	1,213	1,906	1,545	1,298	1,437	1,444	1,312	1,342
Increase (Decrease) in Reserves											
Increase (Decrease) of Investments	(309)	(191)	(60)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)
Total Application of Capital Funding	1,441	1,324	1,480	1,523	2,279	4,237	3,893	1,786	1,805	1,685	1,729
<i>Surplus/(Deficit) of Capital Funding</i>	(2,030)	(1,854)	(2,057)	(2,150)	(2,960)	(3,061)	(2,827)	(2,740)	(2,839)	(2,797)	(2,930)
<i>Funding Balance</i>	0	0	0	0	0	0	0	0	0	0	0

Sport, Recreation and Leisure


What service/activity does this group provide?

- Aquatic Services
- Botanic Garden
- Parks and Reserves (including Parks and Reserves planning and administration)

How does this group fit into our strategic framework?

This group contributes to the Active City outcome and supports aspects of the Social Wellbeing Strategy.

A Parks and Recreation Strategy and an Environment Strategy are to be developed and adopted in the next two years.

Main community outcome linkage	An Active City	We measure our progress against this outcome by monitoring
	<p>Where Dunedin's people lead active, healthy and enjoyable lifestyles.</p> <ul style="list-style-type: none"> • A city with a range of recreational, sporting and leisure facilities and opportunities, which are accessible to all. • Our city has environments that encourage physical activity and recreation. <p>We promote and encourage sporting and recreational events and opportunities.</p>	<ul style="list-style-type: none"> • Ratio of sportsfields to population (hectares per 1,000 population). • Participation at Council-owned pools (total attendances). • The Botanic Garden maintains a grading of "International" Significance from the New Zealand Gardens Trust.

What do we do?

We provide public access to aquatic services, urban green space, sports fields and facilities, recreation and leisure opportunities and a botanic garden of international significance.

This offers Dunedin residents and visitors leisure opportunities that range from relaxing outdoors and appreciating the quality of Dunedin's landscape, or attending events, through to more 'active' pursuits like play, exercise, and casual and organised sport. The Council also has responsibilities to manage specific reserves as set aside under the Reserves Act 1977. The Council encourages these activities to improve health and mental well-being. Consultation with Dunedin residents indicates continued support for the Council to be involved in these activities.

Why do we do this?

- To provide residents with safe, affordable, accessible and quality water space and related services for leisure, fitness and competition for Dunedin and outlying communities, thereby contributing to the Active City outcome.
- The Botanic Garden encourages and supports learning and leisure by providing an accessible and quality botanic garden for residents, visitors, and the availability of expertise and resources to tertiary institutions and training organisations.
- To provide and maintain a wide range of accessible, quality playgrounds, sports grounds, parks and reserves for residents and visitors.

Impact on the interests of the community:

Activity/Service	Positive Effects	Significant Negative effects	Response to any significant negative effects
Aquatic Services	This activity promotes the social and environmental interest of the community by providing venues and support for aquatic sporting and leisure activity.	No significant negative effects on the social, economic, environmental and cultural well-being of the Dunedin community.	None of the effects listed are considered to be significant enough to warrant management in terms of the LTP. The following practices manage any potential effects:
		The following potential negative effects have been identified for this activity:	
		The potential exists for negative effects on the environmental interests of the community from the use of chlorine gas as a pool disinfectant, resulting in harm from a leakage in the gas storage or delivery system.	Emergency systems for early leak detection and emergency cylinder shut-downs to minimise adverse effects are in place. Alarms are wired directly to the Fire Service to ensure a quick response. The gas cylinders are stored in an area separate from the primary pool facilities.
		High energy consumption involved in the heating and operation of pools may impact environmental interests.	Energy use has been reduced with heat recovery projects and there is ongoing investigation into the potential use of renewable heating resources.
		The social wellbeing of individuals could be impacted by near-drowning, drowning incidents or perception of a danger of drowning.	This is managed by supervision of all pools by trained lifeguards.

Activity/Service	Positive Effects	Significant Negative effects	Response to any significant negative effects
Botanic Garden	The Botanic Garden provides garden and open green space that promotes the environmental and social interests of the community	No significant negative effects on the social, economic, environmental and cultural interests of the Dunedin community. The following potential negative effects have been identified for this activity:	None of the effects listed are considered to be significant enough to warrant management in terms of the LTP. The following practices manage any potential effects:
		Use of chemicals for pest plant, animal, and disease control.	This is managed through the compulsory adherence by the contractor to: Agrichemical Users Code of Practice – NZS 8409 Regional Plan: Air Fertiliser Use Code of Practice – (NZFMRA) The adherence to these standards are monitored by staff supervising the work.
		Possible negative effects on Biosecurity from the risk of escapees or disease posed to local native flora and fauna from exotic (and native) plants and captive birds.	This is managed by monitoring of the health status of aviary birds and plants, staff who engage all measure necessary to ensure bird and plant health is maintained at optimum levels at all times. Holding structures for birds and potential of weediness of plants are checked and monitored at all time with appropriate remedial work is carried out before any harm or loss occurs.
Parks and Reserves	The Parks and Reserves activity provides open space that promotes the environmental interests of the community.	No significant negative effects on the social, economic, environmental and cultural interests of the Dunedin community. The following potential negative effects have been identified for this activity:	None of the effects listed are considered to be significant enough to warrant management in terms of the LTP. The following practices manage any potential effects:
		Conflict between provisions of recreation pursuits (e.g. mountain biking) vs. environmental protection.	This is managed through the adoption of appropriate, consulted policy (Tracks Policy) and Reserves Management Plans.
		Use of chemicals for pest plant, animal, and disease control.	This is managed through the compulsory adherence by the contractor to: Agrichemical Users Code of Practice – NZS 8409 Regional Plan: Air Fertiliser Use Code of Practice – (NZFMRA) The adherence to these standards are monitored by staff supervising the work.

What we provide and how we measure it:

Aquatic Services manages Moana Pool, Mosgiel Community Pool, Port Chalmers Community Pool, and St Clair Hot Saltwater Pool. Through the four pools, all residents and visitors in Dunedin have access to well maintained, inviting, and supervised swimming facilities. Aquatic Services also provide professional swimming coaching, and facilitate the learn-to-swim programme for more than 1,700 students every term. Moana Pool is open all year, with additional services including: crèche; waterslide; gymnasium; physiotherapy; massage; and a shop. Mosgiel Community Pool is open seven months of the year and Port Chalmers Community Pool and St Clair Hot Saltwater Pool are open for six months of the year. In addition, the Council provides grants for the community pool at Middlemarch, Moana Gow Pool and six school pools.

The **Botanic Garden** has 19 themed-garden collections and an aviary for Dunedin residents and visitors to enjoy within an attractive natural and built environment. The Dunedin Botanic Garden is graded as a Garden of International Significance by the NZ Gardens Trust.

Dunedin City has a wide range of open spaces providing parks and recreation facilities, for both organised and casual use throughout the year. These open spaces make the city a green and pleasant environment for the community. They include playgrounds, sports grounds and parks and reserves containing a variety of assets that provide quality recreational opportunities. The **Parks and Reserves** team are responsible for the management of assets, contract management, project management of works, formal and informal lease/use arrangements, and the development and implementation of policies and plans relating to parks and reserves, recreation and leisure.

Performance Measure:	Data Source	Actual 2012/13	Actual 2013/14	Previous Target	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 – 2024/2025
Level of Service: Aquatic facilities are accessible to everyone								
Number of Annual Attendances at Council swimming pools:								
Moana Pool ¹	Internal data	650,200	601,783	≥630,000	≥600,000	≥600,000	≥600,000	≥600,000
St Clair Hot Saltwater Pool ¹	Internal data	48,899	41,506	≥36,000	≥36,000	≥36,000	≥36,000	≥36,000
Mosgiel Pool ¹	Internal data	34,247	29,006	≥35,000	≥35,000	≥35,000	≥35,000	≥35,000
Port Chalmers Pool ¹	Internal data	20,096	8,966	≥14,500	≥14,500	≥14,500	≥14,500	≥14,500

¹ Targets will be set and measured on a monthly basis:

- Moana – 50,000 per month
- Mosgiel – 5,000 per month. (Pool open for 7 months annually)
- St Clair Hot Salt water – 6,000 per month. (Pool open 6 months annually)
- Port Chalmers – 2,400 per month. (Pool open 6 months annually).

Performance Measure:	Data Source	Actual 2012/13	Actual 2013/14	Previous Target	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 – 2024/2025
Level of Service: Aquatic facilities are well maintained and meet the needs of users								
% of users satisfied with all swimming pools.	ROS	91%	83%	≥85%	≥85%	≥85%	≥85%	≥85%
Council-operated swimming pools achieve the New Zealand Water Pool Quality Standards.	CERM data	100%	50%	100%	100%	100%	100%	100%
Level of Service: The Botanic Garden and its facilities are well maintained and meet the needs of users								
Percentage of users satisfied or very satisfied with the Botanic Garden overall.	ROS	99%	97%	≥80	≥90	≥90	≥90	≥90
Level of Service: Parks and Reserves facilities are accessible to everyone								
Percentage of respondents that agree sites and facilities are satisfactorily accessible.	ROS	87%	86%	≥80	≥80	≥80	≥80	≥80
Level of Service: Parks and Reserves facilities are well maintained and meet the needs of users								
Percentage of users satisfied with DCC Playgrounds	ROS	83%	82%	≥70%	≥80%	≥80%	≥80%	≥80%
Percentage of users satisfied with DCC Sportsfields	ROS	New measure from 2015/16	New measure from 2015/16	New measure from 2015/16	≥80%	≥80%	≥80%	≥80%
Percentage of users satisfied with DCC Tracks	ROS	87%	88%	≥78%	≥80%	≥80%	≥80%	≥80%
Percentage of users satisfied with DCC scenic, bush and coastal reserves	ROS	90%	89%	≥80%	≥80%	≥80%	≥80%	≥80%

Changes to Service Levels

There are no proposed changes to service levels across the duration of the 10-year plan and service levels are unchanged from the 2014/15 Annual Plan.

Dunedin Hospital Therapeutic Pool

The Council has been approached to provide financial support to help retain the Dunedin Hospital Therapeutic Pool.

The Southern District Health Board has earmarked the pool for closure but has allowed it to remain open until 1 July 2015 while the Otago Therapeutic Pool Trust (OTPT) looks to raise funding for important capital expenditure. This includes retiling the pool, fitting a pool cover, replacing windows and installing a new operating plant which will help reduce running costs in the future.

While the OTPT is embarking on a fundraising and sponsorship campaign to raise funds for that work, it has asked the Council to consider contributing to an approximately \$100,000 per annum operating deficit to keep the pool running beyond July. The Council has indicated it is prepared to underwrite the pool's operating costs by up to \$100,000 per year from the 2015/16 to the 2017/18 financial years and has included this in the draft LTP for consultation. The funding would be subject to the Trust raising the \$750,000 needed for capital expenditure by 30 June 2015 (or satisfy the Council as to the level of funds raised), and to a Council staff report on the feasibility of the OTPT's plans and the impact they will have on the pool's operational costs.

The Council consulted on two options on the LTP consultation document:

Option 1	Underwrite the operating costs for the pool by up to \$100,000 per year for three years from 2015/16 -2017/18)	This was the Council's proposed option and was been included in draft budgets. This increases rates in the 2015/16 to 2017/18 years Supporting this pool is a new level of service for the Council
Option 2	Not to provide financial support	The OTPT would have to find alternate funding to allow the pool to continue to operate while they fundraise for improvements This option would have no impact on rates or service levels

Following consideration of a staff report in February 2015 and hearings and deliberations on the results of LTP consultation, the Council resolved to approve option 1, to underwrite the operating costs for the Dunedin Hospital Therapeutic Pool by up to \$100,000 per year for three years from 2015-16 – 2017/18. This funding would be subject to satisfactory progress by the Trust monitored on an annual basis in achieving its fundraising target and providing a sustainable operating budget.

Mosgiel Aquatics

A community supported proposal to upgrade aquatic facilities in Mosgiel was included in the LTP consultation for discussion as an unfunded item. The Council had provided \$30,000 towards a feasibility study on the proposal by the Taieri Community Facilities Trust (TCFT) in the 2014/15 Annual Plan.

After community consultation, the Trust had identified Memorial Park as a preferred site for a facility consisting of four pools – a 25m x 25m lap pool, a learners pool, a leisure pool and a hydrotherapy pool. The Trust estimated a capital cost of \$14.4 million for the complex and suggested the local community could raise \$7.5 million, with the Council contributing the rest. The Council consulted on the following options for this proposal and asked whether the community thought the Council should provide funding:

Status quo – No change to existing pool	Option 1: Upgrade existing pool	Option 2: 2 new pools	Option 3: 3 new pools	Option 4: 4 new pools
Existing six lane 25m pool on Gordon Road (open 1 September – 31 March each year)	Upgrade existing pool to be open 12 months of year	New pools: • Lap (25m x 25m) with 10 lanes • learners' pool	New pools: • Lap pool (25m x 25m) with 10 lanes • learners' pool • leisure pool	New pools: • Lap pool (25m x 25m) with 10 lanes • learners' pool • leisure pool • hydrotherapy pool

During the LTP deliberations the Council resolved:

- 1 to support in principle the development of a new aquatic facility complex for Dunedin in Mosgiel
- 2 fund up to \$300,000 from the 2015 under-spend to progress geotechnical investigations and designation of a site, development of design and capital and operating budgets, liaison and communication of progress
- 3 approves an interest free loan of \$50,000 to the Taieri Community Facilities Trust (TCFT) for operational costs to be repaid from early fundraising received once Council confirmed a decision to proceed
- 4 acknowledge the substantial progress that TCFT has made in developing the proposal and thank them for their contribution completing the first stage of the proposal
- 5 request that staff and TCFT work on the development of a new MoU to be presented to Community and Environment Committee at a later date for ratification.

The Council also resolved:

- “1 That Council includes in the LTP a placeholder of \$6 million in 2018-19 for new Aquatic Facilities in Mosgiel noting that staff would:
 - a) Work closely with the Taieri Community Facilities Trust; and
 - b) Report back concept design options and costs by 30 October 2015; and
 - c) Report back developed design options and costs by 30 April 2016.
- 2 That Council confirms that the capital expenditure on new aquatic facilities in Mosgiel is subject to the Taieri Community Facilities Trust achieving a fundraising target of \$7.5 million, and final Council approval of the project.”

A total of \$14.7million is shown in the 10 year capital expenditure programme in the 2018/19 year for this project. The total represents \$6 million from the Council and \$7.5 million community fundraising plus inflation adjustment.

Cricket Lighting University of Otago Oval

Lighting for the University of Otago Oval was one of several unfunded items included in the Long Term Plan consultation document to gauge public support for funding.

The proposal includes installing international quality lights as part of a wider ground upgrade by the Otago Cricket Association (OCA) which will see capacity increased to accommodate 6000 spectators. OCA says New Zealand Cricket has committed to scheduling a test match and a one day international (ODI) in Dunedin every year for the next eight years if the proposal goes ahead. This offers Dunedin considerable economic benefit from visitors spending and increased international exposure.

The Council consulted on three options in the LTP consultation document:

Option 1	Fully fund the purchase and installation of lights
Option 2	Provide partial funding
Option 3	Do not provide any funding

Following consultation and further information provided by the OCA regarding progress on fundraising from other sources the Council have decided to partially fund the installation of lights. The Council will commit \$1 million to the project provided certain conditions are met by the OCA. The overall cost of the lights, which the OCA hope to install later this year, is estimated to be \$2.2 million.

The Council contribution is to be provided out of interest savings from the 2014/15 year, although the recommendation includes the stipulation that if these savings prove to be less than anticipated then the amount committed will be reduced accordingly.

Any funding will be subject to a range of conditions including:

- that the Otago Cricket Association demonstrate that they are in a position to guarantee meeting match preparation payments
- that the light stands are specifically branded as approved by DCC
- subject to Otago Cricket meeting the balance of fundraising required
- subject to the works to increase ground seating capacity being completed as agreed, at Otago Crickets cost
- that the lighting design specifically meets Council requirements for operational efficiency and not focus on actual costs alone
- that the Council's lighting design requirements include consideration of feedback from the Council's Dark Night Sky Advisory Group and other sports users of the grounds.

Statement of Variation to the Assessment of Water and Sanitary Services 2007/08 – Public Toilets on Reserves

The Dunedin City Council has a statutory obligation under the Local Government Act 2002 as amended 2010, Schedule 10 Part 1.6, to identify and explain significant variations between the Assessment of Water and Sanitary Services 2007 and the proposals set out in the Council's Long Term Plan.

In 2008 the Council undertook public consultation on a Public Toilet Service Review. This review was completed and the report adopted at the Infrastructure Services Committee on 8 September 2008. The Report identified a number of new toilet facilities to be installed around the city and on reserves to contribute to the city's public toilet network. The funding for these new facilities is from within the existing 10-year budget contained within the Council's City Property capital budget line. Other requests for reserve toilets through annual plan submissions are recorded in the Parks and Reserves Activity Management Plan for future consideration. Two annual plan requests for upgraded toilets at Te Rauone Reserve and Karitane Foreshore Reserve was separately approved by the Council and funded through the same capital budget for public toilets.

In 2011 the Council reviewed toilet cleaning and facility management and revised contract specifications to allow for toilet cleaning to occur immediately after scheduled events instead of before the next scheduled event to ensure facilities are kept clean and free of odours. The Facilities Management Including Security and Litter Services Contract which runs from 1 July 2011 to 30 June 2014 has been extended for two years under a nil increase as part of budget savings.

In 2013 the Council reviewed toilet cleaning at three locations that are being trialled as sites for non-self-contained vehicles under the provision of the Freedom Camping Act 2011. Toilets at Macandrew Bay Hall, Ocean View Recreation Reserve and Warrington Reserve are cleaned more frequently in the summer periods. New toilets were installed at Ellis Park In 2013 as part of a resource consent requirement to erect administration facilities for Softball Otago. A fully funded renewals programme is included in 2015/16 LTP budgets.

Sport, Recreation and Leisure Group Activity

Estimated Income Statement for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Revenue											
Rates											
General Funds	10,884	9,571	10,450	10,912	11,630	11,939	12,435	12,285	14,017	12,954	13,515
Community Services Rate	10,486	10,704	10,947	11,209	11,491	11,792	12,113	12,462	12,841	13,239	13,675
External Operating Revenue	4,298	4,212	4,517	4,492	4,674	5,163	5,312	5,479	5,654	5,846	6,052
External Capital Revenue		1,886			8,099			516			
Total	25,668	26,373	25,914	26,613	35,894	28,894	29,860	30,742	32,512	32,039	33,242
Expenditure by Outputs											
Parks and Recreation Services Planning	3,679	3,344	3,416	3,535	3,609	3,649	3,754	3,836	3,958	4,053	4,140
Parks and Reserves	11,641	10,837	11,429	11,824	11,973	12,391	12,795	13,106	13,541	13,997	14,486
Parks and Recreation Services Administration	1,392	1,556	1,595	1,628	1,668	1,717	1,757	1,807	1,867	1,917	1,979
Aquatic Services	7,838	8,274	8,131	8,341	8,518	9,690	10,188	10,432	10,703	10,993	11,307
Botanic Garden	2,946	3,060	3,147	3,195	3,220	3,302	3,454	3,410	3,488	3,710	3,760
Total	27,496	27,071	27,718	28,523	28,988	30,749	31,948	32,591	33,557	34,670	35,672
Net Surplus/(Deficit)	(1,828)	(698)	(1,804)	(1,910)	6,906	(1,855)	(2,088)	(1,849)	(1,045)	(2,631)	(2,430)
Expenditure by Inputs											
Staff Costs	5,359	5,629	5,730	5,844	5,964	6,095	6,230	6,377	6,535	6,703	6,883
Operational Costs	18,069	17,331	17,781	18,377	18,529	19,671	20,315	20,788	21,450	22,206	22,929
Loan Interest	1,040	1,059	1,018	984	1,020	1,260	1,162	1,071	989	903	812
Depreciation	3,028	3,052	3,189	3,318	3,475	3,723	4,241	4,355	4,584	4,858	5,048
Total	27,496	27,071	27,718	28,523	28,988	30,749	31,948	32,591	33,557	34,670	35,672

Sport, Recreation and Leisure Group Activity

Estimated Cashflows for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
<i>Cashflow from Operating Activities</i>											
Cash is provided from operating activities:											
Rates Received	21,370	20,274	21,397	22,121	23,121	23,732	24,548	24,748	26,858	26,193	27,190
Other Revenue	4,298	6,098	4,517	4,492	12,774	5,163	5,312	5,995	5,654	5,846	6,052
Cash was applied to:											
Suppliers and Employees	(23,427)	(22,960)	(23,511)	(24,221)	(24,493)	(25,765)	(26,546)	(27,165)	(27,984)	(28,909)	(29,812)
Interest Paid	(1,040)	(1,059)	(1,018)	(984)	(1,020)	(1,260)	(1,162)	(1,071)	(989)	(903)	(812)
Net Cash from Operating	1,201	2,353	1,385	1,408	10,382	1,870	2,152	2,507	3,539	2,227	2,618
<i>Cashflow from Investing Activities</i>											
Cash is provided from investing activities:											
Reduction in Loans and Advances	72	72	72	72	104						
Cash was applied to:											
Capital Expenditure	(2,712)	(3,799)	(1,691)	(1,370)	(16,017)	(1,156)	(1,560)	(2,464)	(2,688)	(1,728)	(1,818)
Increase in Loans and Advances		(50)									
Net Cash from Investing	(2,640)	(3,777)	(1,619)	(1,298)	(15,913)	(1,156)	(1,560)	(2,464)	(2,688)	(1,728)	(1,818)
<i>Cashflow from Financing Activities</i>											
Cash is provided from financing activities:											
Loan Raised	1,362	167	600		6,000						
Cash was applied to:											
Loan Repayment	(737)	(811)	(878)	(954)	(1,119)	(1,302)	(1,394)	(1,105)	(1,157)	(1,217)	(1,275)
Net Cash from Financing	625	(644)	(278)	(954)	4,881	(1,302)	(1,394)	(1,105)	(1,157)	(1,217)	(1,275)
<i>Net Increase/(Decrease) in Cash</i>	(814)	(2,068)	(512)	(844)	(650)	(588)	(802)	(1,062)	(306)	(718)	(475)

Sport, Recreation and Leisure Group Activity

Funding Impact Statement for the years ending 30 June 2015 to 30 June 2025

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Sources of Operating Funding</i>											
General Rates, Uniform Annual General Charges, Rates Penalties	10,884	9,571	10,450	10,912	11,630	11,939	12,435	12,285	14,017	12,954	13,515
Targeted Rates	10,486	10,704	10,947	11,209	11,491	11,792	12,113	12,462	12,841	13,239	13,675
Subsidies and Grants for Operating Purposes											
Fees and Charges	4,072	4,166	4,438	4,411	4,532	4,993	5,139	5,302	5,474	5,662	5,864
Internal Charges and Overheads Recovered	195	9	9	10	10	10	10	11	11	11	12
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts											
Total Operating Funding	25,637	24,450	25,844	26,542	27,663	28,734	29,697	30,060	32,343	31,866	33,066
<i>Applications of Operating Funding</i>											
Payments to Staff and Suppliers	20,831	20,073	20,551	21,186	21,375	22,558	23,244	23,792	24,501	25,305	26,079
Finance Costs	1,040	1,059	1,018	984	1,020	1,260	1,162	1,071	989	903	812
Internal Charges and Overheads applied	2,791	2,897	2,969	3,044	3,128	3,217	3,312	3,384	3,494	3,616	3,745
Other Operating Funding Applications											
Total Applications of Operating Funding	24,662	24,029	24,538	25,214	25,523	27,035	27,718	28,247	28,984	29,824	30,636
<i>Surplus/(Deficit) of Operating Funding</i>	975	421	1,306	1,326	2,140	1,699	1,979	1,813	3,359	2,043	2,430

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Sources of Capital Funding</i>											
Subsidies and Grants for Capital Expenditure	39	1,200			8,099						
Development and Financial Contributions	226	732	79	81	143	170	173	693	180	184	188
Increase (Decrease) in Debt	507	(644)	(278)	(954)	4,881	(1,302)	(1,394)	(1,105)	(1,157)	(1,217)	(1,275)
Gross Proceeds from the Sale of Assets											
Lump Sum Contributions											
Other Dedicated Capital Funding											
Total Sources of Capital Funding	772	1,288	(199)	(873)	13,123	(1,132)	(1,221)	(412)	(977)	(1,033)	(1,087)
<i>Application of Capital Funding</i>											
Capital Expenditure											
– to meet additional demand	176	1,007	188	13	14	14	14	1,140	15	16	17
– to improve the level of service	1,107	2,299	570	151	14,734	159	278	169	174	180	316
– to replace existing assets	1,186	493	933	1,205	1,269	983	1,267	1,155	2,499	1,531	1,485
Increase (Decrease) in Reserves											
Increase (Decrease) of Investments	(722)	(2,090)	(584)	(916)	(754)	(589)	(801)	(1,063)	(306)	(717)	(475)
Total Application of Capital Funding	1,747	1,709	1,107	453	15,263	567	758	1,401	2,382	1,010	1,343
<i>Surplus/(Deficit) of Capital Funding</i>	(975)	(421)	(1,306)	(1,326)	(2,140)	(1,699)	(1,979)	(1,813)	(3,359)	(2,043)	(2,430)
<i>Funding Balance</i>	0	0	0	0	0	0	0	0	0	0	0

Corporate Support

The Council has a number of Corporate Support activities. These activities provide technical and administrative support for the key delivery activities of the Council (as described in the earlier pages of this Section). In some instances, the support activities also provide an external service (i.e. the provision of the Council's website). The support activities are largely funded by an internal charge to the activities identified earlier in this section. The charge is based on an allocation method that endeavours to reflect the true cost to the key delivering activities.

The Corporate Support activities are listed below:

Citifleet – Citifleet owns and runs the Council's vehicle fleet. A revised charging model is being investigated which may result in changes to individual activity budgets for the final Annual Plan.

Corporate Leadership – This activity provides the following services to the Council: monitoring and managing the performance of the organisation, directing human resource requirements, oversight of asset management and energy utilisation, financial planning and aligning the organisation with the Council's legislative and customer requirements.

Corporate Policy Team – Provides a strategic overview to the organisation offering policy advice and services to the Council. The budget for this team was previously in the Corporate Leadership budget and is now separately identified.

Council Communications – Raises the positive profile of Dunedin and the Council, by communicating the Council's initiatives and assisting the Council's activities in their communications with the community.

Customer Services Agency – The Customer Services Agency is the first point of contact for most callers to the Council. The Customer Services Agency enables the majority of customer calls to be dealt with at the first point of contact.

Finance – The principal services include rates billing and collection, cash receipting, accounts payable, payroll, maintaining integrity of financial systems, financial reporting, financial advice, internal audit/internal controls, corporate furniture management, tender process management and insurance management.

Human Resources – The Human Resources Department provides strategic advice, expertise and support on employment relations, recruitment, remuneration, training, health and safety, staff welfare, performance development and change management issues.

Property Management – The Property Management activity supplies professional, property management and consultancy services to the Council's Property activities and property transactions.

Business Information Services – Business Information Services provides Dunedin City Council with Information and Communications Technology (ICT) services and comprises three departments:

- Business Solutions supports the Council's current and future ICT solutions. The services provided include application support and development, business intelligence services, ICT project management and website and intranet content and development.
- Information Solutions provides information and data management support for core Council functions. Services include document and records management, archives management, land and property information management along with GIS, aerial photography and mapping services.
- Network Services plans and develops the Dunedin City Council ICT infrastructure, is responsible for ICT security and change management and co-ordinates ICT training. Network Services also provides the service support desk and is therefore the first point of contact for all ICT service requests.

Changes to Service Levels

There are no proposed changes to service levels across the duration of the 10-year plan and service levels are unchanged from the 2014/15 Annual Plan.

Otago-wide Performance Improvement Framework

The Dunedin City Council has agreed to participate in the Otago-wide Performance Improvement Framework along with the other territorial authorities in the Otago region (Central Otago District Council, Clutha District Council, Queenstown Lakes District Council and Waitaki District Council, and the Otago Regional Council). The Otago Region Triennial Agreement 2013-16 identified an opportunity for regional collaboration by establishing common benchmarking and performance measurement frameworks.

The Otago Mayoral Forum adopted the framework for the purposes of:

- providing communities with better context to assess the performance of their Council
- enabling better support and collaboration to drive improvement across Otago
- helping to drive standards for future local government reforms
- providing consistent performance information that allows closer scrutiny of efficiency and effectiveness.

The agreed framework includes the following performance indicators:

- percentage of the Council's budgeted capital works programme, including renewals, completed annually
- percentage of ratepayers who are satisfied with overall Council performance
- percentage of ratepayers who are satisfied with Council communications
- percentage of ratepayers who are satisfied with the quantity and quality of community facilities (including a question as to whether the surveyed resident has used a community facility in the last 12 months)
- percentage of building consents issued within statutory times
- percentage of resource consents issued within statutory times
- average building consent processing days
- average resource consent processing days
- rates per ratepayer as a percentage of regional median household income
- rates per ratepayer as a percentage of average superannuation per household (married couple)
- cost of administrative and support services as a percentage of organisational running cost.

These measures will be benchmarked annually and reported in each Council's annual report from 2015/16. The overall framework will not be subject to an audit opinion although some of the measures are also reported as part of the participating Council's wider service performance framework and are subject to audit. The framework is separate and distinct from the set of mandatory performance measures the Department of Internal Affairs (DIA) requires to be reported following amendments to the Local Government Act in 2014. Reporting from the Council will be included as an appendix to the annual report, in the same way that the community outcome indicator progress reporting is provided. A staff working group will continue to refine the framework through the working group of all Otago councils, in order to consistently and effectively report on the framework from 2015/16 onwards.

Corporate Support Group Activity

Estimated Income Statement for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Revenue											
Rates											
General Funds	2,984	3,819	3,881	4,198	4,067	3,890	4,097	3,991	4,073	4,216	3,944
External Operating Revenue	568	607	622	638	656	674	694	716	740	765	793
Total	3,552	4,426	4,503	4,836	4,723	4,564	4,791	4,707	4,813	4,981	4,737
Expenditure by Outputs											
Citifleet	(217)	(36)	(47)	(43)	(26)	0	39	47	52	52	51
Corporate Support	311	315	262	260	256	253	249	244	238	231	224
Council Communications	2,335	2,353	2,425	2,498	2,580	2,646	2,708	2,807	2,865	2,927	3,020
Property Management	102	138	78	32	26	21	14	6	(2)	(11)	(21)
Customer Services Agency	72	113	105	99	107	100	91	66	28	13	(3)
Finance	288	462	459	472	471	468	469	457	452	445	438
Human Resources	244	329	330	333	335	337	339	341	343	344	345
Business Information Services	(57)	1,696	540	783	524	203	181	205	222	159	(59)
Policy Analyst Team	161	57	61	181	71	20	212	8	35	176	21
Total	3,239	5,427	4,213	4,615	4,344	4,048	4,302	4,181	4,233	4,336	4,016
Net Surplus/(Deficit)	313	(1,001)	290	221	379	516	489	526	580	645	721
Expenditure by Inputs											
Staff Costs	11,673	12,496	12,140	12,263	12,431	12,703	12,987	13,293	13,621	13,973	14,346
Operational Costs	(10,300)	(8,748)	(9,655)	(9,562)	(9,857)	(10,382)	(10,493)	(11,019)	(11,209)	(11,512)	(12,180)
Loan Interest	124	104	83	60	44	35	26	18	11	6	2
Depreciation	1,742	1,575	1,645	1,854	1,726	1,692	1,782	1,889	1,810	1,869	1,848
Total	3,239	5,427	4,213	4,615	4,344	4,048	4,302	4,181	4,233	4,336	4,016

Corporate Support Group Activity

Estimated Cashflows for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
<i>Cashflow from Operating Activities</i>											
Cash is provided from operating activities:											
Rates Received	2,984	3,819	3,881	4,198	4,067	3,890	4,097	3,991	4,073	4,216	3,944
Other Revenue	568	607	622	638	656	674	694	716	740	765	793
Cash was applied to:											
Suppliers and Employees	(1,373)	(3,748)	(2,485)	(2,701)	(2,575)	(2,322)	(2,494)	(2,274)	(2,412)	(2,461)	(2,167)
Interest Paid	(124)	(104)	(83)	(60)	(44)	(35)	(26)	(18)	(11)	(6)	(2)
Net Cash from Operating	2,055	574	1,935	2,075	2,104	2,207	2,271	2,415	2,390	2,514	2,568
<i>Cashflow from Investing Activities</i>											
Cash is provided from investing activities:											
Sale of Assets	80	80	82	84	86	89	92	94	98	101	105
Cash was applied to:											
Capital Expenditure	(1,806)	(1,283)	(2,130)	(2,402)	(2,037)	(1,834)	(1,836)	(1,785)	(1,751)	(2,061)	(1,883)
Increase in Investments	(54)	(54)	(54)	(54)	(54)	(54)	(54)	(54)	(54)	(54)	(54)
Net Cash from Investing	(1,780)	(1,257)	(2,102)	(2,372)	(2,005)	(1,799)	(1,798)	(1,745)	(1,709)	(2,014)	(1,832)
<i>Cashflow from Financing Activities</i>											
Cash is provided from financing activities:											
Loan Raised											
Cash was applied to:											
Loan Repayment	(261)	(280)	(300)	(322)	(115)	(124)	(133)	(98)	(85)	(60)	(47)
Net Cash from Financing	(261)	(280)	(300)	(322)	(115)	(124)	(133)	(98)	(85)	(60)	(47)
<i>Net Increase/(Decrease) in Cash</i>	14	(963)	(467)	(619)	(16)	284	340	572	598	440	689

Corporate Support Group Activity

Funding Impact Statement for the years ending 30 June 2015 to 30 June 2025

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Sources of Operating Funding</i>											
General Rates, Uniform Annual General Charges, Rates Penalties	647	3,819	3,881	4,198	4,067	3,890	4,097	3,991	4,073	4,216	3,944
Targeted Rates											
Subsidies and Grants for Operating Purposes											
Fees and Charges	565	607	622	638	656	674	694	716	740	765	793
Internal Charges and Overheads Recovered	24,400	26,245	26,902	27,584	28,342	29,150	30,009	30,969	31,979	33,090	34,278
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts											
Total Operating Funding	25,612	30,671	31,405	32,420	33,065	33,714	34,800	35,676	36,792	38,071	39,015
<i>Applications of Operating Funding</i>											
Payments to Staff and Suppliers	18,258	23,751	22,988	23,725	24,176	24,539	25,365	25,877	26,785	27,681	28,292
Finance Costs	124	104	83	60	44	35	26	18	11	6	2
Internal Charges and Overheads applied	5,105	6,242	6,398	6,560	6,741	6,933	7,137	7,365	7,606	7,870	8,152
Other Operating Funding Applications											
Total Applications of Operating Funding	23,487	30,097	29,469	30,345	30,961	31,507	32,528	33,260	34,402	35,557	36,446
<i>Surplus/(Deficit) of Operating Funding</i>	2,125	574	1,936	2,075	2,104	2,207	2,272	2,416	2,390	2,514	2,569

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Sources of Capital Funding</i>											
Subsidies and Grants for Capital Expenditure											
Development and Financial Contributions											
Increase (Decrease) in Debt	(261)	(280)	(300)	(322)	(115)	(124)	(133)	(98)	(85)	(60)	(47)
Gross Proceeds from the Sale of Assets	80	80	82	84	86	89	92	94	98	101	105
Lump Sum Contributions											
Other Dedicated Capital Funding											
Total Sources of Capital Funding	(181)	(200)	(218)	(238)	(29)	(35)	(41)	(4)	13	41	58
<i>Application of Capital Funding</i>											
Capital Expenditure											
– to meet additional demand											
– to improve the level of service		230	51	53	108			118			65
– to replace existing assets	2,697	1,053	2,078	2,350	1,929	1,834	1,836	1,667	1,751	2,061	1,817
Increase (Decrease) in Reserves											
Increase (Decrease) of Investments	(751)	(909)	(411)	(566)	38	338	395	627	652	494	745
Total Application of Capital Funding	1,944	374	1,718	1,837	2,075	2,172	2,231	2,412	2,403	2,555	2,627
<i>Surplus/(Deficit) of Capital Funding</i>	(2,125)	(574)	(1,936)	(2,075)	(2,104)	(2,207)	(2,272)	(2,416)	(2,390)	(2,514)	(2,569)
<i>Funding Balance</i>	0	0	0	0	0	0	0	0	0	0	0

The background image shows the interior of the Dunedin Railway Station. A large, white rectangular sign with the word 'DUNEDIN' in bold, black, sans-serif capital letters hangs from the ceiling. To the left, a large, round, white clock with black numbers and hands is visible. The station's architecture features a high, vaulted glass and steel roof structure and a series of arched windows and doorways along the side wall.

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Forecast Financial Statements

Inflation Adjusted Statement of Revenue and Expense for the Years Ending 30 June 2015 to 30 June 2025

	Annual Plan 2014/15 \$'000	Forecast 2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Revenue												
Rates Revenue	125,228	125,228	130,049	136,521	143,368	149,205	155,136	162,195	165,934	172,354	176,301	180,852
External Revenue	54,785	54,909	55,719	57,192	58,287	60,507	62,859	64,530	66,662	69,100	73,117	75,307
Development and Financial Contributions	797	797	1,303	667	684	965	1,010	1,109	1,653	1,167	1,166	1,143
Subsidies and Grants	21,739	21,291	19,377	24,659	28,458	26,604	19,382	19,407	19,839	20,802	19,164	21,070
DCHL Dividend and Interest	10,450	10,450	5,902	5,902	6,185	6,717	7,252	7,788	8,350	8,390	8,438	8,475
Waipori Fund Revenue	3,561	3,561	3,801	3,896	3,995	4,105	4,222	4,346	4,486	4,632	4,793	4,965
Interest Revenue	530	530	150	150	150	150	150	150	150	150	150	150
Unrealised Investment Property Gains	2,342	2,380	2,440	2,501	2,563	2,628	2,693	2,761	2,830	2,900	2,973	3,047
Total Revenue	219,432	219,146	218,741	231,488	243,690	250,881	252,704	262,286	269,904	279,495	286,102	295,009
Expenditure												
Staff Costs	45,708	46,303	49,268	49,334	50,163	51,300	52,665	53,802	55,084	56,509	57,926	59,492
Operational Costs	96,589	95,678	96,800	98,848	101,273	103,669	107,658	110,549	114,097	118,777	126,455	130,853
Loan Interest	17,842	16,457	18,063	17,660	17,634	17,455	17,223	16,708	15,939	14,726	13,388	11,936
Depreciation	53,809	53,811	53,446	55,301	56,963	58,010	60,305	62,706	64,826	65,416	67,752	69,264
Total Expenditure	213,948	212,249	217,577	221,143	226,033	230,434	237,851	243,765	249,946	255,428	265,521	271,545
Net Surplus/(Deficit)	5,484	6,897	1,164	10,345	17,657	20,447	14,853	18,521	19,958	24,067	20,581	23,464
Attributable to:												
Dunedin City Council	5,484	6,897	1,164	10,345	17,657	20,447	14,853	18,521	19,958	24,067	20,581	23,464

Inflation Adjusted Estimate of Comprehensive Revenue and Expense for the Years Ending 30 June 2015 to 30 June 2025

	Annual Plan 2014/15 \$'000	Forecast 2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Gain on Asset Revaluation	69,379	73,161	57,291	48,500	80,177	55,509	59,105	96,307	70,635	76,424	114,789	90,573
Total Other Comprehensive Revenue and Expenses	69,379	73,161	57,291	48,500	80,177	55,509	59,105	96,307	70,635	76,424	114,789	90,573
Net Surplus/(Deficit)	5,484	6,897	1,164	10,345	17,657	20,447	14,853	18,521	19,958	24,067	20,581	23,464
Total Comprehensive Revenue and Expenses	74,863	80,058	58,455	58,845	97,834	75,956	73,958	114,828	90,593	100,491	135,370	114,037
Attributable to:												
Dunedin City Council	74,863	80,058	58,455	58,845	97,834	75,956	73,958	114,828	90,593	100,491	135,370	114,037

Inflation Adjusted Estimate of Changes in Equity for the Years Ending 30 June 2015 to 30 June 2025

	Annual Plan 2014/15 \$'000	Forecast 2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Opening Equity	2,878,932	2,811,246	2,891,304	2,949,759	3,008,604	3,106,438	3,182,394	3,256,352	3,371,180	3,461,773	3,562,264	3,697,634
Total Comprehensive Revenue and Expense	74,863	80,058	58,455	58,845	97,834	75,956	73,958	114,828	90,593	100,491	135,370	114,037
Closing Equity	2,953,795	2,891,304	2,949,759	3,008,604	3,106,438	3,182,394	3,256,352	3,371,180	3,461,773	3,562,264	3,697,634	3,811,671

Public Equity for the Years Ending 30 June 2015 to 30 June 2025

	Annual Plan 2014/15 \$'000	Forecast 2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Accumulated Funds	1,691,122	1,695,781	1,696,800	1,706,933	1,724,708	1,745,383	1,759,719	1,777,655	1,797,546	1,821,025	1,840,941	1,863,786
Restricted Reserves	6,424	8,490	8,635	8,848	8,730	8,502	9,019	9,604	9,671	10,259	10,924	11,543
Revaluation Reserves	1,274,817	1,199,429	1,256,720	1,305,219	1,385,396	1,440,905	1,500,010	1,596,317	1,666,952	1,743,376	1,858,165	1,948,738
Cashflow Hedge Reserves	(18,568)	(12,396)	(12,396)	(12,396)	(12,396)	(12,396)	(12,396)	(12,396)	(12,396)	(12,396)	(12,396)	(12,396)
Total	2,953,795	2,891,304	2,949,759	3,008,604	3,106,438	3,182,394	3,256,352	3,371,180	3,461,773	3,562,264	3,697,634	3,811,671

Inflation Adjusted Statement of Financial Position for the Years Ending 30 June 2015 to 30 June 2025

	Annual Plan 2014/15 \$'000	Forecast 2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Current Assets												
Cash at Bank	16,365	6,217	684	591	716	918	1,224	1,608	2,067	2,570	3,446	4,219
Deposits	0	0	0	0	0	0	0	0	0	0	0	0
Investments	19,641	18,858	18,202	17,756	17,310	17,364	17,418	17,473	17,527	17,581	17,635	17,689
Accounts Receivable	16,129	13,759	14,289	15,000	15,752	16,393	17,045	17,821	18,232	18,937	19,371	19,871
Inventories	817	1,502	1,502	1,502	1,502	1,502	1,502	1,502	1,502	1,502	1,502	1,502
Prepayments	128	296	296	296	296	296	296	296	296	296	296	296
Derivative Financial Instruments	0	0	0	0	0	0	0	0	0	0	0	0
Non-current assets held for sale	0	0	0	0	0	0	0	0	0	0	0	0
	53,080	40,632	34,973	35,145	35,576	36,473	37,485	38,700	39,624	40,886	42,250	43,577

	Annual Plan 2014/15 \$'000	Forecast 2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Non-current Assets												
Investments	58,467	61,214	61,757	62,299	62,839	63,367	63,467	63,567	63,667	63,767	63,767	63,767
Investments in Council Controlled Organisations	199,535	231,806	234,357	236,908	239,459	242,010	244,561	247,112	249,663	252,214	254,765	257,316
Loans and Advances	2,604	4,120	2,700	3,077	3,455	3,201	3,651	4,101	4,551	5,001	5,451	5,901
Other Intangible Assets	2,322	2,334	2,334	2,334	2,334	2,334	2,334	2,334	2,334	2,334	2,334	2,334
Property Plant and Equipment	2,943,022	2,856,342	2,912,301	2,968,864	3,060,468	3,131,344	3,195,132	3,298,178	3,369,076	3,447,822	3,559,551	3,648,901
	3,205,950	3,155,816	3,213,449	3,273,482	3,368,555	3,442,256	3,509,145	3,615,292	3,689,291	3,771,138	3,885,868	3,978,219
Total Assets	3,259,030	3,196,448	3,248,422	3,308,627	3,404,131	3,478,729	3,546,630	3,653,992	3,728,915	3,812,024	3,928,118	4,021,796
Current Liabilities												
Short Term Loans	0	0	0	0	0	0	0	0	0	0	0	0
Accounts Payable	21,155	17,519	17,897	18,436	19,006	19,457	19,906	20,472	20,659	21,128	21,309	21,547
Employee Entitlements	6,403	6,428	6,530	6,650	6,782	6,921	7,072	7,230	7,400	7,583	7,779	7,987
Accrued Expenditure	4,589	5,035	5,085	5,136	5,187	5,239	5,291	5,344	5,397	5,451	5,506	5,561
Derivative Financial Instruments	18,574	12,401	12,401	12,401	12,401	12,401	12,401	12,401	12,401	12,401	12,401	12,401
Current Portion of Term Loans	14,899	14,854	12,753	13,381	14,548	15,398	16,086	18,361	19,352	20,159	21,309	18,471
	65,620	56,237	54,666	56,004	57,924	59,416	60,756	63,808	65,209	66,722	68,304	65,967
Non-current Liabilities												
Term Loans	230,662	240,102	235,092	235,014	230,664	227,714	220,217	209,599	192,428	173,533	152,675	134,653
Other Non-current Liabilities	8,953	8,805	8,905	9,005	9,105	9,205	9,305	9,405	9,505	9,505	9,505	9,505
	239,615	248,907	243,997	244,019	239,769	236,919	229,522	219,004	201,933	183,038	162,180	144,158
Equity	2,953,795	2,891,304	2,949,759	3,008,604	3,106,438	3,182,394	3,256,352	3,371,180	3,461,773	3,562,264	3,697,634	3,811,671
Total Liabilities and Equity	3,259,030	3,196,448	3,248,422	3,308,627	3,404,131	3,478,729	3,546,630	3,653,992	3,728,915	3,812,024	3,928,118	4,021,796

Inflation Adjusted Cashflow Statement for the Years Ending 30 June 2015 to 30 June 2025

	Annual Plan 2014/15 \$'000	Forecast 2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Cashflow from Operating Activities</i>												
Cash is provided from:												
Rates Revenue	125,228	125,228	130,049	136,521	143,368	149,205	155,136	162,195	165,934	172,354	176,301	180,852
Other Revenue	77,321	76,997	76,399	82,518	87,429	88,076	83,251	85,046	88,154	91,069	93,447	97,520
DCHL Dividend and Interest	10,450	10,450	5,902	5,902	6,185	6,717	7,252	7,788	8,350	8,390	8,438	8,475
Waipori Fund Revenue	3,561	3,561	3,801	3,896	3,995	4,105	4,222	4,346	4,486	4,632	4,793	4,965
Interest Revenue	530	530	150	150	150	150	150	150	150	150	150	150
	217,090	216,766	216,301	228,987	241,127	248,253	250,011	259,525	267,074	276,595	283,129	291,962
Cash was applied to:												
Suppliers and Employees	(142,197)	(141,881)	(145,968)	(148,082)	(151,336)	(154,869)	(160,223)	(164,251)	(169,081)	(175,286)	(184,381)	(190,345)
Interest Paid	(17,842)	(16,457)	(18,063)	(17,660)	(17,634)	(17,455)	(17,223)	(16,708)	(15,939)	(14,726)	(13,388)	(11,936)
Total Expenditure	(160,039)	(158,338)	(164,031)	(165,742)	(168,970)	(172,324)	(177,446)	(180,959)	(185,020)	(190,012)	(197,769)	(202,281)
<i>Net Cash from Operating</i>	57,051	58,428	52,270	63,245	72,157	75,929	72,565	78,566	82,054	86,583	85,360	89,681
<i>Cashflow from Investing Activities</i>												
Cash is provided from:												
Sale of Assets	2,249	2,249	80	82	2,709	3,050	89	92	94	98	101	105
Reduction in Loans and Advances	707	707	2,572	72	72	704						
Reduction in Investments	224	224	710	500	500							
	3,180	3,180	3,362	654	3,281	3,754	89	92	94	98	101	105
Cash was applied to:												
Capital Expenditure	(58,494)	(51,034)	(49,754)	(60,945)	(68,535)	(73,799)	(62,384)	(66,776)	(62,353)	(64,936)	(61,821)	(65,099)
Increase in Loans and Advances	(1,419)	(767)	(1,152)	(450)	(450)	(450)	(450)	(450)	(450)	(450)	(450)	(450)
Increase in Investments	(3,694)	(34,138)	(3,148)	(3,147)	(3,145)	(3,133)	(2,705)	(2,705)	(2,705)	(2,705)	(2,605)	(2,605)
	(63,607)	(85,939)	(54,054)	(64,542)	(72,130)	(77,382)	(65,539)	(69,931)	(65,508)	(68,091)	(64,876)	(68,154)
<i>Net Cash from Investing</i>	(60,427)	(82,759)	(50,692)	(63,888)	(68,849)	(73,628)	(65,450)	(69,839)	(65,414)	(67,993)	(64,775)	(68,049)

	Annual Plan 2014/15 \$'000	Forecast 2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Cashflow from Financing Activities</i>												
Cash is provided from:												
Loans Raised (includes \$30 m Stadium transfer of debt on 30/6/15)	7,415	33,038	7,743	13,303	10,198	12,449	8,589	7,743	2,180	1,265	450	450
Cash was applied to:												
Loan Repayments	(12,163)	(12,163)	(14,854)	(12,753)	(13,381)	(14,548)	(15,398)	(16,086)	(18,361)	(19,352)	(20,159)	(21,309)
<i>Net Cash from Financing</i>	(4,748)	20,875	(7,111)	550	(3,183)	(2,099)	(6,809)	(8,343)	(16,181)	(18,087)	(19,709)	(20,859)
<i>Net Increase/(Decrease) in Cash</i>	(8,124)	(3,456)	(5,533)	(93)	125	202	306	384	459	503	876	773
Opening Cash Balance	24,489	9,673	6,217	684	591	716	918	1,224	1,608	2,067	2,570	3,446
Closing Cash Balance	16,365	6,217	684	591	716	918	1,224	1,608	2,067	2,570	3,446	4,219

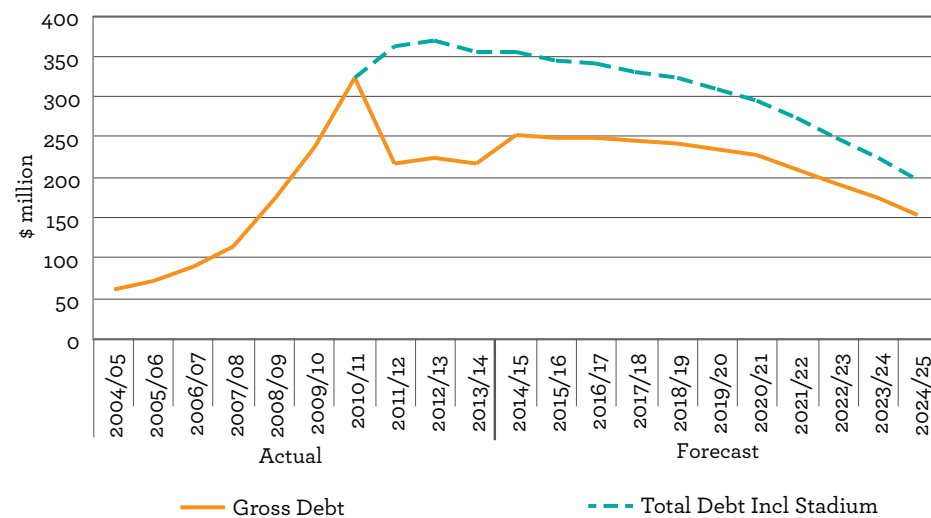
Forecast Financial Statements Notes for the Years Ending 30 June 2015 to 30 June 2025

	Annual Plan 2014/15 \$'000	Forecast 2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
1 Reconciliation of Operating Profit to Net Cashflows from Operating Activities												
Operating Surplus	5,484	6,897	1,164	10,345	17,657	20,447	14,853	18,521	19,958	24,067	20,581	23,464
Add/(less) Non-cash Adjustment												
Depreciation	53,809	53,811	53,446	55,301	56,963	58,010	60,305	62,706	64,826	65,416	67,752	69,264
Landfill Aftercare	100	100	100	100	100	100	100	100	100	0	0	0
Unrealised Investment Property Gains	(2,342)	(2,380)	(2,440)	(2,501)	(2,563)	(2,628)	(2,693)	(2,761)	(2,830)	(2,900)	(2,973)	(3,047)
Net Cashflow from Operating Activities	57,051	58,428	52,270	63,245	72,157	75,929	72,565	78,566	82,054	86,583	85,360	89,681
2 Change in Gross Debt	(4,748)	20,875	(7,111)	550	(3,183)	(2,099)	(6,809)	(8,343)	(16,181)	(18,087)	(19,709)	(20,859)
3 Debt Ratios												
Interest as a % of Rates (less than 20%)	14.4%	13.3%	14.0%	13.0%	12.4%	11.8%	11.2%	10.4%	9.7%	8.6%	7.6%	6.6%
Interest as a % of Total Revenue (less than 8%)	8.2%	7.5%	8.3%	7.6%	7.2%	7.0%	6.8%	6.4%	5.9%	5.3%	4.7%	4.0%
Cashflow from operations exceeds interest by 2.5 times	3.2	3.5	2.9	3.6	4.1	4.3	4.2	4.7	5.1	5.9	6.4	7.5
Interest and Loan Repayment as % of Rates	24.2%	23.1%	25.5%	22.4%	21.8%	21.6%	21.2%	20.3%	20.8%	19.9%	19.1%	18.5%
Interest and Loan Repayment as % of Total Revenue	13.7%	13.1%	15.0%	13.1%	12.7%	12.8%	12.9%	12.5%	12.7%	12.2%	11.7%	11.3%
Ratio of Interest Expense to Term Debt	7.2%	7.0%	7.2%	7.1%	7.1%	7.1%	7.2%	7.2%	7.2%	7.3%	7.3%	7.3%
Debt/Equity	8.3%	8.8%	8.4%	8.3%	7.9%	7.6%	7.3%	6.8%	6.1%	5.4%	4.7%	4.0%

	Annual Plan 2014/15 \$'000	Forecast 2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
4 Debt (includes \$30 million DVL debt from 30 June 2015)												
Net Debt	229,196	248,739	247,161	247,804	244,496	242,194	235,079	226,352	209,713	191,122	170,538	148,905
Gross Debt	245,561	254,956	247,845	248,395	245,212	243,112	236,303	227,960	211,780	193,692	173,984	153,124
5 Waipori Loans Consolidated Out												
Loan Interest	118	123	99	73	45	15						
Loan Repayment	321	321	344	369	396	413						
Balance of Borrowing from Waipori Fund	1,522	1,522	1,177	808	413							
6 Interest Expense Capitalised	59	59										
7 Liquidity Ratios (including available line of credit)												
Available Line of Credit (\$270m less Gross Debt)		15,044	22,155	21,605	24,788	26,888	33,697	42,040	58,220	76,308	96,016	116,876
Working Capital		(561)	2,462	746	2,440	3,945	10,426	16,932	32,635	50,472	69,962	94,486
Current Ratio		72%	64%	63%	61%	61%	62%	61%	61%	61%	62%	66%
Liquidity		6,038	7,616	6,974	10,281	12,582	19,697	28,423	45,063	63,653	84,239	105,871
Liquidity Ratio		69%	51%	52%	53%	55%	57%	59%	61%	63%	66%	69%
8 Net Cash Received from DCHL	10,450	10,450	5,902	5,902	6,185	6,717	7,252	7,788	8,350	8,390	8,438	8,475

Gross Debt Chart

The graph illustrates gross debt (core Council debt) actual for the 2004/05 – 2013/14 years and forecast for the 2014/15 – 2024/25 years. Gross debt declined in the 2011/12 year due to the sale of the Stadium to Council-owned company, Dunedin Venues Limited. The blue line shows core Council debt plus all Stadium debt. It does not include debt of other Council-owned companies.



Statement of Accounting Policies

1 Reporting Entity

The forecast financial statements presented are for the reporting entity Dunedin City Council (the Council).

The Dunedin City Council is a Territorial Local Authority governed by the Local Government Act 2002 and these statements are produced under section 98, 99 and 111 of the Local Government Act 2002.

The registered address of the Council is 50 The Octagon, Dunedin.

The financial statements have been prepared in accordance with the requirements of the Local Government Act 2002, the Companies Act 1993 and the Financial Reporting Act 2013.

These financial statements are presented in New Zealand dollars because that is the currency of the primary economic environment in which the Council operates. These financial statements have been rounded to the nearest \$1,000.

The forecast financial statements are for the years ending 30 June 2015 to 2025. They were approved on 29 June 2015.

2 Significant Accounting Policies

Basis of Accounting

The financial statements have been prepared in accordance with NZ GAAP. In accordance with the new Accounting Standards Framework the Council is classified as a Tier 1 Public Sector Public Benefit Entity (PBE). These prospective financial statements are prepared under Tier 1 PBE International Public Sector Accounting Standards (IPSAS).

Public Benefit Entities are reporting entities whose primary objective is to provide goods or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for a financial return.

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain property, plant and equipment, investment properties, biological assets, derivative financial instruments, financial instruments classified as available for sale, and financial instruments held for trading.

Non-Current Assets Held for Sale

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Depreciation on such assets will cease once classified as held for sale.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and GST.

Revenue from services rendered is recognised when it is probable that the economic benefits associated with the transaction will flow to the entity. The stage of completion at balance date is assessed based on the value of services performed to date as a percentage of the total services to be performed.

Government grants are received from the New Zealand Transport Agency, which subsidises part of the costs of maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

Sales of goods are recognised when significant risks and rewards of owning the goods are transferred to the buyer, when the revenue can be measured reliably and when management effectively ceases involvement or control.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Rates are set annually by resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.

Revenue from water rates by meter is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year-end, is accrued on an average usage basis.

Revenue from traffic and parking infringements is recognised when the infringement notice is issued.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Where total debt funding for a capital project is greater than or equal to \$5 million and spans more than one financial year, the interest costs are treated as capital expenditure.

All other borrowing costs are recognised in the surplus and deficit in the period in which they are incurred.

Employee Entitlements

Entitlements to salary and wages and annual leave are recognised when they accrue to employees. This includes the estimated liability for salaries and wages and annual leave as a result of services rendered by employees up to balance date at current rates of pay.

Entitlements to long service leave and retirement gratuities are calculated on an actuarial basis and are based on the reasonable likelihood that they will be earned by employees and paid by the Council.

The Council recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The calculation is based on the value of excess sick leave taken within the previous twelve months.

Good and Service Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except for receivables and payables which are recognised inclusive of GST.

Property, Plant and Equipment

Property plant and equipment are those assets held by the Council for the purpose of carrying on its business activities on an ongoing basis.

Operational Assets

These include land, buildings, improvements, library books, plant and equipment, and motor vehicles.

Restricted Assets

Restricted assets are parks and reserves owned by the Council which cannot be disposed of because of legal or other restrictions, and provide a benefit or service to the community.

Infrastructure Assets

Infrastructure assets are the fixed utility systems owned by the Council. Each asset type includes all items that are required for the network to function; for example, sewer reticulation includes reticulation piping and sewer pump stations.

Heritage Assets

These include, but are not limited to, assets held by the Council subject to deeds of agreement, terms and conditions of bequests, donations, trusts or other restrictive legal covenants. The Council's control of these assets is restricted to a management/custodial role.

Operational Assets

Land and Buildings

Land and buildings are stated at revalued amounts being fair value at date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The revaluations are performed by an independent valuer on a three yearly cycle.

Fixed Plant and Equipment

Fixed plant and equipment is stated at cost, less any subsequent accumulated depreciation and any accumulated impairment losses.

Motor Vehicles

Motor vehicles and other mobile plant and equipment are stated at cost less any subsequent accumulated depreciation and any accumulated impairment losses.

Office Equipment and Fittings

Office equipment and fittings are stated at cost less any subsequent accumulated depreciation less any accumulated impairment losses.

Library Collection

Library collections are stated at cost less any subsequent accumulated depreciation and any accumulated impairment losses.

Infrastructure Assets*Land*

Land is stated at revalued amounts being fair value at date of valuation less any subsequent accumulated impairment losses. The revaluations are performed by an independent valuer on a three yearly cycle.

Landfill Assets

Landfill assets, being earthworks, plant and machinery and the estimate of site restoration, are stated at cost less any accumulated depreciation and any accumulated impairment losses. The useful life of the landfill is considered to be the period of time to the expiring of the resource consent in 2013.

Buildings and Structures

Buildings and structures are valued on a yearly cycle by an independent valuer. Additions are recorded at cost and depreciated.

Roadways and Bridges

Roadways and bridges have been stated at their revalued amounts being fair value based on depreciated replacement cost as at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Roadways and bridges are valued annually by an independent valuer.

Fixed Plant

Fixed plant has been stated at their revalued amounts being fair value based on depreciated replacement cost as at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Fixed plant is valued on a yearly cycle by an independent valuer. Additions are recorded at cost and depreciated.

Reticulation Assets

Reticulation assets, being the reticulation system and networks of water and drainage, have been stated at their revalued amounts being fair value based on depreciated replacement cost as at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The reticulation assets are valued by a Council staff member sufficiently experienced to conduct the valuation. These valuations are subject to review by an independent valuer. Reticulation assets are valued annually.

Vested Assets

Vested assets are fixed assets given to the Council by a third party and could typically include water, drainage and roading assets created in the event of a subdivision. Vested assets also occur in the event of the donation of heritage or art assets by third parties. The value of assets vested are the cost price to the third party to create or purchase that asset and equates to its fair value at the date of acquisition. Vested assets, other than those pertaining to collections, are subsequently depreciated.

Restricted Assets*Land, Buildings and Structures*

Land, buildings and structures are stated at revalued amounts being fair value at date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The revaluations are performed by an independent valuer on a three yearly cycle.

Hard Surfaces and Reticulation Systems

Hard surfaces and reticulation systems are stated at revalued amounts being fair value at date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The revaluations are performed by an independent valuer on a three yearly cycle.

Road Reserve Land

Road reserve land is stated at revalued amounts being fair value at date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed by an independent valuer on a three yearly cycle.

Playground and Soft-Fall Areas

Playground and soft-fall areas are stated at revalued amounts being fair value at date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed by an independent valuer on a four yearly cycle.

Fixed Plant and Equipment

Fixed plant and equipment has been stated at their deemed cost being fair value at the date of valuation based on depreciated replacement cost less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Additions are recorded at cost and depreciated.

Heritage Assets

Heritage assets included are the Art Gallery Collection at the Dunedin Public Art Gallery, the Theomin Collection at Olveston, the Toitu Otago Settlers Museum and the monuments, statues and outdoor art.

All heritage assets are stated at cost less any subsequent accumulated depreciation and accumulated impairment losses.

Revaluations

Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the balance sheet date.

Public Benefit Entity Revaluations

Revaluation increases and decreases relating to individual assets within a class of assets are offset. Revaluation increases and decreases in respect of assets in different classes are not offset.

Where the carrying amount of a class of assets is increased as a result of a revaluation, the net revaluation increase is credited to the revaluation reserve. The net revaluation increase shall be recognised in the surplus or deficit to the extent that it reverses a net revaluation decrease of the same class of assets previously recognised in the surplus or deficit. A net revaluation decrease for a class of assets is recognised in the surplus or deficit, except to the extent it reverses a revaluation increase previously recognised in the revaluation reserve to the extent of any credit balance existing in the revaluation reserve in respect of the same class of asset.

Depreciation

Depreciation has been charged so as to write off the cost or valuation of assets, other than land, properties under construction and capital work in progress, on the straight line basis (SL). Rates used have been calculated to allocate the asset's cost or valuation less estimated residual value over their estimated remaining useful lives.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation commences when the assets are ready for their intended use.

Depreciation on revalued assets, excluding land, is charged to the Statement of

Comprehensive Income. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus remaining in the appropriate property revaluation reserve is transferred directly to retained earnings.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets, or where shorter, over the term of the relevant lease.

Depreciation rates and methods used are as follows:

	Rate	Method
Council Operational Assets		
Buildings	1% to 4%	SL
Fixed plant and equipment	10% to 15%	SL
Motor vehicles	20%	SL
Office equipment and fittings	7.5% to 20%	SL
Library collections	10% to 50%	SL
Infrastructure Assets		
Roadways and bridges	0.5% to 10%	SL
Life cycle used:		
– Kerb and channel	80 years	
– Shape corrections	80 years	
-- Reseals	11 years	
Footpaths	13.5 years	
Water treatment plants and facilities	1% to 15%	SL
Sewerage treatment plants and facilities	1% to 15%	SL
Stormwater treatment plants and facilities	1% to 15%	SL
Water reticulation	0.50% to 3%	SL
Sewerage reticulation	0.50% to 3%	SL
Stormwater reticulation	0.50% to 3%	SL
Landfill	15 years	
Heritage assets	0.2%	

	Rate	Method
Restricted Assets		
Buildings	1% to 4%	SL
Fixed plant and equipment	10% to 15%	SL
Hard surfaces	0.5% to 10%	SL
Playground and soft-fall areas	2% to 10%	SL

Derecognition

Items of property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the surplus or deficit in the year the item is derecognised.

Investment Property

Investment property is property held to earn rentals and/or for capital appreciation. All investment properties are stated at fair value, as determined annually by independent valuers at the balance sheet date.

Gains or losses arising from changes in the fair value of investment properties are recognised in the surplus or deficit for the period in which the gain or loss arises.

Intangible Assets

Software is recognised at cost and amortised to the surplus or deficit on a straight line basis over the estimated useful life – which is a maximum period of five years.

Carbon credits purchased are recognised at cost on acquisition. They are not amortised but are instead tested for impairment annually. Carbon credits are derecognised when they are used to satisfy carbon omission obligations.

Research and Development Expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Patents and Trademarks

Patents and trademarks are measured initially at purchase cost and are amortised on a straight line basis over their estimated useful lives.

Impairment of Assets Excluding Goodwill

At each balance sheet date, the Council reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Council estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately in the surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease to the extent of any previous revaluation increase for that asset (or cash generating unit) that remains in the revaluation reserve. Any additional impairment is immediately transferred to the surplus or deficit.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately in the surplus or deficit.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Cash and Cash Equivalents

Cash and cash equivalents comprise of cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdraft. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Financial Instruments

Financial assets and financial liabilities are recognised on the Council's balance sheet when the Council becomes a party to the contractual provisions of the instrument.

Trade and Other Receivables

Trade and other receivables are stated at cost less any allowances for estimated irrecoverable amounts.

Loans and Other Receivables

Loans and other receivables are financial instruments that are measured at amortised cost using the effective interest method. This type of financial instrument includes deposits, term deposits, inter-company loans, community loans and mortgages.

Investments

Investments are recognised and derecognised on a trade date where a purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at cost, including transaction costs.

Investments in Debt and Equity Securities

Investments in debt and equity securities are financial instruments classified as held for trading and are measured at fair value. Any changes in value, creating gains or losses are recognised in the surplus or deficit for the period.

Trade and Other Payables

Trade and other payables are stated at cost.

Borrowings

Borrowings are initially recorded net of directly attributable transaction costs and are measured at subsequent reporting dates at amortised cost. Finance charges, premiums payable on settlement or redemption and direct costs are accounted for on an accrual basis to the surplus or deficit using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Financial Liability and Equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Council after deducting all of its liabilities.

Derivative Financial Instruments and Hedge Accounting

The Council's activities expose it primarily to the financial risks of changes in interest rates. The Council uses interest rate swap contracts to hedge these exposures.

The Council does not use derivative financial instruments for speculative purposes. However, derivatives that do not qualify for hedge accounting, under the specific IPSAS rules, are accounted for as trading instruments with fair value gains/losses being taken directly to the surplus or deficit.

The use of financial derivatives is governed by Council's policies which provide written principles on the use of financial derivatives.

Derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition derivative financial instruments are re-measured at fair value.

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in equity and the ineffective portion is recognised immediately in the surplus or deficit. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of an asset or a liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability.

For hedges that do not result in the recognition of an asset or a liability, amounts deferred in equity are recognised in the surplus or deficit in the same period in which the hedged item affects net surplus or deficit.

For an effective hedge of an exposure to changes in the fair value, the hedged item is adjusted for changes in fair value attributable to the risk being hedged with the corresponding entry in the surplus or deficit. Gains or losses from re-measuring the derivative, or for non-derivatives the foreign currency component of its carrying amount, are recognised in the surplus or deficit.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the surplus or deficit as they arise. Derivatives not designated into an effective hedge relationship are classified as current assets or liabilities.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the surplus or deficit for the period.

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of host contracts and the host contracts are not carried at fair value with unrealised gains or losses reported in the surplus or deficit.

Provisions

A provision is recognised in the balance sheet when the Council has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for restructuring costs are recognised when the Council has a detailed formal plan for the restructuring that has been communicated to affected parties.

Changes in Accounting Policy

There have been no changes in accounting policy in the current year.

Prospective Financial Statements

The forecast financial statements have been prepared in accordance with Tier 1 PBE International Public Sector Accounting Standards (IPSAS) including PBE IPSAS 42. They have been prepared using the best information available at the time they were prepared.

Additional Information

1. Separately Disclosed Revenue

The Council is required to show the total amount of general rates in each group of activity section prior to the impact of any dividend income. This statement takes into account the dividend income and reconciles to the overall general rate budget for the Council.

The total general rate from each group of activities plus the general rate contribution, shown below, add to the total general rate income shown in the overall Funding Impact Statement for the Council.

Reconciliation of Rates Income – Group Activities to Financial Statements for the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
General Rates as per Group of Activities											
Economic Development and City Promotion	4,116	4,369	4,166	4,248	4,421	4,464	4,593	4,766	4,861	4,995	5,239
City Investment	3,440	4,950	4,950	4,950	4,950	4,950	4,950	5,750	5,750	5,750	5,750
Roading and Footpaths	20,180	18,743	19,962	22,503	24,196	25,868	26,934	27,797	28,749	29,461	30,388
Solid Waste	506	621	606	621	638	656	676	697	720	745	772
Planning and Regulatory	7,889	7,817	8,076	8,382	8,557	8,972	9,335	9,621	9,899	10,178	10,217
Community Development and Support	13,745	13,473	13,828	13,738	14,202	14,880	14,853	15,189	16,044	16,014	16,380
Museums, Libraries and Art Gallery	23,946	23,145	23,715	24,210	25,960	27,049	27,460	28,118	28,917	29,512	30,377
Sport, Recreation and Leisure	10,884	9,571	10,450	10,912	11,630	11,939	12,435	12,285	14,017	12,954	13,515
Corporate Support Activities	2,984	3,819	3,881	4,198	4,067	3,890	4,097	3,991	4,073	4,216	3,944
	87,689	86,507	89,633	93,761	98,621	102,669	105,332	108,215	113,031	113,825	116,580
General Rate Contribution											
City Investment	(19,056)	(13,792)	(14,706)	(15,027)	(15,823)	(16,864)	(17,708)	(18,608)	(19,010)	(19,609)	(20,109)
Roading and Footpaths	(3,236)	(3,447)	(3,588)	(3,844)	(3,956)	(4,085)	(4,211)	(4,483)	(4,513)	(4,832)	(4,974)
Solid Waste	(952)	(1,148)	(585)	(973)	(1,365)	(1,687)	(1,661)	(1,900)	(1,978)	(94)	(111)
Community Development and Support	(88)	(87)	(135)	(173)	(238)	(303)	(370)	(432)	(523)	(604)	(694)
Corporate Support Activities	(250)										
	(23,583)	(18,474)	(19,014)	(20,017)	(21,382)	(22,937)	(23,950)	(25,423)	(26,025)	(25,139)	(25,888)

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
General Rates as per total Funding Impact Statement and Financial Statements											
General Rates											
Economic Development and City Promotion	4,116	4,369	4,166	4,248	4,421	4,464	4,593	4,766	4,861	4,995	5,239
City Investment	(15,616)	(8,842)	(9,756)	(10,077)	(10,873)	(11,914)	(12,758)	(12,858)	(13,260)	(13,859)	(14,359)
Roading and Footpaths	16,944	15,295	16,374	18,659	20,240	21,784	22,723	23,314	24,235	24,629	25,414
Solid Waste	(446)	(527)	21	(352)	(727)	(1,030)	(986)	(1,203)	(1,258)	651	661
Planning and Regulatory	7,889	7,817	8,076	8,382	8,557	8,972	9,335	9,621	9,899	10,178	10,217
Community Development and Support	13,657	13,386	13,693	13,565	13,964	14,577	14,483	14,758	15,521	15,410	15,685
Museums, Libraries and Art Gallery	23,946	23,145	23,715	24,210	25,960	27,049	27,460	28,118	28,917	29,512	30,377
Sport, Recreation and Leisure	10,884	9,571	10,450	10,912	11,630	11,939	12,435	12,285	14,017	12,954	13,515
Corporate Support Activities	2,733	3,819	3,881	4,198	4,067	3,890	4,097	3,991	4,073	4,216	3,944
Total General Rates	64,106	68,033	70,619	73,744	77,239	79,732	81,382	82,792	87,006	88,687	90,692
Community Services Rate											
Sport, Recreation and Leisure	10,486	10,704	10,947	11,209	11,491	11,792	12,113	12,462	12,841	13,239	13,675
Kerbside Recycling Rate											
Solid Waste	2,688	2,796	2,866	2,939	3,020	3,106	3,197	3,299	3,407	3,525	3,652
Citywide Water Rate											
Water Supply	18,873	19,242	19,917	20,223	21,626	23,990	26,038	26,069	25,335	25,986	26,767
Citywide Drainage Rate											
Sewerage and Sewage	23,771	24,203	26,094	28,054	28,428	28,283	30,013	31,987	33,232	34,021	35,020
Stormwater	4,466	4,108	4,940	5,981	6,103	6,853	7,988	7,775	8,899	9,227	9,590
Allanton Drainage Rate											
Sewerage and Sewage	20	20	20	20	20	20	20	20	20	20	20
Blanket Bay Drainage Rate											
Sewerage and Sewage	4	4	4	4	4	4	4	4	4	4	4

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
<i>Curles Point Drainage Rate</i>											
Sewerage and Sewage	3	3	3	3	3	3	3	3	3	3	3
<i>Heritage Earthquake Strengthening Rate</i>											
Planning and Regulatory		66	132	197	263	329	395	461	526	592	592
<i>Warm Dunedin Rate</i>											
Community Development and Support	290	341	437	437	437	437	437	437	437	331	147
<i>Private Street Lighting Rate</i>											
Roading and Footpaths	19	29	29	30	30	31	32	33	34	35	36
<i>Economic Dev/Tourism Non-residential</i>											
Economic Development and City Promotion	500	500	513	526	540	555	572	590	609	630	653
<i>Private Drainage Warrington Rate</i>											
Planning and Regulatory	1	1	1	1	1	1	1	1	1	1	1
<i>Total Rates per Financial Statements</i>	125,228	130,049	136,521	143,368	149,205	155,136	162,195	165,934	172,354	176,301	180,852
<i>% Increase</i>											
Total Rates	3.1%	3.8%	5.0%	5.0%	4.1%	4.0%	4.6%	2.3%	3.9%	2.3%	2.6%
Total Rates excluding voluntary rates	3.0%	3.8%	4.9%	5.0%	4.0%	3.9%	4.5%	2.3%	3.9%	2.3%	2.7%

Note: Voluntary rates include Heritage Earthquake Strengthening rates and Eco-Housing Rates

Analysis of Revenue

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Revenue											
Rates	125,228	130,049	136,521	143,368	149,205	155,136	162,195	165,934	172,354	176,301	180,852
Other Revenue	42,668	43,231	44,482	45,465	47,560	49,550	50,837	52,546	54,531	58,063	59,727
Regulatory Services	3,765	4,022	4,041	4,143	4,257	4,378	4,507	4,652	4,803	4,970	5,149
DCHL Dividend and Interest	10,450	5,902	5,902	6,185	6,717	7,252	7,788	8,350	8,390	8,438	8,475
New Zealand Transport Authority	20,165	17,313	23,322	24,394	17,227	18,161	18,151	18,546	19,468	17,787	19,645
Subsidies and Grants (excl NZTA)	1,126	2,064	1,337	4,064	9,377	1,222	1,256	1,294	1,334	1,378	1,425
Development and Financial Contributions	797	1,303	667	684	965	1,010	1,109	1,653	1,167	1,166	1,143
City Property Investment	8,476	8,466	8,669	8,679	8,690	8,930	9,186	9,464	9,766	10,083	10,431
Waipori Fund	3,561	3,801	3,896	3,995	4,105	4,222	4,346	4,486	4,632	4,793	4,965
Other Interest	530	150	150	150	150	150	150	150	150	150	150
Unrealised Investment Property Gains	2,380	2,440	2,501	2,563	2,628	2,693	2,761	2,830	2,900	2,973	3,047
Total	219,146	218,741	231,488	243,690	250,881	252,704	262,286	269,904	279,495	286,102	295,009

2. Separately Disclosed Expenditure

Analysis of Expenditure

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Expenditure by Inputs											
Staff Costs	46,303	49,268	49,334	50,163	51,300	52,665	53,802	55,084	56,509	57,926	59,492
Operational Costs	95,384	96,581	98,624	100,928	103,433	107,415	110,173	113,839	118,511	126,041	130,568
Audit Fees	294	219	224	345	236	243	376	258	266	414	285
Loan Interest	16,457	18,063	17,660	17,634	17,455	17,223	16,708	15,939	14,726	13,388	11,936
Depreciation	53,811	53,446	55,301	56,963	58,010	60,305	62,706	64,826	65,416	67,752	69,264
Total	212,249	217,577	221,143	226,033	230,434	237,851	243,765	249,946	255,428	265,521	271,545

3. Reconciliation of Summary of Cost of Service Statements with Core Council Income Statement

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Expenditure by Outputs											
Economic Development and City Promotion	5,356	5,806	5,627	5,757	5,960	6,058	6,218	6,456	6,594	6,801	7,096
Roading and Footpaths	43,022	42,598	43,389	44,526	45,711	47,028	48,436	49,873	51,346	52,636	54,186
City Investment	3,768	5,873	5,828	5,809	5,583	5,345	5,322	5,300	5,218	5,143	5,079
Water Supply	24,209	24,971	25,880	26,790	27,067	27,811	28,508	29,464	30,085	31,093	31,401
Sewage and Sewerage	27,574	26,908	27,756	28,083	28,361	28,901	29,423	29,873	29,030	29,563	30,332
Stormwater	5,438	5,399	5,620	5,834	6,033	6,245	6,444	6,714	7,001	7,301	7,637
Solid Waste	9,006	9,220	9,597	9,710	10,337	10,594	10,884	11,143	11,387	15,653	16,234
Planning and Regulatory	14,775	14,950	15,293	15,724	16,034	16,586	17,033	17,637	18,116	18,675	19,159
Community Development and Support	23,149	24,276	24,716	24,653	25,046	26,167	26,148	26,775	28,064	28,062	28,458
Museums, Libraries and Art Gallery	25,215	25,078	25,504	26,008	26,968	28,320	29,100	29,938	30,797	31,588	32,275
Sport, Recreation and Leisure	27,497	27,071	27,719	28,523	28,988	30,748	31,947	32,590	33,556	34,670	35,672
Corporate Support Activities	3,240	5,427	4,214	4,616	4,346	4,048	4,302	4,181	4,232	4,336	4,016
Total	212,249	217,577	221,143	226,033	230,434	237,851	243,765	249,946	255,428	265,521	271,545

Internal Expenditure and Revenue

Each group activity in Section Two is stated at gross of internal costs and revenues. These activity statements reflect the total external operations reflected in the Council Income Statement.

The Council is required by the Local Government Act 2002 to include a Funding Impact Statement (FIS) for each group of activities. The content of this statement is prescribed by the Local Government Act 2002. The Council has also disclosed an Income Statement and a Cashflow Statement for each group which discloses the same financial information as the FIS but complies with Generally Accepted Accounting Practice.

4. Depreciation

	2015/16 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Depreciation											
Economic Development and City Promotion	7	9	9	9	10	10	1	1	1	1	1
Roading and Footpaths	18,876	18,794	19,148	19,502	20,118	20,738	21,394	22,155	22,904	23,725	24,626
City Investment											
Water Supply	9,528	9,837	10,231	10,585	10,647	11,045	11,348	11,885	12,056	12,591	12,428
Sewage and Sewerage	9,599	9,145	9,652	9,999	10,109	10,503	10,930	11,108	10,064	10,508	11,035
Stormwater	2,604	2,632	2,754	2,863	2,927	3,055	3,161	3,330	3,507	3,691	3,899
Solid Waste	682	587	613	543	575	604	614	598	635	434	469
Planning and Regulatory	2	6	6	10	5	6	6	6	6	7	7
Community Development and Support	5,656	5,725	5,950	6,120	6,287	6,488	6,709	6,947	7,206	7,340	7,298
Museums, Libraries and Art Gallery	2,085	2,084	2,101	2,159	2,129	2,442	2,522	2,552	2,644	2,726	2,605
Sport, Recreation and Leisure	3,029	3,052	3,190	3,318	3,476	3,723	4,239	4,354	4,583	4,859	5,048
Corporate Support Activities	1,743	1,575	1,647	1,855	1,727	1,691	1,782	1,890	1,810	1,870	1,848
Total Depreciation Expense	53,811	53,446	55,301	56,963	58,010	60,305	62,706	64,826	65,416	67,752	69,264

5. Trade and Other Receivables

The Dunedin City Council does not provide for any impairment on rates receivable as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. These powers allow the Council to commence legal proceedings to recover any rates that remain unpaid four months after the due date for payment.

The carrying value of trade and other receivables approximates their fair value.

Normally no interest is charged on the accounts receivable although in specific instances interest may be charged. An allowance has been made for estimated irrecoverable amounts determined by reference to past default experience.

6. Inventories

The Council inventories are not pledged as security for liabilities.

7. Other Financial Assets

Other Current Financial Assets

Other current financial assets are classified as fair value through profit and loss. Fair value is determined by reference to the appropriate market. These investments are of short-term duration being between an on-call position and twelve months.

Other Non-Current Financial Assets

The Dunedin City Holdings Limited and the Dunedin Venue Management Limited advance loans, advances and other community loans are all classified as loans and receivables and are measured at amortised cost. With the exception of shares in Dunedin City Holdings Limited and Dunedin Venues Management Limited, all other non-current financial assets are classified as fair value through profit and loss and are measured at fair value with any changes in value going to the profit and loss account. These investments are of greater duration than twelve months.

On incorporation, Dunedin City Holdings Limited issued 100,000,000 ordinary shares of \$1 in favour of Dunedin City Council. Only \$100,000 was called and paid up. Since incorporation Dunedin City Holdings Limited has issued additional shares of \$1 each in favour of the Dunedin City Council. The shares carry equal voting rights and are uncalled.

The amounts and dates of issue are:

Incorporation	100,000,000
May 1996	75,000,000
March 1999	100,000,000
June 2002	75,000,000
September 2008	250,000,000
April 2011	250,000,000
Total number of Shares	850,000,000

The advance from the Dunedin City Council to the group is subordinated and unsecured. The terms of the advance agreement between the Dunedin City Council and the group are such that there is no obligation on Dunedin City Holdings Limited to transfer economic benefit at any specific time.

The Waipori Fund equity investments have been valued at market value at 30 June 2014. The ongoing assumption in the forecast financial statements is that the value of the equities will not change for the next 10 years.

8. Non-Current Liabilities

Core Council term loans are secured by rates revenue. The term loans of the Council are raised through Dunedin City Treasury Limited, a subsidiary of Dunedin City Holdings Limited.

9. Provisions

Landfill

There are five landfill aftercare provisions dealing with the closed North Taieri landfill, the Green Island landfill and three other provisions dealing with the remaining smaller landfills. The estimated aftercare costs have had an annual inflation rate of 2% applied to them and the aftercare has been estimated to continue until 2043.

Accrued Long Service Leave

The non-current portion of accrued long service leave has been calculated on an actuarial basis and is based on the reasonable likelihood that it will be earned by employees and paid by the group.

10. Property, Plant and Equipment Operational Assets

Land and buildings are valued at fair value as at 30 June 2012. They have been inflation adjusted 3 yearly from 30 June 2015 by 3.8%.

Infrastructure Assets

Water infrastructure buildings and structures have been valued at depreciated replacement cost as at 30 June 2014. They have been inflation adjusted annually.

Waste Services infrastructure buildings and structures have been valued on a depreciated replacement cost as at 30 June 2014. They have been inflation adjusted annually.

Infrastructure assets comprising roads, bridges and footpaths, lights, traffic signals and signs have been valued at depreciated replacement cost as at 30 June 2014. They have been inflation adjusted annually.

The water reticulation system was revalued as at 30 June 2014 by Council staff. It has been inflation adjusted annually.

The drainage reticulation system was revalued as at 30 June 2014 by Council staff. It has been inflation adjusted annually.

Landfill Assets

Landfill assets have been revalued as at 30 June 2014 by Council staff. They have been inflation adjusted annually.

Restricted Assets

Land and Buildings

Land and road reserves have been valued as at 30 June 2012. They have been inflation adjusted annually by 2.5%.

Buildings have been valued as at 30 June 2012. They have been inflation valued adjusted annually by 2.5%.

Hard Surfaces and Reticulation Systems

Hard surfaces and reticulation systems have been valued as at 30 June 2014. They have been inflation adjusted annually by 2.5%.

Playground and Soft-Fall Areas

Playground and soft-fall areas have been valued as at 30 June 2012. They have been inflation adjusted annually by 2.5%.

Heritage Assets

Heritage assets include the Art Gallery Collection at the Dunedin Public Art Gallery, the Theomin Collection at Olveston, Toitū Otago Settlers Museum, and the monuments, statues and outdoor art.

The Art Gallery Collection has been valued as a heritage collection at estimated current values as at 30 June 1993. This is at deemed cost.

The Theomin Collection has also been valued as a heritage asset. The collection was valued at estimated current values as at 30 June 1993. This is at deemed cost.

The Toitū Otago Settlers Museum Collection has been valued at its estimated insurance value in 2002. This is at deemed cost. Individual heritage assets have not been valued.

Monuments, statues and outdoor art have been valued at depreciation replacement value as at 30 June 2012.

The Otago Settlers Association has vested land, buildings and the collection in the Dunedin City Council. The land and buildings are valued as at 30 June 2012.

11. Investment Property

Investment Properties and Properties Intended for Sale

Investment properties are revalued annually as at 30 June by independent registered valuers, on a net current value basis. Properties intended for resale are valued at the lower of cost and net realisable value. They have been inflation adjusted annually by 2.5%.

12. Financial Instruments

A Council owned Company, Dunedin City Treasury Limited provides services to the Council and other Council owned companies. It co-ordinates access to domestic financial markets and manages the financial risks relating to the operations of the consolidated entity.

The consolidated entity does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The use of financial derivatives is governed by the consolidated entity's policies approved by the Council, which provides written principles on the use of financial derivatives.

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Council. The Council has adopted a policy of only dealing with creditworthy counterparties that are rated the equivalent of investment grade and above. This information is supplied by credit rating agencies. Exposure and credit ratings of counterparties are continually monitored and the aggregate value of transactions undertaken is spread amongst the approved counterparties. In terms of the ratepayer base, the Local Government (Rating) Act 2002 provides significant legal remedy to recover amounts owing to the Council.

Financial instruments which potentially subject the Council to credit risk principally consist of bank balances, accounts receivable, short-term investments and various other financial instruments.

Trade receivables consist of a large number of customers spread across diverse industries and geographical areas. The Council does not have any significant credit risk exposure to any single counterparty or group of counterparties having similar characteristics.

The Council is not exposed to any concentration of credit risk. The carrying amounts of the financial assets and financial liabilities are equivalent to their fair value, except with regard to forestry suspensory loans and the term bonds which carry an interest liability below the current market rate. The fair value of the financial instruments is based on quoted market prices for these instruments at balance date.

Policy and practice for the Council is detailed and recorded in the Treasury Management Policy.

Effectiveness of cash flow hedges

The matched terms method is the method used in applying hedges. In all cases the critical terms of both the hedges instrument and the underlying transaction are matched.

Interest Rate Risk

Each entity with material debt within the Dunedin City Council group has its own interest rate risk management policy approved by its own governing body.

This policy determines for economic reasons the proportion of projected debt that is fixed by the issue of fixed debt or by interest rate swap. The treasury company monitors on a monthly basis the level of fixed interest rates for the next 10 years and compares this against anticipated debt levels.

The Council uses interest rate swaps to manage its exposure to interest rate movements on its multi-option note facility borrowings by swapping a proportion of those borrowings from floating rates to fixed rates.

Currency Risk

The foreign exchange policy of the Council allows for funds spent in foreign currency to be protected by foreign currency hedging to protect NZD cash flows. Funds spent in foreign currency are remitted from New Zealand at the earliest opportunity.

13. Capital Management Strategy

The Council manages its capital to ensure that all entities under its control will be able to continue as going concerns. Capital includes Accumulated Funds, Revaluation Reserves, Restricted Reserves, Cash Flow Hedge Reserves and Forestry Revaluation Reserves. It is the nature of a Local Authority Balance Sheet to have the capital structure de-emphasised as a significant measure owing to the fact the local authorities rarely seeks an economic return from infrastructure assets. The value of the long-term fixed assets in relation to the public debt is not as significant as the impact of the interest component on the potential rate charge. The measures contained in the Borrowing and Investment Policy provide an indication of the meeting or otherwise of the objectives.

14. Internal Borrowing

The Sewage and Sewerage group of activities includes internal borrowing from the Waipori Fund as follows:

	2015/16 Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000
Loan Interest	123	99	73	45	15
Loan Repayment	321	344	369	396	413
Balance of Borrowing from Waipori Fund	1,522	1,177	808	413	

Ten Year Capital Expenditure Programme

For Years Ending 30 June 2015 to 30 June 2025

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Economic Development and City Promotion															
Visitor Centre															
New Capital															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Renewals															
IBIS Replacement	90				90										
Total	90	0	0	0	90	0	0	0	0	0	0	0	0	0	0
Total	90	0	0	0	90	0	0	0	0	0	0	0	0	0	0
City Investment															
Property – Investment															
New Capital															
Wall Street Development	1,410	136			1,546										
South Dunedin Community Complex					0			2,625	2,964						
Total	1,410	136	0	0	1,546	0	0	2,625	2,964	0	0	0	0	0	0
Renewals															
Investment Renewals	50				50	350	358	368	377	388	399	411	424	438	453
Total	50	0	0	0	50	350	358	368	377	388	399	411	424	438	453
Total	1,460	136	0	0	1,596	350	358	2,993	3,341	388	399	411	424	438	453

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
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Roading and Footpaths

Transportation

New Capital

Enhancing the Network

Mosgiel/Taieri Arterial

Riccarton Road

375

(255)

120

255

Roading Miscellaneous

Works

170

170

120

122

124

127

131

134

138

142

147

151

Subdivision Property

Purchase

0

31

31

32

33

34

35

36

37

38

39

* Mosgiel East

110

110

490

608

* Mosgiel West B

0

983

2,013

St Clair Sea Wall, Ramp

and Stairs

225

(225)

0

225

* Caversham Tunnel

81

(2)

(60)

19

60

* Traffic Services

0

3,041

3,109

Safety Improvements

* Portobello and

Harington Point Road

Improvements

3,095

(16)

3,080

1,100

9,520

9,733

* Minor Improvements

1,410

187

1,597

1,200

1,318

1,347

1,379

1,414

1,452

1,493

1,538

1,587

1,638

Street Lighting

Improvements

30

30

30

30

31

32

33

34

35

36

37

38

* Strategic Cycle Network

2,600

(77)

(850)

1,673

2,435

1,772

4,469

1,567

1,571

1,579

1,589

1,602

1,620

1,672

Wickcliffe Cycle/Walk

Connection

441

441

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
SH88 – 80 Anzac Ave Access	615				615										
Vogel St Project		23			23										
* Central City Project					0	250	406	2,519	3,268	4,079	3,351	2,297	3,656		
*Weir Road Tidewater					0	721									
Total	9,042	115	110	(1,390)	7,878	6,917	17,831	23,377	6,406	7,262	6,585	5,588	7,011	3,429	3,538
Renewals															
* Bridge Renewals					0					544	559				2,520
* Carriageway Resurfacing	4,201				4,201	4,100	4,157	4,249	4,350	4,459	4,580	4,709	4,851	5,004	5,165
Footpath Resurfacing	1,756				1,756	1,310	1,713	2,073	2,653	2,719	2,793	2,872	2,839	2,929	3,024
Footpath Resurfacing Central Activity Area	654				654				2,421	2,482	2,549				
* Gravel Road Re-metalting	862				862	750	760	777	849	870	894	919	947	976	1,008
* Major Drainage Control	1,243				1,243	1,200	1,217	1,244	1,273	2,088	2,145	2,205	2,272	2,343	2,419
* Traffic Services Renewal	630	160			790	560	568	580	594	609	626	643	663	684	706
* Shape Correction: Pavement Rehabilitation	3,290				3,290	2,400	2,433	2,487	2,547	2,610	2,681	4,020	4,141	4,272	4,409
* Structure Component Replacement	2,883				2,883	952	1,571	1,606	1,645	1,686	1,732	1,780	1,834	1,892	1,953
Council Funded Renewals	95			(95)	0										
Turnbulls Bay Retaining Wall Renewal	840				840										
Cycle Network Renewals					0				212	218	223	230	237	244	252
Total	16,454	160	0	(95)	16,519	11,272	12,419	13,018	16,544	18,285	18,782	17,378	17,784	18,344	21,456
Total	25,496	275	110	(1,485)	24,397	18,189	30,250	36,395	22,950	25,547	25,367	22,966	24,795	21,773	24,994

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Citipark															
New Capital															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Renewals															
Pay and Display Machines	200				200	200	308	315	324	333	343	236	244	252	261
Skidata Software Upgrade					0								122		
Total	200	0	0	0	200	200	308	315	324	333	343	236	366	252	261
Total	200	0	0	0	200	200	308	315	324	333	343	236	366	252	261
Parking Enforcement															
New Capital															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Renewals															
Electronic Ticket Writers					0		123								157
Total	0	0	0	0	0	0	123	0	0	0	0	0	0	0	157
Total	0	0	0	0	0	0	123	0	0	0	0	0	0	0	157

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Water															
New Capital															
Water Network – Augmentation and Efficiency	128			(94)	35	94	104	107	221	114	944	122	127	132	138
Reticulation Development – Zone Metering	72				72			160	166	171					
* Mosgiel East C and West B Watermain					0				733						
Formalising Out of Zone Connections	350				350										
Water – Risk, Compliance and Efficiency	150				150	650	109	107	110	114	118	122	127	132	138
Security of Supply	1,282			(1,266)	16		4,806	224	55	1,482	47	979			
Asset Management Information System (AMIS)	800	75		(400)	475	250	156								
Total	2,782	75	0	(1,760)	1,098	994	5,175	598	1,285	1,881	1,109	1,223	254	264	275
Renewals															
Water – Raw Water, Supply and Plant Renewals	3,570			(1,000)	2,570	2,468	1,687	1,871	2,069	2,394	2,684	2,814	2,478	2,575	2,683
Water – Network Renewals	3,685				3,685	3,842	5,158	5,855	6,839	8,640	10,201	9,939	9,466	9,839	10,251
Total	7,255	0	0	(1,000)	6,255	6,310	6,845	7,726	8,908	11,034	12,885	12,753	11,944	12,414	12,935
Total	10,037	75	0	(2,760)	7,353	7,304	12,020	8,324	10,193	12,915	13,994	13,976	12,198	12,678	13,210

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Wastewater															
New Capital															
Tahuna Upgrade Stage 2 – Treatment		351			351										
Tahuna – Gas to Energy Project		300			300										
Tahuna Biosolids Project	3,050			(2,800)	250	4,200									
Treatment Borrowing Costs	59				59										
Wastewater – Risk, Compliance and Efficiency	31				31				552	570	590				
Wastewater – Augmentation and Efficiency	173			(98)	75	198	104	107	166	171	177	184	191	198	206
* Reticulation Facilities for Variation 9B	0				0		313								
* Gladstone Rd North Pump Station	162				162										
* Burns St Pump Station Upgrade Variation 15					0				571						
Total	3,475	651	0	(2,898)	1,228	4,398	417	107	1,289	741	767	184	191	198	206

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Renewals															
Foul Sewer Renewals (Reticulation and Trunk Mains)	4,509	173			4,682	3,147	4,125	4,614	4,652	4,805	6,036	6,875	7,476	7,770	8,096
Treatment Plants	1,800	99		(899)	1,000	2,883	882	909	938	969	1,593	2,263	2,478	2,575	2,683
Total	6,309	272	0	(899)	5,682	6,030	5,007	5,523	5,590	5,774	7,629	9,138	9,954	10,345	10,779
Total	9,784	923	0	(3,797)	6,910	10,428	5,424	5,630	6,879	6,515	8,396	9,322	10,145	10,543	10,985
Stormwater															
New Capital															
Stormwater – Augmentation and Efficiency	0				0	50	260	1,489	55	57	325	336	356	370	385
Stormwater – Consent Compliance	395			(388)	7	408	21	21	22	23	24	25	25	26	28
Total	395	0	0	(388)	7	458	281	1,510	77	80	349	361	381	396	413
Renewals															
Stormwater – Network Renewals	867	405			1,272	1,275	2,044	2,472	2,894	3,556	4,329	4,001	4,994	5,190	5,408
Total	867	405	0	0	1,272	1,275	2,044	2,472	2,894	3,556	4,329	4,001	4,994	5,190	5,408
Total	1,262	405	0	(388)	1,279	1,733	2,325	3,982	2,971	3,636	4,678	4,362	5,375	5,586	5,821

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Solid Waste															
New Capital															
Compost for Final Cap	33				33	33	33			36	37		40		
Green Island Landfill (GILF) Gas Collection System	265				265		389		410		263		183		
GILF Litter Fences for New Bunds	13				13				14						
Landscaping for Final Cap	33				33										
Waikouaiti Landfill Transfer Station					0	150									
Waikouaiti Landfill Decommissioning					0		103	53							
GILF Improvements to Final Cap	100				100	100	188	105	198	111	210	118	224	126	
GILF Leachate System					0	135		220		233		247		264	
Total	444	0	0	0	444	418	713	378	622	380	510	365	447	390	0
Renewals															
Landfills Green Island	109				109	163	334	342	352	362	372	384	397	411	425
Renewal of Litter Bins					0	25		26		27		29		31	
Total	109	0	0	0	109	188	334	368	352	389	372	413	397	442	425
Total	553	0	0	0	553	606	1,047	746	974	769	882	778	844	832	425

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Planning and Regulatory Services															
City Development															
New Capital															
Citywide Amenity Upgrades		25			25	500	615	788	1,755	1,805	2,287	1,180	1,219	1,009	
Total	0	25	0	0	25	500	615	788	1,755	1,805	2,287	1,180	1,219	1,009	0
Renewals															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	25	0	0	25	500	615	788	1,755	1,805	2,287	1,180	1,219	1,009	0
Regulatory Services															
New Capital															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Renewals															
Noise Meters					0			37							46
Total	0	0	0	0	0	0	0	37	0	0	0	0	0	0	46
Total	0	0	0	0	0	0	0	37	0	0	0	0	0	0	46

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Community Development and Support															
Events and Community Development															
New Capital															
* Octagon Christmas Tree					0				86						
Total	0	0	0	0	0	0	0	0	86	0	0	0	0	0	0
Renewals															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	86	0	0	0	0	0	0
Housing															
New Capital															
New Housing Units					0	1,700	1,536	1,575	1,724	1,108	1,139	1,174	1,211	1,251	1,294
Total	0	0	0	0	0	1,700	1,536	1,575	1,724	1,108	1,139	1,174	1,211	1,251	1,294
Renewals															
Existing Housing	1,450				1,450	598	581	595	611	628	646	665	687	709	733
Total	1,450	0	0	0	1,450	598	581	595	611	628	646	665	687	709	733
Total	1,450	0	0	0	1,450	2,298	2,117	2,170	2,335	1,736	1,785	1,839	1,898	1,960	2,027
Cemeteries and Crematorium															
New Capital															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Renewals															
Chapel Heating					0		30								
Paving	255				255										
Vehicle and Pedestrian Accessway Renewals					0		138			150	45	59	165		
Total	255	0	0	0	255	0	168	0	0	150	45	59	165	0	0
Total	255	0	0	0	255	0	168	0	0	150	45	59	165	0	0

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Property – Miscellaneous															
New Capital															
Fortune Theatre Upgrade	50				50										
Total	50	0	0	0	50	0	0	0	0	0	0	0	0	0	0
Renewals															
Capital Renewal	100	17		(37)	80	207	113	577	555	321	46	70	133	100	142
CCTV Octagon					0			210			228				
Total	100	17	0	(37)	80	207	113	787	555	321	274	70	133	100	142
Total	150	17	0	(37)	130	207	113	787	555	321	274	70	133	100	142
Property – Operational															
New Capital															
Toilets					0	200			162	166	171	176	182	188	194
Dunedin Centre Re-development		64			64										
Civic Centre and Library Lighting Upgrade	225	(21)		(186)	18	186									
Total	225	43	0	(186)	82	386	0	0	162	166	171	176	182	188	194
Renewals															
Renewal/Replacement of Building Services	430			(240)	190	740	563	609	674	615	604	681	606	625	647
Public Toilet Renewals	103			(43)	60	123	82	84	86	89	114	117	121	125	129
Public Hall Renewals	25				25	45	21	42	119	111	108	100	182	194	129
Dunedin Centre Piano Replacement					0			275							
Total	558	0	0	(283)	275	908	666	1,010	879	815	826	898	909	944	90
Total	783	43	0	(469)	357	1,294	666	1,010	1,041	981	997	1,074	1,091	1,132	1,099

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Civil Defence and Rural Fires															
New Capital															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Renewals															
Emergency Equipment Replacement Programme	48				48	50	51	53	54	56	34	35	37	38	39
Total	48	0	0	0	48	50	51	53	54	56	34	35	37	38	39
Total	48	0	0	0	48	50	51	53	54	56	34	35	37	38	39
Civic Leadership															
New Capital															
Mayoral Reception					0										
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Renewals															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Museums, Libraries and Art Gallery															
Dunedin Public Libraries															
New Capital															
Heritage Collection Purchases	68				68	68	70	72	74	76	78	81	83	86	89
Heritage Collection Purchases – Trust Funds	10				10	10	10	11	11	11	11	12	12	13	13
Library Project Planning					0		154								
Central Library Refurbishment					0					2,138	2,201				
Radio Frequency Identification (RFID)	299	(5)			294										
Total	377	(5)	0	0	372	78	234	81	83	2,225	2,290	93	95	99	102
Renewals															
Minor Capital Equipment Purchases	55				55	55	56	57	59	61	62	64	66	69	71
Operational Collections Purchases	913				913	913	936	960	1,040	1,070	1,101	1,137	1,174	1,214	1,258
Total	968	0	0	0	968	968	992	1,017	1,099	1,131	1,163	1,201	1,240	1,283	1,329
Total	1,345	(5)	0	0	1,340	1,046	1,226	1,098	1,182	3,356	3,453	1,294	1,335	1,382	1,431

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Dunedin Public Art Gallery															
New Capital															
DCC Funded Acquisitions	50				50	106	109	111	115	118	121	125	129	134	138
* DPAG Society Funded Acquisitions	30	81		(81)	30	111	31	32	32	33	34	35	37	38	39
DPAG Minor Capital Works	20				20	20	21	21	22	22	23	24	24	25	26
Additional Collection Store Painting Racks					0				54		57				
Basement Store					0					226					
Total	100	81	0	(81)	100	237	161	164	223	399	235	184	190	197	203
Renewals															
Heating and Ventilation System	24	0			24	22	6	18	181	348	9	47	9	15	
DX Dehumidification Project		135			135	80									
Exhibition Lighting	110				110	50	51		11	11	11	12	12	13	13
Security Cameras					0	10	26	32	32						
Visitor Facilities Upgrade	100				100					56			61		
Goods Lift Renewal					0				432						
Chilled Water Pipe Replacement					0				151						
Total	234	135	0	0	369	162	83	50	807	415	20	59	82	28	13
Total	334	216	0	(81)	469	399	244	214	1,030	814	256	243	272	225	216

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Toitū Otago Settlers Museum															
New Capital															
Minor Capital Works	20				20	20	21	21	22	22	23	24	24	25	26
Acquisitions	50				50	50	51	53	54	56	57	59	61	63	65
Total	70	0	0	0	70	70	72	74	76	78	80	83	85	88	91
Renewals															
Heating and Ventilating Renewal					0			53			114	177	122		
Exhibition IT Equipment Renewal					0			95							
Total	0	0	0	0	0	0	0	148	0	0	114	177	122	0	0
Total	70	0	0	0	70	70	72	222	76	78	194	260	207	88	91

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Sport, Recreation and Leisure															
Aquatic Services															
New Capital															
* Mosgiel Pool					0		410		14,578						
Total	0	0	0	0	0	0	410	0	14,578	0	0	0	0	0	0
Renewals															
Moana Pool Double Glazing Replacement	57				57	57	58	60							
Moana Pool Replacement of Filters					0				65	67	69				
Mosgiel Pool Filter	54				54										
Mosgiel Pool	8				8	52	19	20	20	21	21	22	23	24	24
Port Chalmers					0	52	19	20	20	21	21	22	23	24	24
St Clair Hot Salt Water Pool	22				22	23	23	24	25	25	26	27	28	29	30
Moana Pool	16				16	16	16	16	17	17	18	18	19	20	20
Gym Equipment Replacement	21				21	21	21	22	22	23	24	24	25	26	27
Bulkhead Replacement		75			75										
Total	178	75	0	0	253	221	156	162	169	174	179	113	118	123	125
Total	178	75	0	0	253	221	567	162	14,747	174	179	113	118	123	125

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Botanic Garden															
New Capital															
Administration Building Workshop Upgrade					0		21								
Botanic Garden Redevelopment	1,244	118			1,362										
Total	1,244	118	0	0	1,362	0	21	0	0	0	0	0	0	0	0
Renewals															
Winter Garden	60				60										
Asphalt and Paving Renewal					0				35	22		159	1,135	213	132
Entranceway Sculpture and Ornamental Paving					0			158							
Total	60	0	0	0	60	0	0	158	35	22	0	159	1,135	213	132
Total	1,304	118	0	0	1,422	0	21	158	35	22	0	159	1,135	213	132
Parks and Reserves															
New Capital															
Recreation Services															
Playground Improvement					0		21	164	169	173	178	184	190	196	203
* University of Otago Oval Cricket Lights					0	2,200									
Conservation Services															
Art in Public Places					0		102				114				129
Developer Contributions															
* Reserve Development Mosgiel East	39			(39)	0	1,106	205								
* Reserve Development Mosgiel West					0							1,125			
Total	39	0	0	(39)	0	3,306	328	164	169	173	292	1,309	190	196	332

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Renewals															
Parks and Reserves Asset Renewal	948	90			1,038										
Irrigation System Renewals					0	54				13	63		205		
Reserve Furniture and Fence Renewals					0	30	31	32	32	33	34	35	36	38	39
Specimen Tree Renewals					0	25	26	26	27	28	29	29	30	31	32
Vehicle Accessway Renewals					0		230	368	494	158	278	263	319	448	462
Harbour Access Facilities Renewals					0										58
Pedestrian Accessway Renewals					0		27		4	101	106	6	64	115	63
Playground Renewals					0	119	286	293	301	309	318	328	338	349	361
Skateboard Renewals					0				67					28	
Sports Surfaces Renewals					0	45	177	169	141	145	262	222	254	190	214
Total	948	90	0	0	1,038	273	777	888	1,066	787	1,090	883	1,246	1,199	1,229
Total	987	90	0	(39)	1,038	3,579	1,105	1,052	1,235	960	1,382	2,192	1,436	1,395	1,561

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Corporate Support Activities															
Citifleet															
New Capital															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Renewals															
Vehicle Fleet Replacement	349			(200)	149	300	357	366	376	387	399	411	425	439	455
Truck Deck Replacement	20				20										
Total	369	0	0	(200)	169	300	357	366	376	387	399	411	425	439	455
Total	369	0	0	(200)	169	300	357	366	376	387	399	411	425	439	455
Council Communications and Marketing Activity															
New Capital															
Web Communications Equipment	16				16		51	53	54			118			65
Total	16	0	0	0	16	0	51	53	54	0	0	118	0	0	65
Renewals															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	16	0	0	0	16	0	51	53	54	0	0	118	0	0	65
Property – Management															
New Capital															
Property Management System					0	230			54						
Total	0	0	0	0	0	230	0	0	54	0	0	0	0	0	0
Renewals															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	230	0	0	54	0	0	0	0	0	0

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Customer Services Agency															
New Capital															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Renewals															
Contact Centre Applications					0		154								
Plaza Reception Counter Upgrade	30			(30)	0	30									
Total	30	0	0	(30)	0	30	154	0	0	0	0	0	0	0	0
Total	30	0	0	(30)	0	30	154	0	0	0	0	0	0	0	0
Finance															
New Capital															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Renewals															
Corporate Furniture	40				40	50	41	42	43	44	46	47	49	50	52
Total	40	0	0	0	40	50	41	42	43	44	46	47	49	50	52
Total	40	0	0	0	40	50	41	42	43	44	46	47	49	50	52

* indicates projects with full or partial external funding sources	2014/15 Annual Plan Budget \$'000	2014/15 Approved Carry Forwards August \$'000	2014/15 Revised Budgets \$'000	2014/15 Approved Carry Forwards May \$'000	2014/15 Revised Budget \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Business Information Services															
New Capital															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Renewals															
Desktop Equipment	349	76			425	491	368	340	325	477	636	352	384	407	571
ICT Infrastructure	1,118			(753)	365										
Customer and Regulatory Solutions	384				384	60	876	1,340	709	604	462	683	809	812	619
Financial and HR Applications	115				115	95	164	158	227	233	252	24	55	290	26
Digital Workspace and Records Management	293				293	27	118	104	250	89	42	150	31	62	94
Total	2,259	76	0	(753)	1,582	673	1,526	1,942	1,511	1,403	1,392	1,209	1,279	1,571	1,310
Total	2,259	76	0	(753)	1,582	673	1,526	1,942	1,511	1,403	1,392	1,209	1,279	1,571	1,310
Grand Total	58,494	2,468	110	(10,038)	51,034	49,754	60,945	68,536	73,799	62,383	66,777	62,353	64,936	61,820	65,099

Prospective Information

The Council has not presented group prospective financial statements. The prospective financial statements are for the core Council only.

The main purpose of prospective financial statements in the Long Term Plan is to provide users with information about the core services that the Council intends to provide ratepayers, the expected cost of those services and, as a consequence, how much the Council requires by way of rates to fund the intended levels of service. The level of rates funding required is not affected by subsidiaries except to the extent that the Council obtains distributions from, or further invests in, those subsidiaries. Such effects are included in the prospective financial statements of the Council.

The forecast financial statements have been prepared in accordance with the Local Government Act 2002.

The Local Government Act 2002 requires a council to, at all times, have a long-term plan under s 93, which covers a period of not less than 10 consecutive financial years; and includes the information required by Part 1 of Schedule 10.

Under Section 93 of the Local Government Act 2002, the purpose of a long term plan is to:

- a) describe the activities of the local authority; and
- b) describe the community outcomes of the local authority's district or region; and
- c) provide integrated decision-making and co-ordination of the resources of the local authority; and
- d) provide a long-term focus for the decisions and activities of the local authority; and
- e) provide a basis for accountability of the local authority to the community.

The Council adopted the Long Term Plan 2015/16 – 2024/25 on 29 June 2015.

The Council is responsible for the forecast financial statements including the appropriateness of the underlying assumptions and other disclosures.

Nature of Prospective Information

The forecast financial statements are prepared in accordance with Tier 1 PBE International Public Sector Accounting Standards (IPSAS) including PBE IPSAS 42. They are prepared on the basis of best-estimate assumptions as to future events, which the Council expects to take place as of 29 June 2015.

Cautionary Note

The forecast financial statements are prospective financial information. Actual results are likely to vary from the information presented, and the variations may be material.

The following assumptions, which have a level of uncertainty of high, could lead to a material difference to the prospective financial statements.

- Solid Waste Governance and Management – a change to governance and management of the Solid Waste activity could result in a change in the nature and composition of assets and liabilities in the forecast financial statements.
- Service priorities and range of services provided – if additional services are provided this could lead to additional operating expenditure, capital expenditure, rates revenue and debt.
- Development Contributions – if the projected revenue from Development Contributions is not received as planned then debt, interest costs and rates revenue will be higher than planned.

Extent to which Prospective Information Incorporates Actual Results

The period covered by the Long Term Plan contains no actual operating results, but the forecast balance sheet is extrapolated from the audited Statement of Financial Position included in the Dunedin City Council Annual Report as at 30 June 2014.

Basis of Underlying Assumptions

The Long Term Plan brings together summary information from several vastly detailed and comprehensive strategic planning processes. There are a number of Council strategies, plans and policies that guide the Council's decision-making and influence the content of this plan.

All Council departments or activities have prepared 10-year Activity Management Plans. These plans have been prepared using standard templates and business assumptions. The most significant business assumption is the provision of the same level of service, which implies there will be no termination of service for any activity.

Significant Forecasting Assumptions

In order to prepare the Long Term Plan 2015/16 -2024/25 the Council made a number of assumptions about the future. These assumptions are predictions that the Council believes to be true and are used as a basis for planning, budgeting and decision-making across the 10 years of the plan.

Schedule 10 s.17 of the Local Government Act 2002 requires that councils disclose significant forecasting assumptions in their plan documents and comment on:

- the risk to the Council if the assumption is incorrect or does not eventuate as stated.
- the level of any uncertainty associated with assumptions.
- the potential impact on the 10-year plan if the assumption proves to be invalid.

The Council's assumptions are presented in two tables:

1. Council wide/corporate level assumptions which are applicable across all activities.
2. Activity level assumptions which are specific to individual activities or groups of activity.

These assumptions, risks and uncertainties have been prepared in accordance with the Council's legislative requirements, and in reference to the Council's Annual Plan guidelines, and Activity Management Plans. Significant assumptions are defined as assumptions that would result in a material change to the financial forecasts in the plan.

Note: no specific assumption has been made in regard to potential macroeconomic change.

Table 1: Corporate Assumptions

Assumption		Risk	Level of Uncertainty	Reasons and Effect of Uncertainty												
Demographics																
Population Growth Projections	<p>Dunedin’s usually resident population was 123,500 in the last census (Statistics New Zealand (SNZ), Census 2013).</p> <ul style="list-style-type: none">This represents growth of 1.3% between March 2006 and March 2013 compared to a 5.3% increase nationally. <p>Growth projections for the 2015/16 -2024/25 LTP are based on the Demand series prepared by Rationale Limited for the Council in 2009. SNZ has recommended that the Council use a low growth scenario to 2021 and a medium growth scenario from 2026 – 2031, the 2009 Rationale projections most closely match this:</p> <table><tr><th>2006</th><th>2011</th><th>2016</th><th>2021</th><th>2026</th><th>2031</th></tr><tr><td>122,911</td><td>124,773</td><td>126,520</td><td>128,054</td><td>129,455</td><td>130,305</td></tr></table> <ul style="list-style-type: none">Dunedin’s population is not projected to grow significantly over the next 20-years, with around 5,500 additional residents or a 4.4% increase projected between 2011 and 2031. <p>Note: New population growth projections based on the 2013 Census were released by SNZ in February 2015 and SNZ are yet to release updated work on census area units. The Council will update its growth projections at a future date once all required information is available.</p>	2006	2011	2016	2021	2026	2031	122,911	124,773	126,520	128,054	129,455	130,305	That population growth occurs at a faster or slower rate than projected.	Low	Slower or faster population growth may impact on service levels, infrastructure expansion renewal programmes and costs resulting in increased or decreased rates requirements.
2006	2011	2016	2021	2026	2031											
122,911	124,773	126,520	128,054	129,455	130,305											

Assumption	Risk	Level of Uncertainty	Reasons and Effect of Uncertainty																														
<div>Population Profile</div> <div>The population profile for Dunedin to 2031 shown below is based on SNZ medium term projections from the 2006 Census:</div> <table><tr><th></th><th>0-14 years</th><th>15-39 years</th><th>40-64 years</th><th>65 years or over</th></tr><tr><td>2011</td><td>16%</td><td>40%</td><td>31%</td><td>14%</td></tr><tr><td>2016</td><td>15%</td><td>39%</td><td>29%</td><td>16%</td></tr><tr><td>2021</td><td>15%</td><td>39%</td><td>28%</td><td>18%</td></tr><tr><td>2026</td><td>15%</td><td>38%</td><td>27%</td><td>20%</td></tr><tr><td>2031</td><td>14%</td><td>37%</td><td>27%</td><td>22%</td></tr></table> <div>Notable changes between 2015/16 – 2024/25 are:</div> <div><ul style="list-style-type: none">• a decline in the size of the working population;• an increase in the proportion of people aged 65 years and over.</div> <div>There is a related decline in the average size of households in Dunedin, which is also impacted by social trends and lifestyle choices in other age cohorts.</div> <div>As the population ages there is potential for a higher proportion of residents to be on lower and fixed incomes.</div> <div>No significant provisions have been made in the 10 years of this plan for this, other than to restart the programmed building of new social housing units from 2015/16.</div> <div>It is assumed that the aging population will not impact existing services and infrastructure in this decade and forward planning regarding city amenity and any housing densification will occur via the Spatial Plan and the revision of the District Plan.</div>		0-14 years	15-39 years	40-64 years	65 years or over	2011	16%	40%	31%	14%	2016	15%	39%	29%	16%	2021	15%	39%	28%	18%	2026	15%	38%	27%	20%	2031	14%	37%	27%	22%	<div>That changes to city amenity and district planning are required sooner than projected.</div> <div>That the projected demographic changes occur faster than projected.</div>	Low	<div>Significant delays to amenity programming may make Dunedin a less attractive city for an aging population.</div> <div>Economic growth and economic development initiatives may be negatively impacted by declining workforce numbers.</div>
	0-14 years	15-39 years	40-64 years	65 years or over																													
2011	16%	40%	31%	14%																													
2016	15%	39%	29%	16%																													
2021	15%	39%	28%	18%																													
2026	15%	38%	27%	20%																													
2031	14%	37%	27%	22%																													

Assumption		Risk	Level of Uncertainty	Reasons and Effect of Uncertainty
Organisation				
Service Priorities and Range of Services Provided	<p>It is assumed that the community will continue to endorse the current range of services that the Council provides to the community. The 2010 'Your City Our Future' community consultation indicated that there is ongoing support for the range of services and little desire for reduced service levels. Subsequent Residents' Opinion Surveys support these views.</p> <p>The Council assumes that any service issues not provided for, or not fully provided for in the Plan, will be considered by the Council in the future, consistent with the requirements of the Local Government Act. It is assumed that the capacity of the Council to fund these services will be assessed against the financial strategy stated in the 2015/16 LTP.</p>	That the community seeks additional service provision via the LTP consultation.	Certain/High	Changes to the stated service provision may result in new operational and/or capital expenditure costs which may be offset by fees and charges or require an increase in rates requirement. The LGA provides means of altering service provision via an amendment to the LTP; this would require a special consultative procedure consultation.
Levels of Service	It is assumed levels of service will be maintained unless otherwise stated for the duration of the 2015/16 LTP.	Service levels may require adjustment in response to service issues identified by the community, changes to legislation or an external factor.	Low	Changes to the stated service levels may result in new operational and/or capital expenditure costs which may be offset by fees and charges or require an increase in rates requirement.
External Factors				
Climate Change	Dunedin City Council utilise guidance from the New Zealand Government, based upon the best available climate science, to underpin our planning. Currently we are using guidance from the Ministry for the Environment that is based on the Intergovernmental Panel on Climate Change's (IPCC) Fourth Assessment Report 2007 predictions, and our own Climate Change Projections Policy (updated in 2011 following a report commissioned by the Council from Professor Blair Fitzharris of the University of Otago).	That climate change projections are not taken into account in Council planning and the development of capital expenditure projects.	Low	Steps are in place to ensure that effects of climate change are considered. If not followed, remedial action could potentially be required and additional capital expenditure costs incurred.
	The IPCC published a fifth Assessment Report in November 2014. The Council is waiting for the Government to update its guidance based on this new information, before updating its projections Policy and current climate change assumptions if needed.	That the projections do not match reality.	Medium/Unknown	Climate change adaptation and/or mitigation works are required earlier or later than programmed and impact budget and rating requirements.

Assumption	Risk	Level of Uncertainty	Reasons and Effect of Uncertainty																																	
<div>Climate Change continued</div> <div>The Council’s current Climate Change Projections Policy sets out the following climate change projections:</div> <table><tr><th>Climate variable</th><th colspan="2">Projected change in Dunedin</th></tr><tr><td></td><td>2040</td><td>2090</td></tr><tr><td>Mean temperature change</td><td>+1.1 °C</td><td>+2.5 °C</td></tr><tr><td>Sea level rise</td><td>+0.3 m</td><td>+0.8 to +1.6 m</td></tr><tr><td>Annual rainfall change [min, max]</td><td>-5 to +5%</td><td>-5 to +15%</td></tr><tr><td>Daily temperature extremes</td><td colspan="2">Fewer frosts, increasing very hot days.</td></tr><tr><td>Extreme rainfall</td><td>+9%</td><td>+20%</td></tr></table> <table><tr><th>Climate variable</th><th>Projected change in Dunedin</th></tr><tr><td>Drought</td><td>Drought incidence will be largely the same over large areas of the city, slight increase for urban area of Dunedin city and expected to increase for coastal areas north of Waitati.</td></tr><tr><td>Waves and storm surge</td><td>Storm surge level likely to rise at least in line with sea level and to be greater when combined with El Niño Southern Oscillation events and increased storm intensity.</td></tr><tr><td>Average wind</td><td>Increased annual mean westerly component.</td></tr><tr><td>Strong wind</td><td>Increased possibility of severe winds.</td></tr><tr><td>Snow</td><td>Snow level rising with decreased annual mean snowfall.</td></tr></table> <div>Council activities are required to factor these projections into decision-making, forward planning and adaptation activities. A climate change vulnerability assessment is required for all new capital expenditure projects</div>	Climate variable	Projected change in Dunedin			2040	2090	Mean temperature change	+1.1 °C	+2.5 °C	Sea level rise	+0.3 m	+0.8 to +1.6 m	Annual rainfall change [min, max]	-5 to +5%	-5 to +15%	Daily temperature extremes	Fewer frosts, increasing very hot days.		Extreme rainfall	+9%	+20%	Climate variable	Projected change in Dunedin	Drought	Drought incidence will be largely the same over large areas of the city, slight increase for urban area of Dunedin city and expected to increase for coastal areas north of Waitati.	Waves and storm surge	Storm surge level likely to rise at least in line with sea level and to be greater when combined with El Niño Southern Oscillation events and increased storm intensity.	Average wind	Increased annual mean westerly component.	Strong wind	Increased possibility of severe winds.	Snow	Snow level rising with decreased annual mean snowfall.			
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Assumption		Risk	Level of Uncertainty	Reasons and Effect of Uncertainty
Climate Change continued	As of 29 November 2012, Minimum Floor Levels (MFL) for new builds and extensions were increased in the following coastal communities and added to the Land Information Memorandums (LIM) for affected properties:			
	Area	MFL		
	Karitane – Waikouaiti	102.65m		
	Warrington, Blueskin Bay, Purakanui, Long Beach	102.60m		
	Otago Harbour	102.60m		
	South Dunedin including Tomahawk	102.85m		
	Brighton, South Coast, Papanui and Hoopers Inlet	102.90m		
Oil Price Volatility	Oil price fluctuations may impact on operational and capital expenditure estimates with fluctuations in fuel pricing and movements in the Construction Cost Index (CCI). Impacts may be positive or negative but in the longer term are expected to be negative. No specific allowance has been made in budgets to accommodate oil price volatility.	That contract pricing is significantly impacted by oil price increases or increases.	Medium	Increased CCI and fuel costs may impact the Council’s ability to complete programmed work within budget. Work programmes may need to be changed to fit funding.
	Oil price fluctuations may influence modal choices.	That the modal choices impact on the range of service/infrastructure that the council provides.	Low	That changes in modal preferences result in additional costs and potential rate increases.
Natural Disasters	The funding provision assumes there will be no major natural disaster of a type that causes widespread and significant damage to Dunedin’s infrastructure.	That a significant natural disaster occurs.	Unknown	The nature and scale of the disaster will ultimately determine the impact on the Council’s resources and service delivery.
Legislative Change	There will be no unexpected changes to legislation, national standards, or other external factors, which significantly alter the nature or extent of services provided by the Council.	Changes to legislation or new legislation require changes to existing services and/or levels of service.	Medium	Costs associated with new legislation may need to be offset by increased or new fees and charges or increased rates funding requirements.

Assumption		Risk	Level of Uncertainty	Reasons and Effect of Uncertainty
Borrowing Costs	Interest on existing and new debt is calculated at 7.3% per annum. This excludes the \$30 million of Stadium debt.	Interest rates will vary from those projected.	Low	A large proportion of existing and forecast debt is hedged. There is uncertainty on the floating rate debt but the expectation is that interest rates will stay relatively low for a considerable period.
Borrowing Costs – Stadium Debt \$30 m	Interest on the \$30 million debt is calculated at 6.5% per annum.	Interest rates will vary from those projected.	Low	A large proportion of existing and forecast debt is hedged. There is uncertainty on the floating rate debt but the expectation is that interest rates will stay relatively low for a considerable period.
Inflation	Inflation adjustors are applied as per the BERL schedule provided separately.	That inflation levels and prices vary from those projected.	Medium	Unexpected increases in costs may impact the Council's ability to provide services without increasing rating requirements.
Emissions Trading Scheme	The New Zealand Emissions Trading Scheme (ETS) became law on 25 September 2008, with amendments made in December 2009. Subsequent amendments to the Climate Change (Unique Emission Factors) Regulations in 2010 extended coverage to the waste sector. Estimates have been prepared on the basis that the scheme will continue in its current form. Budget estimates for the solid waste activity make provision for required participation in ETS and these compliance costs are reflected in fees and charges at landfills.	That the government will alter its position on ETS and the scheme will impact other Council activities.	Medium	Increased compliance costs may require an increase in the overall rates requirement to fund them.
Industry Capacity for Infrastructure Asset Construction	It is assumed that sufficient design, engineering, and construction capacity, including availability of construction materials, will exist in the construction industry to undertake the physical works programme within projected timeframes.	That the construction industry demands of the Christchurch rebuild may impact the Council's ability to engage consultants and contractors for components of capital expenditure projects.	Low	Issues with availability of contractors may cause delays and/or cost escalations in competitive tendering which will impact project budgets and timelines.

Assumption		Risk	Level of Uncertainty	Reasons and Effect of Uncertainty
Significant Assets				
Policies for Significant Assets	The Council will maintain its current policies for the ownership and management of the significant assets as listed in the Significance and Engagement Policy 2014. This policy was developed in accordance with amendments made to the Local Government Act 2002 (8 August 2014) and adopted by the Council on 24 November 2014.	Policy changes are triggered by external factors or events.	Low	Policy changes may fundamentally change the way significant assets are managed.
Asset Renewal and Funding	The level of asset renewal shown in the capital expenditure programme will occur as projected, utilising the funding sources for asset replacement shown in the Revenue and Financing Policy.	Asset renewal does not proceed as programmed or the amount and source of funding varies significantly from forecasts.	Low	Variation to the timing, cost or funding of the renewals programme may result in a requirement to re-prioritise renewals programmes and/or increased rates requirements.
Forsyth Barr Stadium – Debt Servicing Plan	That the debt servicing plan in place can be met.	That loan repayments are not able to be made according to budgets.	Low	An increase in interest rates or negative impact in the ability of the DCHL group to make annual subvention payments could result in increased rate requirements or an extension to the term of the loans.
Forsyth Barr Stadium – DVML Operating Results	That the operational results of DVML are sufficient to meet the annual budget. Operational budgets have been set at a realistic level, however there is still an inherent risk due to the commercial environment DVML operates in.	That the budgets are not able to be met.	Medium/Low	In the event of projected results not being achieved, additional rates may be required.
Funding Sources				
New Zealand Transport Agency and other Subsidies	It is assumed NZTA and other ongoing subsidies will continue to be available. The Council's NZTA Financial Assistance Rate (FAR) is set at 59% for 2015/16 and reduces by 1% per annum, reaching 51% in 2023/24 and remaining at 51% for 2024/25.	That the subsidy level is reduced beyond advised levels in outward years.	Medium	Changes to subsidy levels or projects subject to subsidy may result in increased borrowing costs and rates requirements or reduced service levels.
Financial Assistance Local Share	As the FAR reduces the local share contribution from the Council is increased to maintain overall expenditure budgets or efficiencies are made to maintain service levels.	That the local share is not increased or required efficiencies are not achieved	Medium/Low	

Assumption		Risk	Level of Uncertainty	Reasons and Effect of Uncertainty
Revenue from DCHL, Waipori Fund and the Investment Property portfolio	Revenues from these investment assets will be returned as projected.	That projected returns are not realised.	Medium	In the event of projected returns not being achieved, or not being sustainable, funding from other sources will be required, potentially increasing rating requirements.
DCHL Revenue Split	Revenue from DCHL is composed of interest revenue and dividend revenue. Interest is charged on the shareholders advance on 30 June each year at an agreed market rate. The balance of income is received as dividend income.	That the revenue split between interest and dividend may vary.	Low	Although the proportion of the split may vary, the total revenue received from DCHL will be as budgeted.
Development Contributions	That the Council will receive revenue from Development Contributions of \$260,000 per annum from the 2018/19 year.	That this level of revenue is not received as budgeted.	High	That debt levels, interest costs and rate requirements will be higher than planned.
Mosgiel Aquatic Facilities	That the Taieri Community Facilities Trust (TCFT) will deliver the agreed level of community fundraising (\$7.5m) by 30 June 2017.	That the TCFT is unable to meet the fundraising target.	Medium – High	The Council has given in principle support to this project. Should the TCFT fail to meet the fund raising target, the Council may review its support of the project.

Table 2: Activity Level Assumptions

	Assumption	Risk	Level of Uncertainty	Reasons and Effect of Uncertainty
Assumptions applicable to all significant asset owning activities				
Useful Lives of Significant Assets	The useful lives of significant assets shown in accounting policies and Activity Management Plans have been assessed appropriately.	Asset life and condition assessments prove to be invalid and assets require replacement earlier or later in their life cycle.	Low	Asset management planning is a priority for the Council. An unexpected failure of an asset would be managed by re-prioritisation of capital expenditure programmes. Additional borrowing costs may be incurred if renewals programmes were not able to be re-prioritised, and could require rates funding.
Fixed Asset Valuations	Scheduled revaluations of assets and forecast carrying values shown in budget estimates and Activity Management Plans are based on the Council's valuation policies which are appropriate for public benefit entities and are consistent with accounting standards for Public Benefit Entities (PBEs).	That scheduled revaluations produce significant variances from forecasts.	Low	Revaluations are scheduled regularly to ensure minimal variation of carrying values between valuations. The Council's Statement of Accounting policies describes how potential variances are managed within the financial statements.
Roading and Footpaths				
Capital Expenditure – Network Capacity Issues	<p>Transportation studies confirm Dunedin's transport network generally has sufficient capacity to cater for expected needs over the next 30 years. Some specific areas have been identified where changes are necessary to cater for traffic growth and increasing community expectations – in central city strategic corridors and enhancing the roading/cycling network. The Integrated Transportation Strategy 2013 defines the future capital projects.</p> <p>The 30 year infrastructure strategy expands on this work and shows the expected timing and quantum of asset renewals.</p> <p>It is possible that this capital programme could change to reflect any change in the Council's overall service priorities.</p>	<p>That network capacity is exceeded.</p> <p>That the condition of network assets deteriorate more quickly than anticipated and require earlier renewals expenditure.</p> <p>That projects do not attract NZTA subsidy or points on the Land Transport Programme.</p>	Low	<p>If capacity is exceeded more quickly than projected, existing capital expenditure programmes may require reprioritisation or additional capital expenditure cost may be incurred.</p> <p>Existing capital expenditure programmes may require reprioritisation or additional capital expenditure cost may be incurred.</p>

	Assumption	Risk	Level of Uncertainty	Reasons and Effect of Uncertainty
Water Supply				
Capital Expenditure – Asset Renewals	The level of renewals shown in the budget estimates and infrastructure strategy will ensure the long term integrity of infrastructure assets within the water supply network. Implementation of the 3 Waters Strategy is improving the assessment of asset condition, renewal requirements and the funding of renewal of the reticulation network.	That renewals programmes are deferred and asset condition deteriorates as a result.	Low – Medium	A long-term deferral of renewals poses a risk of asset deterioration and compromise of network integrity which may attract additional capital expenditure costs in the future.
Wastewater				
Capital Expenditure – Asset Renewals	The level of renewals shown in the budgets estimates and infrastructure strategy will ensure the long-term integrity of infrastructure assets within the wastewater network. Implementation of the 3 Waters Strategy is improving the assessment of asset condition, renewal requirements and the funding of renewal of the reticulation network.	That renewals programmes are deferred and asset condition deteriorates as a result.	Low – Medium	A long-term deferral of renewals poses a risk of asset deterioration and compromise of network integrity which may attract additional capital expenditure costs in the future.
Resource Consents	That the resource consents for wastewater activity due for renewal during the period 2012/13 – 2021/22 are renewed without significant alterations to conditions.	That the conditions required to obtain/ maintain resource consents are changed and the costs of meeting these conditions are higher than projected.	Low	Advance advice of any changes is likely to be provided. Significant changes would require reprioritisation of budgets and work programmes and cannot be quantified until any change conditions is notified.
Stormwater				
Capital Expenditure – Asset Renewals	The level of renewals shown in the budget's estimates and infrastructure strategy will ensure the long-term integrity of infrastructure assets within the storm water network. Implementation of the 3 Waters Strategy is improving the assessment of asset condition, renewal requirements and the funding of renewal of the reticulation network.	That renewals programmes are deferred and asset condition deteriorates as a result.	Low – Medium	A long-term deferral of renewals poses a risk of asset deterioration and compromise of network integrity which may attract additional capital expenditure costs in the future.

	Assumption	Risk	Level of Uncertainty	Reasons and Effect of Uncertainty
Assumption applicable to 3 Waters collectively (Water, Wastewater and Stormwater)				
Capacity and Capability – 3 Waters Renewals	That the planned improvements to work and procurement practices will allow 3 Waters to deliver the renewals programme to budget. Efficiencies of 16% are required on renewals costs in order to deliver projected work programmes and budgets.	That the required efficiencies are not able to be made.	Medium	Failure to find the required efficiencies will impact the ability to catch up on renewal work to the level proposed in this strategy. This would result in a further backlog of renewal works and may attract additional capital expenditure costs in the future.
Solid Waste				
Capital Expenditure	The Council's Green Island landfill is consented until 2023 and with current filling rates is expected to have space to meet the City's disposal needs until that time. A new Class A landfill or alternative disposal facility will be required to accommodate Dunedin's residual waste that cannot be recovered from the waste stream, with a new landfill expected to take a minimum of five to six years to develop irrespective of whether the landfill is developed by the Council, privately or as a joint venture. No allowance for a replacement facility has been included in the 2012/13 – 2021/22 Long Term Plan pending an extensive investigation into the future options.	That a new landfill facility is required earlier than projected.	Low	A requirement to develop a new landfill sooner than projected would result in unplanned capital expenditure which may attract borrowing costs and rating requirements.
Governance and Management	It is assumed that there will be no change to the governance and management of the Solid Waste activity in this LTP. However, changes to governance are being investigated and may be implemented in the future.	That there is a change to the governance structure for the Solid Waste activity such as creation of a CCO to operate landfill services.	Medium – High	Changes arising from this would require amendment of the LTP and could result in a number of financial changes for the Council as parent organisation.

	Assumption	Risk	Level of Uncertainty	Reasons and Effect of Uncertainty
Emissions Trading Scheme (ETS)	The Climate Change (Waste) Regulations 2010, and The Climate Change (Unique Emission Factors) Regulation 2009 as amended in 2010, require waste disposal facility operators to meet mandatory reporting and surrender obligations under the New Zealand Emissions Trading Scheme for landfill methane. The Council as a large waste disposal facility operator mitigates the effects of methane by collection and flaring of gas and meets National Environmental Standards for emissions to air discharges for this practice. Mandatory reporting of methane emissions commences from 1 January 2012, with surrender of NZ units to match emissions commencing from 1 January 2013. Provision for costs associated with these requirements have been made in the solid waste activity budget. These costs are offset by landfill fees and charges and are not rates-funded. Costs are calculated using a Unique Emissions Factor (UEF) for Non-Default Waste Composition for each class of waste contributing to Degradable Organic Carbon content (garden, nappy and sanitary, other putrescibles, paper, sewage sludge, timber and textiles).	That the government will alter its position on ETS and additional compliance costs are incurred.	Medium	Increased compliance costs may not be solely met by landfill fees and charges and may require an increase in the overall rates requirement.
Resource Consents	The resource consent for the Council's Green Island landfill expires in 2023. It is planned to close this landfill prior to this date. It is assumed that the required consents for a new landfill can be obtained at the time they are required.	That the conditions required to obtain/maintain resource consents are changed and the costs of meeting these conditions are higher than projected.	Low	Advance advice of any changes is likely to be provided. Significant changes would require reprioritisation of budgets and work programmes and cannot be quantified until any change in conditions is notified.
Parks and Reserves				
Coastal Erosion	Budgets are based on the assumption that any remedial work that may be required can be managed from existing or carried forward funding.	Storm events are more frequent and high levels of remedial work are required.	Medium	Remedial work may not be able to be funded from existing budgets and other programmed work may need to be reprioritised to cover this cost.
Maintenance of Biodiversity	That the budgeted levels of funding for the protection of existing levels of biodiversity are sufficient.	That the budget is insufficient to ensure continued maintenance of biodiversity.	Low	Additional cost will be incurred with the potential to increase rate.

	Assumption	Risk	Level of Uncertainty	Reasons and Effect of Uncertainty
Citipark				
Revenue	That there will be no impact on parking revenue arising from changes to roading configuration and streetscaping.	That carparking is removed as a result of changes to roading configuration and streetscaping and is not reinstated elsewhere.	Medium	In the event of projected revenue not being achieved, potentially meaning budget shortfalls increasing rating requirements.
City Property				
Property Sales	Projected income from property sales will be realised.	That property is not sold in the projected timeframe and forecast income is not realised.	Medium	Failure to sell by the assumed date will result in ongoing property costs that may result in increased rates funding requirements.
All regulatory and legislatively required activities				
Legislative Compliance	Work carried out by the Council's regulatory and legislatively required activities is completed in accordance with the relevant legislation.	That statutory timeframes for processing are not met. That the required assessment and monitoring processes are not adhered to and result in litigation.	Medium – Low	The Council is found to be in breach of its obligations and cost may be incurred by the Council. This may require reprioritisation of operating expenditure.

Insurance

The Council's insurance renewal for the 2015/16 financial year will be finalised by the end of June 2015.

The strategy for the current renewal period is to strengthen the relationship with international markets following their introduction into the insurance programme last year.

In terms of insurance cover the intention is to extend for infrastructural assets to include both underground water and waste services along with transportation assets. This cover is limited to natural disaster perils only and excludes business interruption cover following damage to infrastructure assets. However the extension is a significant improvement given Council has previously been unable to hold any form of insurance on these assets.

As part of the 2015/16 insurance renewal, Council is also taking the opportunity to review the insured values across its property/building portfolio to ensure declared values are up to date and calculated on a consistent basis.

Inflation Adjustors – BERL October 2014

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
<i>Operating Expenditure</i>										
Inflation Adjustors – Cumulative										
Activity Specific:										
Parks, Botanic Gardens and Property	100.0%	102.4%	105.0%	107.8%	110.7%	113.9%	117.4%	121.1%	125.0%	129.4%
Transportation	100.0%	101.4%	103.6%	106.1%	108.8%	111.7%	114.9%	118.3%	122.0%	126.0%
Water and Waste Services	100.0%	103.8%	106.9%	110.4%	114.0%	118.0%	122.3%	127.1%	132.1%	137.6%
Generic:										
Other Costs	100.0%	102.5%	105.1%	108.0%	111.1%	114.3%	118.0%	121.8%	126.1%	130.6%
Staff Costs	100.0%	101.8%	103.9%	106.0%	108.3%	110.7%	113.3%	116.1%	119.1%	122.3%
Inflation Adjustors – Annual										
Activity Specific:										
Parks, Botanic Gardens and Property		2.4%	2.5%	2.7%	2.8%	2.9%	3.0%	3.2%	3.2%	3.5%
Transportation		1.4%	2.2%	2.4%	2.5%	2.7%	2.8%	3.0%	3.2%	3.2%
Water and Waste Services		3.8%	3.0%	3.2%	3.3%	3.5%	3.7%	3.9%	3.9%	4.2%
Generic:										
Other Costs		2.5%	2.5%	2.7%	2.9%	2.9%	3.2%	3.3%	3.5%	3.6%
Staff Costs		1.8%	2.0%	2.0%	2.2%	2.2%	2.4%	2.5%	2.6%	2.7%
<i>Capital Expenditure</i>										
Inflation Adjustors – Cumulative										
Activity Specific:										
Parks, Botanic Gardens and Property	100.0%	102.4%	105.0%	107.8%	110.7%	113.9%	117.4%	121.1%	125.0%	129.4%
Transportation	100.0%	101.4%	103.6%	106.1%	108.8%	111.7%	114.9%	118.3%	122.0%	126.0%
Water and Waste Services	100.0%	103.8%	106.9%	110.4%	114.0%	118.0%	122.3%	127.1%	132.1%	137.6%
Generic:										
Capex – Other	100.0%	102.5%	105.1%	108.0%	111.1%	114.3%	118.0%	121.8%	126.1%	130.6%

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Inflation Adjustors – Annual										
Activity Specific:										
Parks, Botanic Gardens and Property		2.4%	2.5%	2.7%	2.8%	2.9%	3.0%	3.2%	3.2%	3.5%
Transportation		1.4%	2.2%	2.4%	2.5%	2.7%	2.8%	3.0%	3.2%	3.2%
Water and Waste Services		3.8%	3.0%	3.2%	3.3%	3.5%	3.7%	3.9%	3.9%	4.2%
Generic:										
Capex – Other		2.5%	2.5%	2.7%	2.9%	2.9%	3.2%	3.3%	3.5%	3.6%
Balance Sheet										
Other Balance Sheet items	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Water and Waste Services	5.2%	3.8%	3.0%	3.2%	3.3%	3.5%	3.7%	3.8%	4.0%	4.2%
Property Revaluation			3.8%			3.8%			3.8%	
Roading Revaluation	1.2%	1.4%	2.2%	2.4%	2.5%	2.7%	2.8%	3.0%	3.1%	3.3%

The inflation adjustors have been applied to all operational can capital expenditure and revenue sources.

Reserve Funds

Reserves Activity	Purpose	Opening Balance 2014/15 \$'000	Transfers Inward 2014/15 – 2024/25	Transfers Outwards 2014/15 – 2024/25	Closing Balance 2024/25
Libraries	To extend the Reed and other library collections	644	0	(250)	394
Cemeteries	To maintain cemeteries and specific burial plots and mausoleums	2,187	0	0	2,187
Development Services	Dog Control operations reserve	(24)	0	0	(24)
CARS – Botanic Garden	Aviary Bird Fund operations reserve	10	0	(5)	5
	Clive R. B. Lister Capital Account to maintain the Clive Lister garden	205	0	0	205
	Mediterranean Garden development reserve	13	0	0	13
CARS – Parks	To maintain specific reserve areas	1,104	0	0	1,104
	Reserve of development contributions for playgrounds, specific Parks and Subdivision reserves	28	6,213	(4,467)	1,774
Museums and Art Gallery	Art Gallery funded operations reserves	157	0	0	157
	Toitu OSM Stage 2 development reserve	0	0	0	0
3 Waters	Water development and operation reserves	238	0	0	238
	Drainage development, replacement and operation reserves	0	0	0	0
Property	Air Development capital reserve to develop the Taieri aerodrome	318	0	0	318
	Housing	1,074	0	0	1,074
	Operational buildings renewal reserve	0	0	0	0
	Endowment property investment reserve	(462)	0	0	(462)
Finance	Insurance	265	0	0	265
Roading	Roading property reserve for property purchases	355	2,385	(824)	1,916
Other	Hillary Commission General Subsidies Reserve	28	0	0	28
		6,141	8,598	(5,545)	9,194

Long Term Plan Disclosure Statement

Long Term Plan Disclosure Statement for the Period Commencing 1 July 2015

What is the purpose of this Statement?

The purpose of this statement is to disclose the Council's planned financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include this statement in its long-term plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

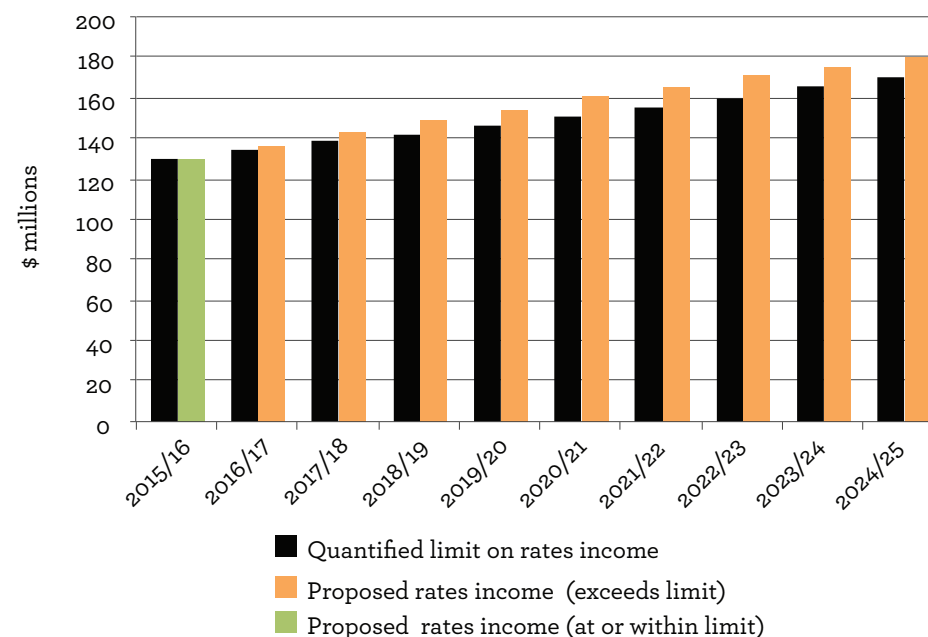
Rates Affordability Benchmark

The Council meets the rates affordability benchmark if –

- its planned rates income equals or is less than each quantified limit on rates; and
- its actual rates increases equal or are less than each quantified limit on rates increases.

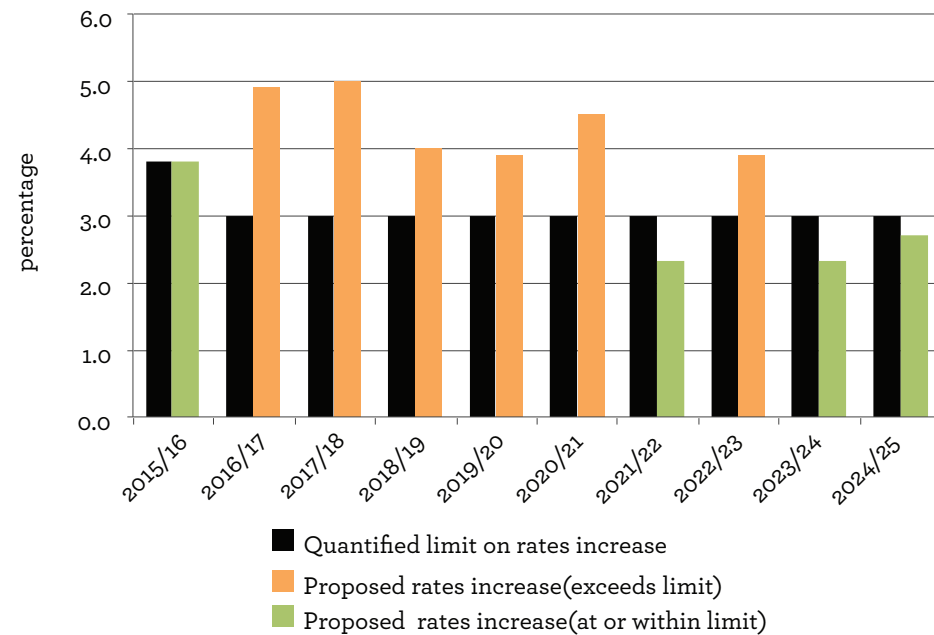
Rates (Income) Affordability

The following graph compares the Council's planned rates with a quantified limit on rates contained in the financial strategy included in the Council's long-term plan. The quantified limit is \$130 million for the 2015/16 year. Please refer to the financial strategy for the quantified limits for the remaining nine years.



Rates (Increases) Affordability

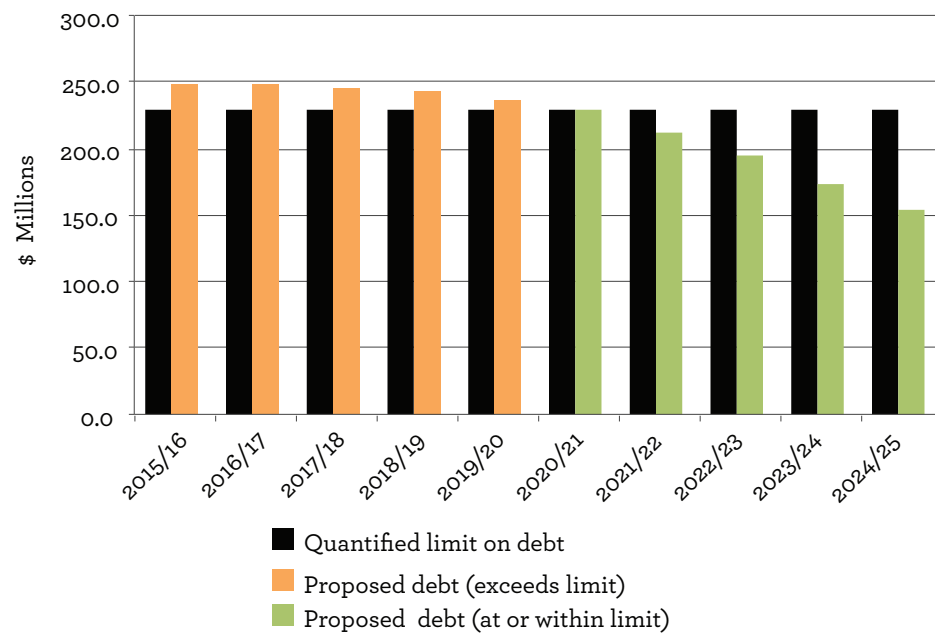
The following graph compares the Council’s planned rates increases with a quantified limit on rates increases included in the financial strategy included in the Council’s long term plan. The quantified limit is 3.8% for the 2015/16 year. The quantified limit is 3% for all other years unless there are exceptional circumstances.



Debt Affordability Benchmark

The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

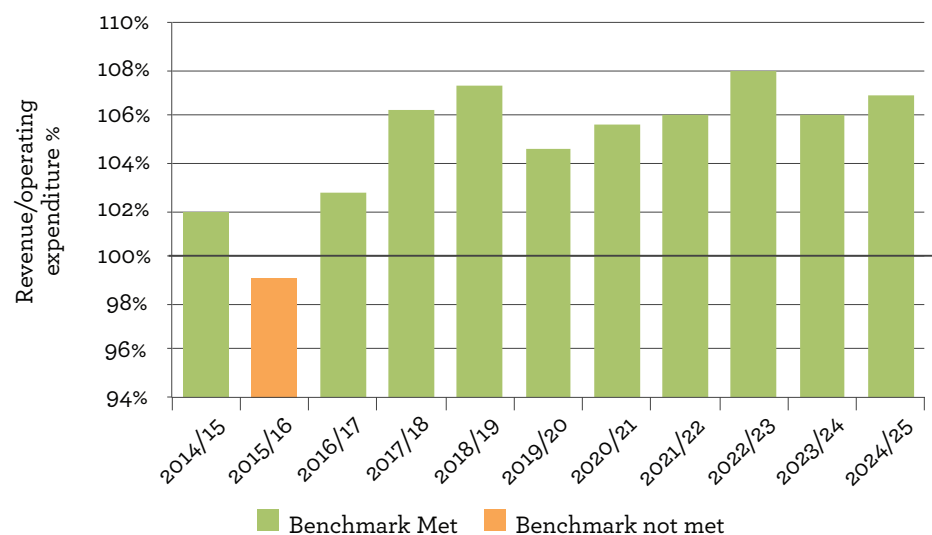
The following graph compares the Council’s planned debt with a quantified limit on borrowing statement in the financial strategy contained in the Council’s long term plan. The quantified limit is \$230 million.



Balanced Budget Benchmark

The following graph displays the Council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant or equipment) as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant or equipment).

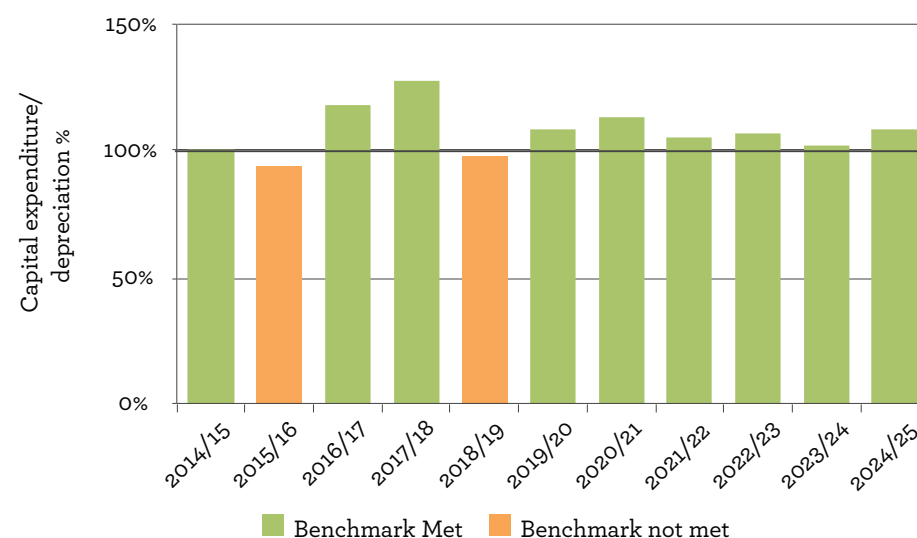
The Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.



Essential Services Benchmark

The following graph displays the Council's planned capital expenditure on network services as a proportion of expected depreciation on network services.

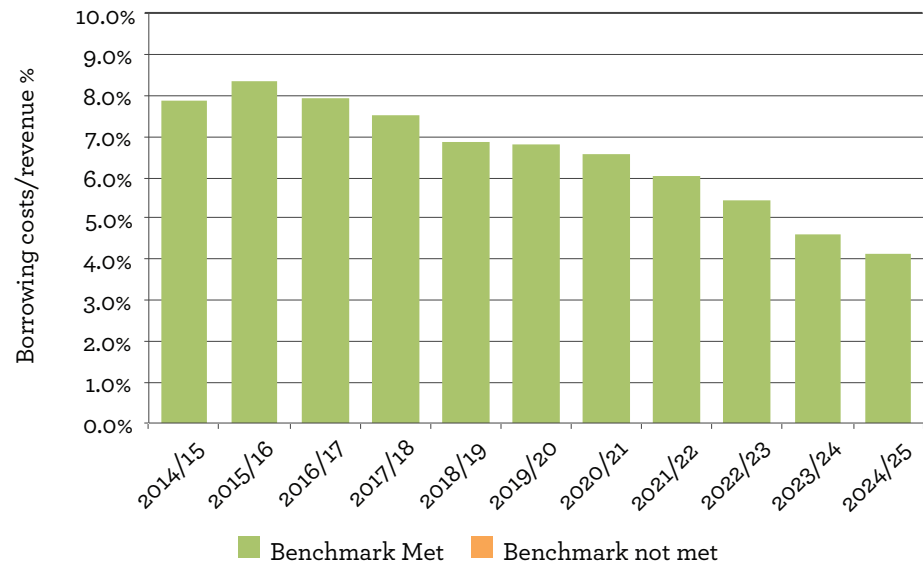
The Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.



Debt Servicing Benchmark

The following graph displays the Council’s planned borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant or equipment).

Because Statistics New Zealand projects the Council’s population will grow more slowly than the national population is expected to grow, it meets the debt servicing benchmark if it’s planned borrowing costs equal or are less than 10% of its revenue.



Additional Information or Comment

Note 1: Voluntary rates (eg Warm Dunedin) are excluded from the Rates Quantified Limits in the 2015/16 – 2024/25 Long Term Plan.



Section 4 – Funding Impact Statement and Revenue and Financing Policy

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Summary of Changes to the Rating Method

Rating Method

The rating method refers to the ways that the Council uses the rating system to allocate rates among groups of ratepayers, and how the liability for rates will be distributed within each group.

When considering the rating method, the Council takes into consideration the funding principles listed on page 222.

Changes

1. General Rate Differential

a) *Non-residential*

In the 2009/10 – 2018/19 Community Plan the Council included a proposal to reduce the general rate differential for non-residential properties over a period of 10 years. This was to remedy a growing imbalance in the distribution of the rating burden on non-residential properties which is attributed to changes in property valuations over time. Non-residential valuations had increased disproportionately and the Council wished to acknowledge this and at the same time send a positive signal of support to the commercial sector in difficult times.

At the beginning of the 10 year period, the 2008/09 year, the non-residential general rate was 3.08 times more than the residential general rate. At the end of the 10 year period, the 2018/19 year, the non-residential general rate would only be 2.5 times more than the residential general rate.

Then on 1 July 2010, the Council introduced a Tourism/Economic Development targeted rate for all non-residential properties. This new rate was off-set by a reduction in the non-residential general rate. This means in practice that non-residential properties pay the same level of rates that they would pay before the introduction of the new rate. For example, in the 2018/19 year, the non-residential property general rate will be 2.45 times more than the residential property general rate. However, the non-residential property general rate and the Tourism/Economic Development targeted rate combine to give the previous factor of 2.5 by the 2018/19 year.

The Council then took the opportunity, in the 2011/12 Annual Plan, to accelerate the scheduled reduction to the non-residential differential by three years. The scheduled reduction will now be completed for the 2015/16 year. This is due to the change in relative capital value between each category of property when all rateable properties were revalued, effective from 1 July 2011.

b) *Farmland*

In the 2010/11 Annual Plan the Council included a proposal to reduce the general rate differential for farmland properties over a period of nine years. This was in order to provide a fair reflection of the services provided to rural properties. Consideration was given to the distance from some Council services and facilities, and comparisons were made with farmland differentials in other councils.

At the beginning of the nine year period, the 2009/10 year, the farmland property general rate was 0.9 times less than the residential property general rate. At the end of the nine year period, the 2018/19 year, the farmland property general rate would be 0.8 times less than the residential general rate.

Then in the 2011/12 Annual Plan, the Council advanced this reduction by three years due to the impact of the property revaluations. The reduction to the farmland differential will now be completed for the 2015/16 year.

c) *Strath Taieri Non-residential*

In the 2011/12 Annual Plan the Council included a proposal to increase the general rate differential for non-residential properties in the Strath Taieri area over a period of seven years. Non-residential properties in the Strath Taieri area have historically paid the same general rate as residential properties. This differential was introduced to reflect the different economic situation of the Strath Taieri area.

The Council reviewed this arrangement and after considering the change in economic activity for the area, particularly since the success of the Rail Trail, and the fact that the city doesn't have these arrangements for any other areas of the city, the Council commenced a seven year phase-in to increase the general rate differential for non-residential properties in Strath Taieri to the full non-residential general rate.

The phase-in also applies to the Economic Development/Tourism targeted rate. Non-residential properties in Strath Taieri will pay the full non-residential Economic Development/Tourism targeted rate by the 2017/18 year.

2. Water Backflow Prevention Programme

Two new water charges have been introduced. These include a backflow preventer test fee and a rescheduled backflow preventer test fee. The charge was previously included within the annual meter rental charges but has now been separated out.

3. Non-residential Renamed Commercial

The non-residential differential category has been renamed commercial. For consistency, all references to 'non-residential' in targeted rate descriptions and other differential categories have also been renamed commercial. The commercial differential category of properties includes all properties not otherwise categorised as residential, lifestyle or farmland. It includes industrial, utility, commercial, recreational and community services (for example educational or health) properties.

Forsyth Barr Stadium Rates

The 2012/13 Long Term Plan introduced new rating differentials from 1 July 2012 for the Forsyth Barr Stadium for the general rate, the economic development/tourism rate, the capital value-based drainage rate and the capital value based fire protection rate. This resulted in those rates, for the 2012/13 year, being a sum equivalent to the 2012/13 estimated total rates bill that would have been paid by the properties that previously occupied the land the Forsyth Barr Stadium is built upon. For the 2013/14 and 2014/15 years, these rates were inflation adjusted based on the rate of inflation (the annual September CPI). In 2013/14 this was 0.8% and in 2014/15 this was 1.4%. For the 2015/16 year, these rates have been increased by 1.13%, the Local Government Cost Index. In addition, the Forsyth Barr Stadium will pay the community services rate and the fixed drainage rate.

Review of the Community Services Rate

As a result of submissions made on the draft 2015/16 – 2024/25 Long Term Plan, the Council has requested that staff report back to the Finance Committee on the level of the community services rate, providing a history of how it has been increased compared to the increase in general rates. Consideration is also to be given to the impact of the changes in the general rate differential. Another item referred to the Finance Committee was a submission from Trustpower Limited concerning the differential for commercial properties in Strath Taieri.

Dunedin City Council Funding Impact Statement

For the years ending 30 June 2015 to 30 June 2025 (whole of Council)

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
<i>Sources of Operating Funding</i>											
General Rates, Uniform Annual General Charges, Rates Penalties	64,756	68,633	71,219	74,344	77,839	80,332	81,982	83,392	87,606	89,287	91,292
Targeted Rates	61,122	62,017	65,903	69,624	71,966	75,403	80,813	83,142	85,348	87,613	90,160
Subsidies and Grants for Operating Purposes	9,169	8,781	9,052	9,005	8,900	8,995	9,108	9,267	9,467	9,559	9,869
Fees and Charges	49,925	51,776	53,175	54,187	56,314	58,564	60,129	62,144	64,457	68,336	70,380
Interest and Dividends from Investments	14,541	9,854	9,949	10,330	10,972	11,624	12,285	12,985	13,171	13,381	13,590
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	3,861	3,342	3,417	3,501	3,594	3,693	3,800	3,918	4,044	4,181	4,328
Total Operating Funding	203,374	204,403	212,715	220,991	229,585	238,611	248,117	254,848	264,093	272,356	279,619
<i>Applications of Operating Funding</i>											
Payments to Staff and Suppliers	141,782	145,789	147,904	151,158	154,690	160,041	164,072	168,899	175,107	184,199	190,167
Finance Costs	17,842	18,063	17,660	17,634	17,455	17,223	16,708	15,939	14,726	13,388	11,936
Other Operating Funding Applications	415	180	180	180	180	180	180	180	180	180	180
Total Applications of Operating Funding	160,039	164,032	165,744	168,972	172,325	177,444	180,960	185,018	190,013	197,767	202,283
<i>Surplus/(Deficit) of Operating Funding</i>	43,335	40,371	46,971	52,019	57,260	61,167	67,157	69,830	74,080	74,589	77,336
<i>Sources of Capital Funding</i>											
Subsidies and Grants for Capital Expenditure	12,570	10,596	15,607	19,453	17,704	10,387	10,299	10,572	11,335	9,605	11,201
Development and Financial Contributions	797	1,303	667	684	965	1,010	1,109	1,653	1,167	1,166	1,143
Increase (Decrease) in Debt	(4,748)	(7,111)	550	(3,182)	(2,100)	(6,810)	(8,343)	(16,181)	(18,087)	(19,709)	(20,859)
Gross Proceeds from the Sale of Assets	2,249	80	82	2,709	3,050	89	92	94	98	101	105
Lump Sum Contributions											
Other Dedicated Capital Funding	350										
Total Sources of Capital Funding	11,218	4,868	16,906	19,664	19,619	4,676	3,157	(3,862)	(5,487)	(8,837)	(8,410)
<i>Application of Capital Funding</i>											

	2014/15 Annual Plan \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Capital Expenditure											
– to meet additional demand	2,147	2,454	3,588	3,641	1,559	887	824	1,702	488	391	1,066
– to improve the level of service	17,525	17,243	24,258	27,860	30,064	15,567	15,152	10,346	10,988	7,336	6,335
– to replace existing assets	38,823	30,056	33,099	37,034	42,176	45,929	50,800	50,305	53,459	54,094	57,698
Increase (Decrease) in Reserves		0	0	0	0	0	0	0	0	0	0
Increase (Decrease) of Investments	(3,942)	(4,514)	2,932	3,148	3,080	3,460	3,538	3,615	3,658	3,931	3,827
Total Application of Capital Funding	54,553	45,239	63,877	71,683	76,879	65,843	70,314	65,968	68,593	65,752	68,926
Surplus/(Deficit) of Capital Funding	(43,335)	(40,371)	(46,971)	(52,019)	(57,260)	(61,167)	(67,157)	(69,830)	(74,080)	(74,589)	(77,336)
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

Funding Impact Statement – Additional Information

For the Years Ending 30 June 2015 to 30 June 2025

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
Revenue and Financing Mechanisms:											
General Rate	64,106	68,033	70,619	73,744	77,239	79,732	81,382	82,792	87,006	88,687	90,692
Targeted Rates:											
Community Services Rate	10,486	10,704	10,947	11,209	11,491	11,792	12,113	12,462	12,841	13,239	13,675
Kerbside Recycling Rate	2,688	2,796	2,866	2,939	3,020	3,106	3,197	3,299	3,407	3,525	3,652
Citywide Water Rates	18,873	19,242	19,917	20,223	21,626	23,990	26,038	26,069	25,335	25,986	26,767
Citywide Drainage Rates	28,237	28,311	31,034	34,035	34,531	35,135	38,001	39,763	42,131	43,247	44,610
Allanton Drainage Rate	20	20	20	20	20	20	20	20	20	20	20
Blanket Bay Rate	4	4	4	4	4	4	4	4	4	4	4
Curles Point Rate	3	3	3	3	3	3	3	3	3	3	3
Heritage Earthquake Strengthening Rate		66	132	197	263	329	395	461	526	592	592
Warm Dunedin Rate	290	341	437	437	437	437	437	437	437	331	147
Private Street Lighting Rate	19	29	29	30	30	31	32	33	34	35	36
Tourism/Economic Development Rate	500	500	513	526	540	555	572	590	609	630	653
Private Drainage Warrington Rate	1	1	1	1	1	1	1	1	1	1	1
Revenue (Note 1)	59,476	61,134	61,975	65,896	73,539	67,852	69,682	71,991	74,616	78,837	81,247
Rates Penalties	650	600	600	600	600	600	600	600	600	600	600
Development Contributions	797	1,303	667	684	965	1,010	1,109	1,653	1,167	1,166	1,143
DCHL Dividend and Interest	10,450	5,902	5,902	6,185	6,717	7,252	7,788	8,350	8,390	8,438	8,475
NZTA Income	20,165	17,313	23,322	24,394	17,227	18,161	18,151	18,546	19,468	17,787	19,645
Loans Raised	33,038	7,743	13,303	10,198	12,449	8,589	7,743	2,180	1,265	450	450
Sale of Assets	2,249	80	82	2,709	3,050	89	92	94	98	101	105
Cash	3,456	5,533	93								
Reduction in Loans and Advances	707	2,572	72	72	704						
Reduction in Investments	224	710	500	500							
	256,439	232,940	243,038	254,606	264,456	258,688	267,360	269,348	277,958	283,679	292,517

	2014/15 Forecast \$'000	2015/16 Budget \$'000	2016/17 Budget \$'000	2017/18 Budget \$'000	2018/19 Budget \$'000	2019/20 Budget \$'000	2020/21 Budget \$'000	2021/22 Budget \$'000	2022/23 Budget \$'000	2023/24 Budget \$'000	2024/25 Budget \$'000
<i>Use of Funds:</i>											
Operating Expenditure	158,338	164,031	165,742	168,970	172,324	177,446	180,959	185,020	190,012	197,769	202,281
Capital Expenditure	51,034	49,754	60,945	68,535	73,799	62,384	66,776	62,353	64,936	61,821	65,099
Debt Servicing	12,163	14,854	12,753	13,381	14,548	15,398	16,086	18,361	19,352	20,159	21,309
Increase in Investments	34,138	3,148	3,147	3,145	3,133	2,705	2,705	2,705	2,705	2,605	2,605
Increase in Cash				125	202	306	384	459	503	876	773
Increase in Advances	767	1,152	450	450	450	450	450	450	450	450	450
	256,439	232,940	243,038	254,606	264,456	258,688	267,360	269,348	277,958	283,679	292,517

Note 1: * Revenue includes fees and charges, subsidies, capital revenue, interest and dividends. Revenue also includes water rates as metered on properties.

Rating Policy

This rating policy should be read in conjunction with the Revenue and Financing Policy on page 223 and the Funding Principles on page 222.

Figures in this policy are GST inclusive.

The following rates will be set by the Council for the financial year commencing 1 July 2015 and ending 30 June 2016.

General Rate

A general rate based on the capital value of each rating unit in the district.

The general rate will be set on a differential basis based on land use (the categories are “residential”, “lifestyle”, “commercial”, “commercial Strath Taieri”, “farmland”, “residential heritage bed and breakfasts” and “Forsyth Barr Stadium”).

The rates (in cents per dollar of capital value) for the 2015/16 year are:

Table 1: General Rates

Categories	Rates, Cents in \$ per Capital Value	Factor	Revenue Sought \$	General Rate Share
Residential	0.3167	1.00	41,786,000	53.4%
Lifestyle	0.3008	0.95	3,860,000	4.9%
Commercial	0.7759	2.45	28,820,000	36.8%
Commercial Strath Taieri	0.6397	2.02	160,000	0.2%
Farmland	0.2534	0.80	3,497,000	4.5%
Residential Heritage Bed and Breakfasts	0.5542	1.75	11,000	0.01%
Forsyth Barr Stadium	0.0634	0.20	104,000	0.13%

The objective of the differential rate is to provide a mechanism to charge general rates to the seven differential categories in a way that best achieves the 11 funding principles listed on page 222.

The Council will not be using a Uniform Annual General Charge.

Targeted Rates

Community Services

A targeted rate for community services of \$222.50. This rate will be set on a differential basis based on land use (the categories are “residential, residential heritage bed and breakfasts, lifestyle and farmland”, “commercial, commercial Strath Taieri and Forsyth Barr Stadium”). The rate will be charged on the following basis:

Table 2: Targeted Rate – Community Services

Categories	Rate/Liability Calculated	Revenue Sought \$
Residential, Residential Heritage Bed and Breakfasts, Lifestyle and Farmland	\$222.50 per separately used or inhabited part of a rating unit	11,694,000
Commercial, Commercial Strath Taieri and Forsyth Barr Stadium	\$222.50 per rating unit	615,000

The community services targeted rate will be used to fund part of the Parks and Reserves activity and the Botanic Garden.

Kerbside Recycling Collection

A targeted rate for a kerbside recycling collection service. This rate will be set on a differential basis based on land use (the categories are “residential, residential heritage bed and breakfasts, lifestyle and farmland” and “commercial and commercial Strath Taieri”). This rate applies to all separately used or inhabited parts of a rating unit or rating units that receive a kerbside recycling collection service. The rate for the 2015/16 year is:

Table 3: Targeted Rate – Kerbside Recycling Collection

Liability Calculated	Rate/Liability Calculated	Revenue Sought \$
Residential, Residential Heritage Bed and Breakfasts, Lifestyle and Farmland	\$66.30 per separately used or inhabited part of a rating unit	3,207,000
Commercial and Commercial Strath Taieri	\$66.30 per rating unit	9,000

Drainage

A targeted rate for drainage. Drainage is a combined targeted rate for sewage disposal and stormwater. Sewage disposal makes up 85.5% of the drainage rate, and stormwater makes up 14.5%. This rate will be set on a differential basis based on the provision of service (with the categories being “connected” and “serviceable”) and on land use (with the categories being “residential, residential heritage bed and breakfasts, lifestyle and farmland”, “commercial, residential institutions, schools and Forsyth Barr Stadium” and “churches”). The rate will be charged on the following basis:

Table 4: Targeted Rate – Drainage Categories

Categories	Liability Calculated	Revenue Sought \$
Residential, Residential Heritage Bed and Breakfasts, Lifestyle and Farmland	Per separately used or inhabited part of a rating unit	20,447,000
Commercial, Residential Institutions, Schools and Forsyth Barr Stadium	Per rating unit	1,276,000
Churches	Per rating unit	13,000

The rates for the 2015/16 year are:

Table 5: Targeted Rate – Drainage Rates

Residential, Residential Heritage Bed and Breakfasts, Lifestyle and Farmland	Rates \$
Connected	440.00
Serviceable	220.00
Commercial, Residential Institutions, Schools and Forsyth Barr Stadium	Rates \$
Connected	440.00
Serviceable	220.00
Churches	Rates \$
Connected	102.25

Non-rateable land will not be liable for the stormwater component of the drainage targeted rate. Rates demands for the drainage targeted rate for non-rateable land will therefore be charged at 85.5%.

Rating units which are not connected to the scheme, and which are not serviceable, will not be liable for this rate.

Commercial Drainage – Capital Value

In addition, a capital value-based targeted rate for drainage on a differential basis based on land use (the categories are “commercial and residential institutions”, “schools” and “Forsyth Barr Stadium”) and the provision of services (the categories being “connected” and “serviceable”). This rate shall not apply to properties in Karitane, Middelmarsh, Seacliff, Waikouaiti and Warrington.

This rate shall not apply to churches.

The rates for the 2015/16 year are:

Table 6: Targeted Rate – Commercial Drainage Rates

Categories	Rates, Cents in \$ per Capital Value		Revenue Sought \$	
	Connected	Serviceable	Connected	Serviceable
Commercial and Residential Institutions	0.2593	0.1297	10,153,000	121,000
Schools	0.1945	0.0973	505,000	4,000
Forsyth Barr Stadium	0.0238	N/A	39,000	N/A

Non-rateable land will not be liable for the stormwater component of the drainage targeted rate. Rates demands for the drainage targeted rate for non-rateable land will therefore be charged at 85.5%.

Water

A targeted rate for water supply per separately used or inhabited part of a rating unit on all property either connected, or for which connection is available, to receive an ordinary supply of water within the meaning of the Dunedin City bylaws, excepting properties in Karitane, Merton, Rocklands/Pukerangi, Seacliff, Waitati, Warrington, East Taieri, West Taieri and North Taieri. This rate will be set on a differential basis based on the availability of service (the categories are “connected” and “serviceable”).

Rating units which are not connected to the scheme, and which are not serviceable, will not be liable for this rate.

The rates for the 2015/16 year are:

Table 7: Targeted Rate – Water (Ordinary)

Categories	Rate/Liability Calculated	Revenue Sought \$
Connected	\$374.00 per separately used or inhabited part of a rating unit	17,090,000
Serviceable	\$187.00 per separately used or inhabited part of a rating unit	186,000

A targeted rate for water supply that is based on the volume of water made available to all separately used or inhabited parts of a rating unit in Karitane, Merton, Seacliff, Waitati, Warrington, East Taieri, West Taieri and North Taieri. This rate will be set on a differential basis based on the availability of service (the categories are “connected” and “serviceable”).

The rates for the 2015/16 year are:

Table 8: Targeted Rate – Water (Volume of Water)

Categories	Rate/Liability Calculated	Revenue Sought \$
Connected	\$374.00 per unit of water being one cubic metre (viz 1,000 litres) per day made available at a constant rate of flow during a full 24-hour period	950,000
Serviceable	\$187.00 per separately used or inhabited part of a rating unit (note this rate shall not apply to the availability of water in Merton, Karitane or Seacliff)	9,000

Fire Protection

A targeted rate for rating units that receive a water supply for the provision of a fire protection service. The rate will be set on a differential basis based on land use on certain categories of property (“commercial”, “residential institutions” and “Forsyth Barr Stadium”).

This rate will be based on capital value. This rate shall not apply to churches.

The rates for the 2015/16 year are:

Table 9: Targeted Rate – Fire Protection Capital Value

Categories	Rates, Cents in \$ per Capital Value	Revenue Sought \$
Commercial	0.0872	3,614,000
Residential Institutions	0.0654	243,000
Forsyth Barr Stadium	0.0095	16,000

A targeted rate for water supply for the provision of a fire protection service for each separately used or inhabited part of a rating unit within the “residential, residential heritage bed and breakfasts, lifestyle and farmland” categories that are not receiving an ordinary supply of water within the meaning of the Dunedin City bylaws.

The rate for the 2015/16 year is:

Table 10: Targeted Rate – Fire Protection

Categories	Rate/Liability Calculated	Revenue Sought \$
Residential, Residential Heritage Bed and Breakfasts, Lifestyle and Farmland	\$112.20 per separately used or inhabited part of a rating unit	20,000

Water – Quantity of Water

A targeted rate for the quantity of water provided, reconnection fee and special reading fee, to any rating unit fitted with a water meter, being an extraordinary supply of water within the meaning of the Dunedin City bylaws, according to the following scale of charges:

Table: 11: Targeted Rate – Quantity of Water

	Annual Meter Rental Charge \$
20mm nominal diameter	140.00
25mm nominal diameter	179.00
30mm nominal diameter	199.00
40mm nominal diameter	225.00
50mm nominal diameter	456.00
80mm nominal diameter	564.00
100mm nominal diameter	595.00
150mm nominal diameter	855.00
300mm nominal diameter	1,110.00
Hydrant Standpipe	552.00
Reconnection Fee	371.00
Special Reading Fee	50.00

	Backflow Prevention Charge \$
Backflow Preventer Test Fee	88.00
Rescheduled Backflow Preventer Test Fee	52.00

	Water Charge \$
Merton, Hindon and individual farm supplied Bulk Water	0.11 per cubic metre
All other treated water per cubic metre	1.43 per cubic metre
Frost Plug Installation	40.00 per plug
Disconnection of Water Supply	207.00

Where the supply of a quantity of water is subject to this Quantity of Water Targeted Rate, the rating unit will not be liable for any other targeted rate for the supply of the same water.

Allanton Drainage

A targeted rate for rating units within the Allanton area that are paying the capital contribution towards the Allanton Wastewater Collection System, as a targeted rate over 20 years. Liability for the rate is on the basis of the provision of service to each rating unit.

The rate for the 2015/16 year is:

Liability Calculated	Rate	Revenue Sought \$
Per rating unit	\$411.00	22,000

The Allanton area is shown in the map below:



Blanket Bay Drainage

A targeted rate for rating units within the Blanket Bay area that are paying the capital contribution towards the Blanket Bay Drainage system, as a targeted rate over 20 years. Liability for the rate is on the basis of the provision of the service to each rating unit.

The rate for the 2015/16 year is:

Liability Calculated	Rate	Revenue Sought \$
Per rating unit	\$636.00	4,715

The Blanket Bay area is shown in the map below:



Curles Point Drainage

A targeted rate for rating units within the Curles Point area that are paying the capital contribution towards the Curles Point Drainage System, as a targeted rate over 20 years. Liability for the rate is on the basis of the provision of the service to each rating unit.

The rate for the 2015/16 year is:

Liability Calculated	Rate	Revenue Sought \$
Per rating unit	\$749.00	3,910

The Curles Point area is shown in the map below:



Private Drainage Warrington

A targeted rate for the rating unit at 26 Bay Road, Warrington, to recover the cost of connecting to the public sewer system. Liability for the rate is on the basis of the provision of the service to each rating unit.

The rate for the 2015/16 year is:

Liability Calculated	Rate	Revenue Sought \$
Per rating unit	\$1,517.00	1,517

Private Street Lighting

A targeted rate for street lighting in the private streets to which the Council supplies a private street lighting service. The targeted rate will be set on a differential basis based on land use (the categories are “residential”, “lifestyle” and “commercial”).

The rate for the 2015/16 year will be charged on the following basis:

Table 12: Targeted Rate – Private Street Lighting

Categories	Liability Calculated	Rate \$	Revenue Sought \$
Residential and Lifestyle	For each separately used or inhabited part of a rating unit in a private street the sum calculated on the formula of \$149.40 per street light in a private street divided by the number of separately used or inhabited parts of a rating unit in the private street.	149.40 for each street light	29,000
Commercial	For each rating unit in a private street the sum calculated on the formula of \$149.40 per street light in a private street divided by the number of rating units in the private street.	149.40 for each street light	4,000

The private street addresses are as follows:

1 – 10	Achilles Avenue
1	Alton Avenue
2	Alton Avenue
2A	Alton Avenue
3	Alton Avenue
4	Alton Avenue
5	Alton Avenue
6	Alton Avenue
7	Alton Avenue
8	Alton Avenue
9	Alton Avenue
7	Angle Avenue
9	Angle Avenue
11	Angle Avenue
20	Angle Avenue
22	Angle Avenue
24	Angle Avenue
43	Arawa Street
47	Arawa Street
60A	Balmacewen Road
60B	Balmacewen Road
62	Balmacewen Road
64	Balmacewen Road
1	Balmoral Avenue
2	Balmoral Avenue
3	Balmoral Avenue
4	Balmoral Avenue
5	Balmoral Avenue

6	Balmoral Avenue
7	Balmoral Avenue
8	Balmoral Avenue
9	Balmoral Avenue
10	Balmoral Avenue
11	Balmoral Avenue
12	Balmoral Avenue
16	Balmoral Avenue
17	Balmoral Avenue
19	Barclay Street
211	Bay View Road
211A	Bay View Road
211B	Bay View Road
1	Beaufort Street
3	Beaufort Street
119	Belford Street
12	Bell Crescent
14	Bell Crescent
24	Bell Crescent
26	Bell Crescent
7	Bishop Verdon Close
9	Bishop Verdon Close
10	Bishop Verdon Close
11	Bishop Verdon Close
12	Bishop Verdon Close
8	Bonnington Street
8a	Bonnington Street
10	Bonnington Street
20K	Brighton Road
20J	Brighton Road

20H	Brighton Road
20G	Brighton Road
20F	Brighton Road
20E	Brighton Road
20D	Brighton Road
20C	Brighton Road
20B	Brighton Road
20A	Brighton Road
20	Brighton Road
34	Burgess Street
36	Burgess Street
38	Burgess Street
40	Burgess Street
42	Burgess Street
44	Burgess Street
46	Burgess Street
48	Burgess Street
50	Burgess Street
181	Burt Street
183	Burt Street
185	Burt Street
7	Bush Road, Mosgiel
80	Caldwell Street
82	Caldwell Street
1	Campbell Lane
4	Campbell Lane
5	Campbell Lane
6	Campbell Lane
7	Campbell Lane
8	Campbell Lane

9	Campbell Lane
10	Campbell Lane
11	Campbell Lane
12	Campbell Lane
13	Campbell Lane
14	Campbell Lane
15	Campbell Lane
30	Cardigan Street, North East Valley
32	Cardigan Street, North East Valley
34	Cardigan Street, North East Valley
36	Cardigan Street, North East Valley
22	Centennial Avenue, Fairfield
24	Centennial Avenue, Fairfield
26	Centennial Avenue, Fairfield
28	Centennial Avenue, Fairfield
150	Chapman Street
150A	Chapman Street
152	Chapman Street
12	Clearwater Street
14	Clearwater Street
16	Clearwater Street
18	Clearwater Street
20	Clearwater Street
22	Clearwater Street
24	Clearwater Street
26	Clearwater Street
28	Clearwater Street

30	Clearwater Street
32	Clearwater Street
34	Clearwater Street
36	Clearwater Street
22	Cole Street
11	Corstorphine Road
11A	Corstorphine Road
13	Corstorphine Road
15	Corstorphine Road
17	Corstorphine Road
21	Corstorphine Road
23	Corstorphine Road
25	Corstorphine Road
11	Craighall Crescent
15	Craighall Crescent
1	Dalkeith Road, Port Chalmers
2	Dalkeith Road, Port Chalmers
4	Dalkeith Road, Port Chalmers
6	Dalkeith Road, Port Chalmers
8	Dalkeith Road, Port Chalmers
10	Dalkeith Road, Port Chalmers
12	Dalkeith Road, Port Chalmers
21	Davies Street
22	Davies Street
1	Devon Place
2	Devon Place
3	Devon Place
4	Devon Place
5	Devon Place
6	Devon Place

7	Devon Place
9	Devon Place
10	Devon Place
11	Devon Place
12	Devon Place
13	Devon Place
14	Devon Place
15	Devon Place
16	Devon Place
17	Devon Place
18	Devon Place
19	Devon Place
20	Devon Place
139b	Doon Street
139a	Doon Street
139	Doon Street
141	Doon Street
143	Doon Street
145	Doon Street
149	Doon Street
151	Doon Street
5	Dorset Street
7	Dorset Street
10	Dorset Street
11	Dorset Street
12	Dorset Street
14	Dorset Street
16	Dorset Street
18	Dorset Street
20	Dorset Street

21	Dorset Street
17	Duckworth Street
19	Duckworth Street
21	Duckworth Street
35	Duckworth Street
37	Duckworth Street
39	Duckworth Street
39a	Duckworth Street
41	Duckworth Street
47	Duckworth Street
49	Duckworth Street
53	Duckworth Street
	Dunedin Airport
1 – 31	Eastbourne Street
2 – 31	Eastbourne Street
3 – 31	Eastbourne Street
4 – 31	Eastbourne Street
5 – 31	Eastbourne Street
6 – 31	Eastbourne Street
7 – 31	Eastbourne Street
8 – 31	Eastbourne Street
9 – 31	Eastbourne Street
10 – 31	Eastbourne Street
11 – 31	Eastbourne Street
12 – 31	Eastbourne Street
13 – 31	Eastbourne Street
14 – 31	Eastbourne Street
15 – 31	Eastbourne Street
16 – 31	Eastbourne Street
17 – 31	Eastbourne Street

18 – 31	Eastbourne Street
19 – 31	Eastbourne Street
20 – 31	Eastbourne Street
21 – 31	Eastbourne Street
22 – 31	Eastbourne Street
23 – 31	Eastbourne Street
24 – 31	Eastbourne Street
25 – 31	Eastbourne Street
26 – 31	Eastbourne Street
27 – 31	Eastbourne Street
28 – 31	Eastbourne Street
29 – 31	Eastbourne Street
30 – 31	Eastbourne Street
31 – 31	Eastbourne Street
32 – 31	Eastbourne Street
33 – 31	Eastbourne Street
34 – 31	Eastbourne Street
35 – 31	Eastbourne Street
36 – 31	Eastbourne Street
37 – 31	Eastbourne Street
38 – 31	Eastbourne Street
39 – 31	Eastbourne Street
40 – 31	Eastbourne Street
41 – 31	Eastbourne Street
42 – 31	Eastbourne Street
43 – 31	Eastbourne Street
46 – 31	Eastbourne Street
47 – 31	Eastbourne Street
50 – 31	Eastbourne Street
51 – 31	Eastbourne Street

8	Echovale Avenue
10	Echovale Avenue
12	Echovale Avenue
2	Elbe Street
202	Elgin Road
204	Elgin Road
206	Elgin Road
208	Elgin Road
1	Eton Drive
4	Eton Drive
5	Eton Drive
6	Eton Drive
7	Eton Drive
8	Eton Drive
9	Eton Drive
10	Eton Drive
11	Eton Drive
12	Eton Drive
13	Eton Drive
14	Eton Drive
15	Eton Drive
16	Eton Drive
17	Eton Drive
18	Eton Drive
19	Eton Drive
20	Eton Drive
2	Everton Road
3	Everton Road
4	Everton Road
64	Every Street

66	Every Street
68	Every Street
70	Every Street
76	Every Street
7	Fern Road, Ravensbourne
9	Fern Road, Ravensbourne
11	Fern Road, Ravensbourne
13	Fern Road, Ravensbourne
15	Fern Road, Ravensbourne
17	Fern Road, Ravensbourne
19	Fern Road, Ravensbourne
21	Fern Road, Ravensbourne
19	Ferntree Drive
21	Ferntree Drive
23	Ferntree Drive
25	Ferntree Drive
45	Forfar Street
47	Forfar Street
47a	Forfar Street
49	Forfar Street
51	Forfar Street
53	Forfar Street
53a	Forfar Street
1 – 80	Formby Street
5 – 80	Formby Street
6 – 80	Formby Street
7 – 80	Formby Street
8 – 80	Formby Street
10 – 80	Formby Street
14 – 80	Formby Street

15 – 80	Formby Street
16 – 80	Formby Street
17 – 80	Formby Street
18 – 80	Formby Street
19 – 80	Formby Street
20 – 80	Formby Street
248	George Street
558	George Street
150A	Gladstone Road North
150B	Gladstone Road North
150C	Gladstone Road North
150D	Gladstone Road North
150E	Gladstone Road North
152B	Gladstone Road North
152C	Gladstone Road North
152D	Gladstone Road North
152E	Gladstone Road North
154A	Gladstone Road North
214	Gladstone Road North
216	Gladstone Road North
218	Gladstone Road North
220	Gladstone Road North
222	Gladstone Road North
224	Gladstone Road North
226	Gladstone Road North
228	Gladstone Road North
230	Gladstone Road North
232	Gladstone Road North
234	Gladstone Road North
39	Glenbrook Drive, Mosgiel

41	Glenbrook Drive, Mosgiel
45	Glenbrook Drive, Mosgiel
47	Glenbrook Drive, Mosgiel
49	Glenbrook Drive, Mosgiel
57	Glenbrook Drive, Mosgiel
1	Glenfinnan Place
3	Glenfinnan Place
4	Glenfinnan Place
4A	Glenfinnan Place
5	Glenfinnan Place
6	Glenfinnan Place
7	Glenfinnan Place
8A	Glenfinnan Place
8B	Glenfinnan Place
9A	Glenfinnan Place
9B	Glenfinnan Place
10A	Glenfinnan Place
10B	Glenfinnan Place
48	Glenross Street
50	Glenross Street
54	Glenross Street
56	Glenross Street
58	Glenross Street
60	Glenross Street
110	Glenross Street
114	Glenross Street
116	Glenross Street
34	Grandview Crescent
10	Halsey Street
1	Hampton Grove

2	Hampton Grove
3	Hampton Grove
4	Hampton Grove
5	Hampton Grove
6	Hampton Grove
7	Hampton Grove
8	Hampton Grove
9	Hampton Grove
10	Hampton Grove
11	Hampton Grove
12	Hampton Grove
14	Hampton Grove
15	Hampton Grove
16	Hampton Grove
17	Hampton Grove, Mosgiel
18	Hampton Grove, Mosgiel
19	Hampton Grove, Mosgiel
20	Hampton Grove, Mosgiel
21	Hampton Grove, Mosgiel
22	Hampton Grove, Mosgiel
23	Hampton Grove, Mosgiel
24	Hampton Grove, Mosgiel
25	Hampton Grove, Mosgiel
26	Hampton Grove, Mosgiel
4	Harold Street
12	Harold Street
70a	Hazel Avenue
70	Hazel Avenue
72	Hazel Avenue
215a	Helensburgh Road

217a	Helensburgh Road
217b	Helensburgh Road
219	Helensburgh Road
219a	Helensburgh Road
219b	Helensburgh Road
221	Helensburgh Road
223	Helensburgh Road
49	Highcliff Road
49A	Highcliff Road
51	Highcliff Road
57	Highcliff Road
295	Highcliff Road
297	Highcliff Road
313	Highcliff Road
315a	Highcliff Road
315b	Highcliff Road
317	Highcliff Road
16	Highgate
18	Highgate
20	Highgate
34a	Highgate
34	Highgate
216	Highgate
218	Highgate
144A	Highgate
144B	Highgate
146	Highgate
146A	Highgate
148	Highgate
9	Kilgour Street

11	Kilgour Street
15	Kilgour Street
20	Kinvig Street
22	Kinvig Street
2	Koremata Street
4	Koremata Street
12	Koremata Street
3	Lawson Street
4	Leithton Close
6	Leithton Close
9	Leithton Close
10	Leithton Close
11	Leithton Close
14	Leithton Close
15	Leithton Close
18	Leithton Close
19	Leithton Close
21	Leithton Close
22	Leithton Close
23	Leithton Close
26	Leithton Close
27	Leithton Close
28	Leithton Close
29	Leithton Close
32	Leithton Close
33	Leithton Close
36	Leithton Close
5	Leven Street
2	Leyton Terrace
21-67	Lock Street

23a	London Street
25	London Street
1-25	London Street
2-25	London Street
3-25	London Street
8	Lynwood Avenue
10	Lynwood Avenue
12c	Lynwood Avenue
12b	Lynwood Avenue
12a	Lynwood Avenue
12	Lynwood Avenue
14	Lynwood Avenue
3	McAllister Lane, Mosgiel
5	McAllister Lane, Mosgiel
7	McAllister Lane, Mosgiel
9	McAllister Lane, Mosgiel
11	McAllister Lane, Mosgiel
13	McAllister Lane, Mosgiel
15	McAllister Lane, Mosgiel
17	McAllister Lane, Mosgiel
19	McAllister Lane, Mosgiel
210	Main South Road, Green Island
131	Main South Road, Green Island
1	Mallard Place, Mosgiel
2	Mallard Place, Mosgiel
3	Mallard Place, Mosgiel
4	Mallard Place, Mosgiel
5	Mallard Place, Mosgiel
6	Mallard Place, Mosgiel
7	Mallard Place, Mosgiel

8	Mallard Place, Mosgiel
9	Mallard Place, Mosgiel
10	Mallard Place, Mosgiel
11	Mallard Place, Mosgiel
12	Mallard Place, Mosgiel
13	Mallard Place, Mosgiel
14	Mallard Place, Mosgiel
15	Mallard Place, Mosgiel
11	Malvern Street
15	Malvern Street
17a	Malvern Street
30	Marne Street
32	Marne Street
42	Marne Street
44	Marne Street
46	Marne Street
48	Marne Street
50	Marne Street
2	Meldrum Street
10	Meldrum Street
33	Melville Street
14	Middleton Road
16	Middleton Road
18	Middleton Road
20	Middleton Road
22	Middleton Road
24	Middleton Road
26	Middleton Road
28	Middleton Road
30	Middleton Road

37	Middleton Road
37a	Middleton Road
39	Middleton Road
43	Middleton Road
47a	Middleton Road
19	Montague Street
21	Montague Street
23	Montague Street
29	Moray Place
415	Moray Place
72	Newington Avenue
37	Norwood Street
41	Norwood Street
39	Pacific Street
1	Pembrey Street
2	Pembrey Street
3	Pembrey Street
4	Pembrey Street
5	Pembrey Street
6	Pembrey Street
7	Pembrey Street
8	Pembrey Street
10	Pembrey Street
11	Pembrey Street
264	Pine Hill Road
264a	Pine Hill Road
266B	Pine Hill Road
266A	Pine Hill Road
268A	Pine Hill Road
268B	Pine Hill Road

270	Pine Hill Road
272	Pine Hill Road
274	Pine Hill Road
278A	Pine Hill Road
278B	Pine Hill Road
390	Pine Hill Road
409	Pine Hill Road
411	Pine Hill Road
5	Pinfold Place, Mosgiel
6	Pinfold Place, Mosgiel
8	Pinfold Place, Mosgiel
9	Pinfold Place, Mosgiel
10	Pinfold Place, Mosgiel
11	Pinfold Place, Mosgiel
12	Pinfold Place, Mosgiel
13	Pinfold Place, Mosgiel
14	Pinfold Place, Mosgiel
15	Pinfold Place, Mosgiel
19	Queen Street
19A	Queen Street
223	Ravensbourne Road
45	Rewa Street
87	Riselaw Road
89	Riselaw Road
89a	Riselaw Road
91	Riselaw Road
91a	Riselaw Road
93	Riselaw Road
93a	Riselaw Road
21	Rosebery Street

16	Selkirk Street
11	Shand Street, Green Island
14	Sheen Street
6	Silver Springs Boulevard, Mosgiel
8	Silver Springs Boulevard, Mosgiel
10	Silver Springs Boulevard, Mosgiel
12	Silver Springs Boulevard, Mosgiel
14	Silver Springs Boulevard, Mosgiel
16	Silver Springs Boulevard, Mosgiel
20	Silver Springs Boulevard, Mosgiel
22	Silver Springs Boulevard, Mosgiel
24	Silver Springs Boulevard, Mosgiel
26	Silver Springs Boulevard, Mosgiel
28	Silver Springs Boulevard, Mosgiel
1-27	St Albans Street
2-27	St Albans Street
3-27	St Albans Street
4-27	St Albans Street
5-27	St Albans Street
6-27	St Albans Street
7-27	St Albans Street
8-27	St Albans Street

9-27	St Albans Street
10-27	St Albans Street
11-27	St Albans Street
12-27	St Albans Street
13-27	St Albans Street
4	Stanley Square
5	Stanley Square
6	Stanley Square
7	Stanley Square
8	Stanley Square
9	Stanley Square
10	Stanley Square
11	Stanley Square
12	Stanley Square
365	Stuart Street
367	Stuart Street
367a	Stuart Street
55	Sunbury Street
57	Sunbury Street
59	Sunbury Street
59a	Sunbury Street
19	Sunshine Lane
21	Sunshine Lane
23	Sunshine Lane
25	Sunshine Lane
27	Sunshine Lane
67	Tahuna Road
67A	Tahuna Road
67B	Tahuna Road
69	Tahuna Road

69A	Tahuna Road
69B	Tahuna Road
69C	Tahuna Road
1	Taupo Lane
2	Taupo Street
1	Thomas Square
2	Thomas Square
3	Thomas Square
4	Thomas Square
5	Thomas Square
6	Thomas Square
7	Thomas Square
8	Thomas Square
9	Thomas Square
4A	Totara Street, Ravensbourne
85A	Victoria Road
85B	Victoria Road
85C	Victoria Road
85D	Victoria Road
85G	Victoria Road
85H	Victoria Road
85I	Victoria Road
85J	Victoria Road
85K	Victoria Road
85L	Victoria Road
85M	Victoria Road
85N	Victoria Road
85O	Victoria Road
85P	Victoria Road
85Q	Victoria Road

85R	Victoria Road
146	Victoria Road
44	Waimea Avenue
46	Waimea Avenue
48	Waimea Avenue
50	Waimea Avenue
58/60	Waimea Avenue
62/64	Waimea Avenue
16	Warwick Street
18	Warwick Street
23	Warwick Street
1	Wenlock Square
2	Wenlock Square
3	Wenlock Square
4	Wenlock Square
5	Wenlock Square
6	Wenlock Square
7	Wenlock Square
8	Wenlock Square
9	Wenlock Square
10	Wenlock Square
11	Wenlock Square
12	Wenlock Square
14	Wenlock Square
15	Wenlock Square
17	Wenlock Square
18	Wenlock Square
19	Wenlock Square
20	Wenlock Square
21	Wenlock Square

33	Wickliffe Street
19	Woodside Terrace
20	Woodside Terrace
22	Woodside Terrace
23	Woodside Terrace
24	Woodside Terrace
25	Woodside Terrace
25a	Woodside Terrace
26	Woodside Terrace
27	Woodside Terrace
29	Woodside Terrace

Tourism/Economic Development

A capital value-based targeted rate for all commercial properties. The rate will be set on a differential basis based on land use (the categories are “commercial”, “commercial Strath Taieri” and “Forsyth Barr Stadium”).

The rate for the 2015/16 year will be charged on the following basis:

Table 13: Targeted Rate –Tourism/Economic Development

Categories	Rates, cents in \$ per Capital Value	Revenue Sought \$
Commercial	0.0156	570,000
Commercial Strath Taieri	0.0111	3,000
Forsyth Barr Stadium	0.0014	2,000

The Tourism/Economic Development targeted rate will be used to fund part of the Enterprise Dunedin budget.

Warm Dunedin Targeted Rate Scheme

A targeted rate for each rating unit in the Warm Dunedin Targeted Rate Scheme. The revenue sought from this targeted rate is \$334,000.

Table 14: Targeted Rate – Warm Dunedin Targeted Rate Scheme

Liability Calculated	Revenue Sought \$
Per rating unit	392,000

Heritage Earthquake Strengthening Targeted Rate Scheme

A targeted rate for each rating unit in the Heritage Earthquake Strengthening Targeted Rate Scheme. The revenue sought from this targeted rate is \$76,000.

Table 15: Targeted Rate – Heritage Earthquake Strengthening Targeted Rate Scheme

Liability Calculated	Revenue Sought \$
Per rating unit	76,000

Differential Matters and Categories

Where councils assess rates on a differential basis, the definition of differential categories is limited to the list of matters specified in Schedule 2 of the Local Government (Rating) Act 2002. The Council is required to state which matters will be used for definition of the categories, and the category or categories of any differentials.

The differential categories are determined in accordance with the Council’s land use codes and the provision or availability of services. The land use code for each property is available from the Council’s Customer Services Agency and on the website (on a property by property basis) at www.dunedin.govt.nz/services/rates-information/rates.

The Council’s land use codes are based on the land use codes set under the Rating Valuation Rules 2008, which are set out below:

Land Use Code	Land Use Description	Differential Category
0	Multi-use: Vacant/Indeterminate	Commercial
1	Multi-use: Rural Industry	Farmland
2	Multi-use: Lifestyle	Lifestyle
3	Multi-use: Transport	Commercial
4	Multi-use: Community Services	Commercial
5	Multi-use: Recreational	Commercial
6	Multi-use: Utility Services	Commercial
7	Multi-use: Industrial	Commercial
8	Multi-use: Commercial	Commercial
9	Multi-use: Residential	Residential
10	Rural: Multi-use within Rural Industry	Farmland
11	Rural: Dairy	Farmland
12	Rural: Stock Finishing	Farmland
13	Rural: Arable Farming	Farmland
14	Rural: Store Livestock	Farmland
15	Rural: Market Gardens and Orchards	Farmland
16	Rural: Specialist Livestock	Farmland

Land Use Code	Land Use Description	Differential Category
17	Rural: Forestry	Farmland
18	Rural: Mineral Extraction	Commercial
19	Rural: Vacant	Farmland
20	Lifestyle: Multi-use within Lifestyle	Lifestyle
21	Lifestyle: Single Unit	Lifestyle
22	Lifestyle: Multi Unit	Lifestyle
29	Lifestyle: Vacant	Lifestyle
30	Transport: Multi-use within Transport	Commercial
31	Transport: Road Transport	Commercial
32	Transport: Parking	Commercial
33	Transport: Rail Transport	Commercial
34	Transport: Water Transport	Commercial
35	Transport: Air Transport	Commercial
39	Transport: Vacant	Commercial
40	Community Services: Multi-use within Community Services	Commercial
41	Community Services: Educational	Commercial
42	Community Services: Medical and Allied	Commercial
43	Community Services: Personal and Property Protection	Commercial
44	Community Services: Religious	Commercial
45	Community Services: Defence	Commercial
46	Community Services: Halls	Commercial
47	Community Services: Cemeteries and Crematoria	Commercial
49	Community Services: Vacant	Commercial
50	Recreational: Multi-use within Recreational	Commercial
51	Recreational: Entertainment	Commercial
52	Recreational: Active Indoor	Commercial

Land Use Code	Land Use Description	Differential Category
53	Recreational: Active Outdoor	Commercial
54	Recreational: Passive Indoor	Commercial
55	Recreational: Passive Outdoor	Commercial
59	Recreational: Vacant	Commercial
60	Utility Services: Multi-use within Utility Services	Commercial
61	Utility Services: Communications	Commercial
62	Utility Services: Electricity	Commercial
63	Utility Services: Gas	Commercial
64	Utility Services: Water Supply	Commercial
65	Utility Services: Sanitary	Commercial
66	Utility Services: Other	Commercial
67	Utility Services: Post Boxes	Commercial
69	Utility Services: Vacant	Commercial
70	Industrial: Multi-use within Industrial	Commercial
71	Industrial: Food, Drink and Tobacco	Commercial
72	Industrial: Textiles, Leather and Fur	Commercial
73	Industrial: Timber Products and Furniture	Commercial
74	Industrial: Building Materials Other than Timber	Commercial
75	Industrial: Engineering, Metalworking, Appliances and Machinery	Commercial
76	Industrial: Chemicals, Plastics, Rubber and Paper	Commercial
77	Industrial: Other Industries – including Storage	Commercial
78	Industrial: Depots, Yards	Commercial
79	Industrial: Vacant	Commercial
80	Commercial: Multi-use within Commercial	Commercial
81	Commercial: Retail	Commercial
82	Commercial: Services	Commercial

Land Use Code	Land Use Description	Differential Category
83	Commercial: Wholesale	Commercial
84	Commercial: Offices	Commercial
85	Commercial: Carparking	Commercial
89	Commercial: Vacant	Commercial
90	Residential: Multi-use within Residential	Residential
91	Residential: Single Unit excluding Bach/Crib	Residential
92	Residential: Multi Unit	Residential
93	Residential: Public Communal – Unlicensed	Commercial
94	Residential: Public Communal – Licensed	Commercial
95	Residential: Special Accommodation	Residential
96	Residential: Communal Residence Dependent on Other Use	Residential
97	Residential: Bach/Crib	Residential
98	Residential: Carparking	Residential
99	Residential: Vacant	Residential

In addition to the categories set out above, the Council has established categories for residential institutions, residential heritage bed and breakfasts, the Forsyth Barr Stadium, churches, and schools.

1. Differentials Based on Land Use

- The Council uses this matter to:
- differentiate the general rate
- differentiate the Community Services Rate
- differentiate the Kerbside Recycling Collection Rate
- differentiate the Private Street Lighting Rate
- differentiate the Tourism/Economic Development Rate
- differentiate the Fire Protection Rate.

The differential categories based on land use are:

Residential – includes all rating units used for residential purposes including single residential, multi unit residential, multi-use residential, residential special accommodation, residential communal residence dependent on other use, residential bach/cribs, residential carparking and residential vacant land.

Lifestyle – includes all rating units with Council land use codes 2, 20, 21, 22 and 29.

Commercial – includes all rating units with land uses not otherwise categorised as Residential, Lifestyle, Farmland, Forsyth Barr Stadium, Residential Heritage Bed and Breakfasts or Non-residential Strath Taieri.

Commercial Strath Taieri – includes all rating units in Strath Taieri, with land uses not otherwise categorised as Residential, Lifestyle, Farmland or Residential Heritage Bed and Breakfasts.

Farmland – includes all rating units used solely or principally for agricultural or horticultural or pastoral purposes.

Residential Heritage Bed and Breakfasts – includes all rating units meeting the following description:

1. Bed and breakfast establishments; and
2. Classified as commercial for rating purposes due to the number of bedrooms (greater than 4); and
3. Either:
 - the majority of the establishment is at least 80 years old or
 - the establishment has Historic Places Trust Registration or
 - the establishment is a DCC Protected Heritage Building; and
4. The bed and breakfast owner lives at the facility.

Forsyth Barr Stadium – this includes land at 130 Anzac Avenue, Dunedin, Assessment 4024687, Valuation reference 27190-01402-A.

2. Differentials Based on Land Use and Provision or Availability of Service

The Council uses these matters to differentiate the drainage rate and commercial drainage rate.

The differential categories based on land use are:

Residential – includes all rating units used for residential purposes including single residential, multi-unit residential, multi-use residential, residential special accommodation, residential communal residence dependent on other use, residential bach/cribs, residential carparking and residential vacant land

Lifestyle – includes all rating units with Council land use codes 2, 20, 21, 22 and 29

Farmland – includes all rating units used solely or principally for agricultural or horticultural or pastoral purposes

Commercial – includes all rating units with land uses not otherwise categorised as Residential, Lifestyle, Farmland, Forsyth Barr Stadium, Residential Heritage bed and breakfasts, Residential Institutions, Churches or Schools

Forsyth Barr Stadium – this includes land at 130 Anzac Avenue, Dunedin, Assessment 4024687, Valuation reference 27190-01402-A

Residential Heritage Bed and Breakfasts – includes all rating units meeting the following description:

1. Bed and breakfast establishments; and
2. Classified as commercial for rating purposes due to the number of bedrooms (greater than 4); and
3. Either:
 - the majority of the establishment is at least 80 years old or
 - the establishment has Historic Places Trust Registration or
 - the establishment is a DCC Protected Heritage Building; and
4. The bed and breakfast owner lives at the facility.

Residential Institutions – includes only rating units with Council land use codes 95 and 96

Churches – includes all rating units used solely or principally as places of religious worship

Schools – includes only rating units used for schools that do not operate for profit

The differential categories based on provision or availability of service are:

Connected – any rating unit that is connected to a public sewerage drain

Serviceable – any rating unit that is not connected to a public sewerage drain but is capable of being connected to the sewerage system (being a property situated within 30 metres of a public drain)

3. Differentials Based on Provision or Availability of Service

The Council uses these matters to differentiate the water rates.

The differential categories based on provision or availability of service are:

Connected – any rating unit that is supplied by the water supply system

Serviceable – any rating unit that is not supplied but is capable of being supplied by the water supply system (being a rating unit situated within 100 metres of the nearest water supply).

Minimum Rates

Where the total amount of rates payable in respect of any rating unit is less than \$5.00, the rates payable in respect of the rating unit shall be such amount as the Council determines, but not exceeding \$5.00.

Low Value Rating Units

Rating units with a capital value of \$3,500 or less will only be charged the general rate.

Separately Used or Inhabited Part of a Rating Unit

For each category of rateable land includes, in addition to any portion occupied by the ratepayer, any portion of a separately rateable property used or inhabited by any person, other than the ratepayer, having a right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement.

Lump Sum Contributions

No lump sum contributions will be sought for any targeted rate.

Rating by Instalments

All rates to be collected by the Council will be payable by four instalments according to the following schedule.

The City is divided into four areas based on Valuation Roll Numbers, as set out below:

Table 14: Rating Areas

Area 1	Area 2	Area 3	Area 3 continued
Valuation Roll Numbers:			
26700	26990	26500	27550
26710	27000	26520	27560
26760	27050	26530	27600
26770	27060	26541	27610
26850	27070	26550	27760
26860	27080	26580	27770
26950	27150	26590	27780
26960	27350	26620	27790
26970	27360	26640	27811
26980	27370	26651	27821
27160	27380	26750	27822
27170	27500	26780	27823
27180	27510	27250	27831
27190	27520	27260	27841
27200	27851	27270	27871
	27861	27280	27911
	27880	27450	27921
	27890	27460	27931
	27901	27470	27941
	28000		
	28010		
	28020		

Area 4 comprises ratepayers with multiple assessments who pay on a schedule.

Due Dates for Payments of Rates

All rates, with the exception of water rates which are charged based on water meter consumption, will be payable in four instalments due on the dates shown below:

Due Dates	Area 1	Area 2 and 4	Area 3
Instalment 1	28/08/15	04/09/15	18/09/15
Instalment 2	06/11/15	20/11/15	04/12/15
Instalment 3	05/02/16	19/02/16	26/02/16
Instalment 4	20/05/16	27/05/16	03/06/16

Water meter invoices are sent separately from other rates at intervals depending on the quantity of water consumed.

Sample Rate Accounts

	Capital Value (CV)	2014/15 Rates	2015/16 Rates	Increase \$	Increase %
Residential					
Lower Quartile	190,000	1,663	1,705	41	2.5
Mode	205,000	1,708	1,752	44	2.6
Median Value	245,000	1,828	1,879	51	2.8
Average	282,000	1,938	1,996	57	3.0
Upper Quartile	330,000	2,082	2,148	66	3.2
Commercial					
Median Value	355,000	4,577	4,702	125	2.7
Average	1,152,000	13,367	13,772	405	3.0
Farmland (General and Community Services Rates only)					
Median Value	280,000	898	932	34	3.7
Average	731,000	1,991	2,075	84	4.2
Upper Quartile	950,000	2,522	2,630	108	4.3
Sample	2,020,000	5,114	5,341	227	4.4

	Capital Value (CV)	2014/15 Rates	2015/16 Rates	Increase \$	Increase %
<i>Lifestyle (General and Community Services Rates only)</i>					
Median Value	495,000	1,626	1,711	85	5.2
Average	513,000	1,677	1,766	88	5.2
Upper Quartile	650,000	2,067	2,178	111	5.4
<i>Residential Heritage Bed and Breakfasts</i>					
Sample	620,000	4,089	4,277	188	4.5

Definitions

- Mode this is the most frequently occurring capital value.
- Median this capital value is the one in the middle of the list of individual capital values. Half of the values are above this amount, and half below.
- Average this is the capital value calculated if the whole value in each category was divided by the number of properties in each category.

Mix of Funding Mechanisms by Group Activity

The following funding mechanisms are applied to the Council's group activities. All mechanisms that have been used are in accordance with the Revenue and Financing Policy.

	General Rate	Community Services Rate	Kerbside Recycling Rate	City-wide Water Rates	City-wide Drainage Rates	Allanton Drainage Rate	Blanket Bay Drainage Rate	Private Drainage Warrington Rate	Curles Point Drainage Rate	Private Street Lighting Rate	Tourism/Economic Development Rate	Warm Dunedin Rate	Earthquake Strengthening Rate	Revenue ¹	Loans Raised	Sale of Assets	Reduction in Loans and Advances	Dunedin City Holdings Limited Interest and Dividend	NZTA Income	Cash	Reduction in Investments	Development Contributions
Sport, Recreation and Leisure																						
Community Development and Support																						
Museums, Libraries and Art Gallery																						
Water Supply																						
Solid Waste																						
Sewerage and Sewage																						
Stormwater																						
City Investment																						
Planning and Regulatory																						
Economic Development and City Promotion																						
Roading and Footpaths																						
Corporate Support																						

¹ Revenue includes fees and charges, subsidies, capital revenue, interest and dividends (other than Dunedin City Holdings Limited dividends). Revenue also includes water rates based on quantity of water and any lump sum payments for the Blanket Bay and Curles Point drainage system.

Rating Units Projections

The projections have been developed to comply with the following legislation and to allow DCC to use these projections in their long term planning process.

LGA 2002 – Sch 10 15A Rating base information – A long-term plan must state, for each year covered by the plan, the projected number of rating units within the district or region of the local authority at the end of the preceding financial year.

Rating Unit Categories	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Residential, Farmland, Lifestyle and Utilities	52,467	52,756	53,014	53,272	53,530	53,787	54,044	54,292	54,539	54,786	55,033
Non-Residential	2,736	2,733	2,724	2,716	2,708	2,700	2,692	2,683	2,673	2,664	2,655
Residential, Lifestyle and Farmland – Half	1	1	1	1	1	1	1	1	1	1	1
Non-Residential – Half	62	62	62	62	62	62	62	62	62	62	62
Total Rating Units	55,266	55,551	55,801	56,051	56,301	56,550	56,798	57,037	57,275	57,513	57,751

The average annual increase in total rating units for the 2015 LTP period is just under 250 rating units per year, around 0.4% per year. This is slightly higher than the average increase over the last three years, 230 per year. The methodology is summarised below for each of the four rating unit categories. The growth projection data used is from Rationale's 2009 growth study.

Residential, Farmland, Lifestyle and Utilities – the annual growth rate for all Dunedin City dwellings has been applied to the 2014/15 rating units in this category. A period specific growth rate was used for each of the three growth periods within the 2015-2025 LTP; 2011-2016, 2016-2021 and 2021-2026. We have also allowed for 25% of the new dwellings to be built on an existing rating unit. This proportion was based on historic dwelling and residential rating unit growth. The average annual growth in this category is just under 260 rating units per year.

Non-Residential – the non-residential (business related) outputs (FTEs, floor space and hectares of land) from the 2009 growth study have been used to project the non-residential rating units. Again an annual growth rate has been applied to the 2014/15 starting point using the period specific annual growth rates over LTP period. This results in a decline in the non-residential rating units of around seven per year. This appears consistent with historic figures, however there has been significant fluctuation in the last three years.

We also considered using the long term average annual growth rate to project the non-residential rating units. This approach is consistent with the method we have used in the DC Models which are based on the long run average cost of growth. Using the long term average growth rate (0.25% per year) results in an increase of around eight rating units per year at a growth rate similar to the projected increase in resident population over the LTP period. However, this increase is not consistent with the recent decline in non-residential rating units and may be too optimistic for the purpose of the rating unit projections. The overall difference in total rating units under the two methods is only 150 rating units so fairly insignificant in the overall scheme of things.

Residential, Lifestyle and Farmland – Half – there is only 1 rating unit in this category so we have assumed this remains at 1.

Non-Residential – Half – there are only 62 rating units. As this is insignificant in the overall scheme of things we have again assumed this remains the same.

Funding Principles

The Dunedin City Council, in adopting the rating method, takes into consideration the following funding principles:

1. That, in so far as possible, the rating method should be simple, efficient and understandable.
2. People who benefit (including secondary beneficiaries) should contribute to costs.
3. Capital value is the primary method of determining the rating method. Capital value is based on market value and reflects the property valuation.
4. Property rates are a mechanism, which contains principles of public benefit taxation. Rates are not a user-pays mechanism.
5. The application of funding mechanisms should not distort markets.
6. The funding of activities and services should have regard to the interests of residents and ratepayers, including future ratepayers.
7. The funding of services and activities should not make these unaffordable.
8. People who pollute or damage the environment should bear the cost of redress.
9. To promote fairness and equity in rating, fixed charges may be used.
10. Where changes are contemplated to the rating method, transition arrangements may be used.
11. Specific rating areas may be considered on a case-by-case basis.

Revenue and Financing Policy 2015

The Local Government Act 2002 (LGA) requires the adoption of a Revenue and Financing Policy which states the Council's policies on the funding of its operating and capital expenditure and the sources of those funds.

The LGA requires the Council to manage its finances prudently and in a manner which promotes the current and future interests of the community. The Council must ensure that each year's projected operating revenues are set at a level sufficient to meet the year's projected operating expenses. This is the "balanced budget" requirement. However, a council may choose to plan for a deficit provided it has regard to the impact on levels of service, the equitable allocation of responsibility for funding services and its funding and financial policies.

The Council adopted a Revenue and Financing Policy as part of the Long Term Plan (LTP) and amended sections of it in subsequent Annual Plans. A review of the Revenue and Financing Policy is undertaken as part of the development of each LTP.

In determining the sources of its funding, in accordance with Section 101(3) (a), the first step was to consider each of the following in relation to each activity:

- the community outcome to which the activity primarily contributes
- the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals
- the period in or over which those benefits are expected to occur
- the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity
- the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

After giving consideration to the above, in accordance with Section 101(3) (b), the Council then considered the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural interests of the community.

The Dunedin City Council's funding policy is to treat both operating and capital expenditure in the same way:

- the extent to which the provision of a service by the Council is a public or private good will largely determine the extent to which rates or fees and charges fund capital expenditure. For example, if the revenue funding policy for libraries is 95% public good: 5% private benefit, we would expect to fund the capital expenditure on book

purchases in the same way, ie 95% by general rates and 5% by fees and charges. By contrast, the provision of dog walking parks (a capital expenditure) would be funded to the same extent that dog registration fees provide the funding of the dog control service (an operating expenditure)

- While debt may sometimes be used to provide the immediate funding needed to acquire an asset, its repayment will be made from the same sources in the same ratio as for operating expenditure

Options for Funding Council Services

The Council uses the following sources of funding:

General Rates

This is used to fund public goods where it is not possible to clearly identify customers or users. The general rate is also used to fund activities where, for reasons of fairness and equity, consideration of the wider community good indicate that this is the most appropriate way to fund an activity.

The general rate is based on the capital value of each rating unit in the district and will be set on a differential basis based on land use. The Council will not be using a Uniform Annual General Charge.

Targeted Rates

This form of rate is used where an activity benefits an easily identifiable group of ratepayers and where it is appropriate that only this group be targeted to pay for some or all of a particular service. For example, water, wastewater, kerbside recycling.

Fees and Charges

User charges are direct charges to identifiable users or groups of users who use certain Council services such as dog control, swimming pools and building inspection. In these instances an identifiable benefit exists to clearly identifiable people and they are required to pay all or part of the cost of that service.

Development Contributions

Development contributions may be required for developments if the effect of the development is to require new or additional reserves, network infrastructure and community infrastructure of increased capacity and, as a consequence, the Council incurs capital expenditure.

Grants and Subsidies

Grants and subsidies apply to some activities when income from external agencies is received to support an activity. This is mostly made up from government subsidies such as New Zealand Transport Agency subsidies for roading services.

Other Sources of Funding:

Rents, Interest and Dividends

The Council also receives revenue from property rentals, interest and dividends to help offset the general rate requirement.

Borrowing

While borrowing may be used from time to time, usually to give effect to the principles of intergenerational equity, the repayment and servicing of the debt is funded by rates, fees and charges and other sources. In short the actual borrowing is a mechanism only; the revenue and financing policy applies to its repayment and servicing.

Summary of Funding Options

	Operating Expenditure	Capital Expenditure
General Rates	✓	✓
Targeted Rates	✓	✓
Revenue	✓	✓
New Zealand Transport Agency Income	✓	✓
Investment Income	✓	✓
Debt		✓
Proceeds from Asset Sales		✓
Development Contributions		✓
Financial Contributions		✓
Grants and Subsidies	✓	✓
Working Capital		✓
Investments		✓

New Reticulated Utility Services (Water, Wastewater or Stormwater) Policy

The Council has approved the New Reticulated Utility Services (Water, Wastewater or Stormwater) Policy funding policy. The key components of this policy are as follows:

The Council's existing policy on reticulation of services is that services will only be provided for areas which are zoned as requiring access to reticulated water, wastewater and/or stormwater infrastructure, as detailed in rules in the District Plan relating to subdivisions.

New reticulation systems will be considered in existing developed areas not already reticulated where there is a clear and demonstrated need in terms of public health, environmental effects or other significant reason.

If a new system is installed by the Council, each connection once established, or potential connection will be subject to the Drainage Rate and Water Rate and any other charge applicable to the type of connection, in accordance with the Council's funding policy in operation at that time, to fund the on-going operation of the service.

In addition to the funding of the on-going operational costs, consideration will also be given to the contribution payable towards the capital cost of providing the new reticulated service by those directly benefitting from receiving the new service, based on the following:

- For all existing residential units, or properties which have a building consent issued, on the date that the Council decides to proceed with any new reticulation service, a percentage contribution up to a maximum of 100% of their share of the assessed cost of providing the service. The percentage contribution will be determined after considering a range of factors listed in the policy.
- For all future new residential units that are built in the area serviced, that are not in existence or do not have building consent issued prior to the date that the Council decides to proceed with any new reticulation service, they shall contribute 100% of their share of the assessed cost of providing the services.

Revenue and Financing Policy – Funding Schedule

The following table summaries how Council activities are funded:

Activity	2015/16 Policy		2015/16 Budgets	
	Rates Revenue %	Other Revenue %	Rates Revenue %	Other Revenue %
<i>A Thriving and Diverse Economy</i>				
Economic Development	90%	10%	85%	15%
Marketing Dunedin	100%	0%	92%	8%
Dunedin Centre	100%	0%	100%	0%
Visitor Centre	45%	55%	55%	45%
<i>A Connected City</i>				
Transportation	62%	38%	57%	43%
<i>A Safe and Healthy City</i>				
Environmental Health	65%	35%	62%	38%
Liquor Licensing	35%	65%	41%	59%
Animal Services	20%	80%	17%	83%
Building Services	33%	67%	28%	72%
Water	80%	20%	77%	23%
Wastewater	98%	2%	98%	2%
Stormwater	98%	2%	99%	1%
Refuse Collection	20%	80%	22%	78%
Green Island Landfill	0%	100%	0%	100%
Landfills (Closed)	0%	100%	0%	100%
Waikouaiti Landfill and Middlemarch Transfer Station	55%	45%	70%	30%
Waste Minimisation	0%	100%	0%	100%
<i>A Distinctive Built Environment</i>				
City Development	100%	0%	100%	0%
Earthquake Strengthening	100%	0%	100%	0%
Warm Dunedin	100%	0%	100%	0%

Activity	2015/16 Policy		2015/16 Budgets	
	Rates Revenue %	Other Revenue %	Rates Revenue %	Other Revenue %
Resource Consents (Note 1)	53%	47%	66%	34%
<i>A Supportive Community</i>				
Community Development and Events	95%	5%	94%	6%
Community Housing	0%	100%	0%	100%
Cemeteries (Parks and Burials)	50%	50%	19%	81%
Crematorium	0%	100%	0%	100%
Civic and Administration Services	100%	0%	100%	0%
Civil Defence	100%	0%	100%	0%
Public Toilets	100%	0%	100%	0%
<i>A Vibrant and Creative City</i>				
Dunedin Public Art Gallery	85%	15%	83%	17%
Toitū Otago Settlers Museum	92%	8%	94%	6%
Otago Museum Levy	100%	0%	100%	0%
Dunedin Chinese Garden	60%	40%	69%	31%
<i>A City of Learning</i>				
Libraries	95%	5%	97%	3%
<i>An Active City</i>				
Aquatic Services	50%	50%	55%	45%
Botanic Garden	98%	2%	99%	1%
Parks and Reserves	96%	4%	93%	7%
Recreation Policy	100%	0%	100%	0%

Note 1: The policy reflects the Council's decision for resource consents process to be undertaken on an actual cost recovery basis. However, due to the current economic climate and the ratio of FTE's undertaking chargeable work the actual budget does not meet the Council policy at this time.

Table 2 – Revenue and Financing Policy – Analysis by Activity

Activity	Community Outcomes	Who Benefits	Period of Benefit	Whose acts create a need (Actions or Inactions)	Separate Funding	Funding Sources	Rationale
Economic Development	A Thriving and Diverse Economy	Businesses that contact the service benefit. The community also benefits from economic growth and development.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	N/A	85% General Rates. 15% External Funding (Note: ration varies depending on availability of external funding).	This activity is largely public good with no scope for user charges and will therefore be funded by the capital value based general rule.
Marketing Dunedin	A Thriving and Diverse Economy	The tourism industry. The service also benefits the community by encouraging tourism and promotion of Dunedin which provides economic benefits to the City.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	N/A	100% General Rates. (Note: For proportion of funding provided by the Council. Organisation has other external funding sources).	This activity is largely public good with no scope for user charges and will therefore be funded by the capital value based general rule.
Communications and Marketing	A Thriving and Diverse Economy	There is a benefit to the community through provision of information about Council activities and facilities.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	N/A	100% General Rates.	This activity is largely public good with no scope for user charges and will therefore be funded by the capital value based general rule.
Dunedin Centre	A Thriving and Diverse Economy	Groups and individuals using the centre. There is also a wider economic benefit to the community through the provision of conference facilities.	The Council has made a commitment to undertake this activity for the long term. Noting that this activity is operated under a service level agreement with DVML.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	N/A	100% General Rates.	This activity is largely public good with no scope for user charges and will therefore be funded by the capital value based general rule.

Activity	Community Outcomes	Who Benefits	Period of Benefit	Whose acts create a need (Actions or Inactions)	Separate Funding	Funding Sources	Rationale
Public Toilets	A Safe and Healthy City	Users benefit. There is also a wider public benefit to the community from ensuring adequate provision of public toilets	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	N/A	100% General Rates.	This activity is largely public good with no scope for user charges and will therefore be funded by the capital value based general rule.
Visitors Centre	A Thriving and Diverse Economy	There is a wider economic benefit for the city gained through encouraging spending within the city through booked accommodation and attractions, and associated retail spending.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	N/A	45% General Rates. 55% Fees and Charges.	
Transportation	A Connected City	The whole community benefits. All people use some form of transport.	Planning for future transportation needs is an ongoing task as our society evolves. The Roding network will be maintained indefinitely.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	N/A	68% General Rates. 38% External Funding.	

Activity	Community Outcomes	Who Benefits	Period of Benefit	Whose acts create a need (Actions or Inactions)	Separate Funding	Funding Sources	Rationale
Environmental Health	A Safe and Healthy City	Individual licensees. The community benefits through the contribution this activity makes to public health and safety in relation to licensing food premises, and complaints in respect to noise, rubbish and regulation of industries that impact on public health (e.g. tattooists, beauticians, funeral homes, hairdressers and mobile traders).	The Council has made the commitment to undertake this activity for the long term.	Licensees and other people who do not comply with any aspects of regulations are required to remedy the problem.	N/A	65% General Rates. 35% Fees and Charges. The higher standard of food premises in Dunedin has resulted in lower fees being charged. Fees charged for Funeral Home and Camping ground inspections has been lowered to reflect the time spent doing these inspections. The fees currently set reflect the workload and a further increase is not recommended.	
Liquor Licensing	A Safe and Healthy City	Premises that are licensed allowing them to trade. There is some public health benefit in terms of reducing the incidence of intoxicated persons in public places.	The Council has made the commitment to undertake this activity in the long term.	Liquor license fees are in effect a charge on the group of premises owners whose application to serve alcohol requires this service to be undertaken. In addition, penalties apply for licence infringements.	N/A	35% General Rate. 65% Fees and Charges. The Council has a statutory responsibility to provide this service – to the extent that costs are not covered by licence fees the Council must meet the balance of the cost.	

Activity	Community Outcomes	Who Benefits	Period of Benefit	Whose acts create a need (Actions or Inactions)	Separate Funding	Funding Sources	Rationale
Animal Services	A Safe and Healthy City	Dog owners, as well as the community at large in term of educational programmed and the ability to report dog issues and seek assistance.	The Council has made a commitment to undertake this activity for the long term.	The registration fees charged to owners of dogs are in effect a charge on a group of people whose actions require this service to be undertaken.	N/A	<p>20% General Rates.</p> <p>80% Fees and Charges.</p> <p>Due to more revenue from additional dogs registered in the city.</p> <p>Council is comfortable with the level of fees charges as they are comparable to other cities in New Zealand.</p> <p>Working dog fees have been maintained at a low rate over the last few years.</p>	
Building Services	A Safe and Healthy City	Applicants for building consents, however there is an acknowledgement that there is benefit to the wider community in having consented buildings.	The Council has made a commitment to undertake this activity for the long term.	People who carry out unregulated building activity generate the need for the Council to prevent and reduce the negative effects of this activity.		<p>33% General Rates.</p> <p>67% Fees and Charges.</p> <p>Building Consent Authority (BCA) work is funded by consent fees.</p> <p>Territorial Authority work (non-BCA), which includes policy writing, Health and Safety and administration, is funded by General rates as it is a public service.</p>	

Activity	Community Outcomes	Who Benefits	Period of Benefit	Whose acts create a need (Actions or Inactions)	Separate Funding	Funding Sources	Rationale
Water	A Safe and Healthy City Sustainable City and Environment	Users connected to the system The community benefits due to public health benefits and the availability of water to fight fires.	The Council has made a commitment to undertake this activity for the long term.	There are no actions of inactions of particular individuals or groups that have contributed to the need to undertake this activity. Noting however, that water supply requirements are directly attributable to usage levels by individuals.	Development Contributions to fund growth portion of Capital Expenditure. Debt to fund some capital expenditure. Intergenerational equity. Non-residential and extraordinary supply customers pay by water meter.	100% Targeted Rate. Currently meters are not installed for residential customers. Cost to install. Positive benefits in terms of conservation. Negative consequences, revenue risk.	This activity is largely public good with no scope for user charges and will therefore be funded by the capital value based general rule.
Wastewater	A Safe and Healthy City Sustainable City and Environment	Users of waste water services. There are also public health benefits related to effective wastewater services Community benefits.	The Council has made a commitment to undertake this activity for the long term.	High usage customers place higher than average demands on system capacity. Industries providing high volumes of noxious wastewater are charged through trade waste charges.	Large degree of private benefit, but no ability to charge. Development Contributions to fund the growth portion of capital expenditure. Debt to fund some capital expenditure. Intergenerational equity.	98% Rates comprised of 80% targeted rates and 20% commercial rates. 2% Trade Waste charges. Although there is a high degree of private benefit, charging by way of a fee is not practical.	

Activity	Community Outcomes	Who Benefits	Period of Benefit	Whose acts create a need (Actions or Inactions)	Separate Funding	Funding Sources	Rationale
Stormwater	A Safe and Healthy city Sustainable City and Environment	Individuals. There is also public health benefits related to effective stormwater networks. Wider city benefit through protection of private property and infrastructure.	The Council has made a commitment to undertake this activity for the long term.	Stormwater requirements are directly attributable to individuals for whom the service is available.		98% Rates comprised of 80% targeted rates and 20% commercial rates. 2% Trade Waste charges. Although there is a high degree of private benefit, charging by way of a fee is not practical.	
Refuse Collection	A Safe and Healthy City	Domestic and commercial users of collections services. There is also a public health benefit to the community related to ensuring that streets are kept clean and that public street litter bins are provided.	Indefinitely.	The collections are required as individuals and businesses create waste. However, through the bylaws the Council is able to impose fines for littering and illegal dumping of refuse.	N/A	20% General Rates. 80% Fees and Charges. General Rates cover the collection of street little bins, ensuring that streets are kept clean. Bag sales reflect the requirement to use Council bags for collection.	
Kerbside Recycling	A Safe and Healthy City	The general public benefit through the minimisation of waste going to Landfill. Users of the service benefit as recyclables are removed from general waste.	Indefinitely.	Users of the system create recyclable waste. The Waste Minimisation Act 2008 requires territorial authorities to minimise waste in their district.	N/A	100% Targeted Rate.	

Activity	Community Outcomes	Who Benefits	Period of Benefit	Whose acts create a need (Actions or Inactions)	Separate Funding	Funding Sources	Rationale
Landfills (Closed)	A Safe and Healthy City	There is a public health and environmental benefit in providing ongoing maintenance at closed landfills.	Landfills require management even after closure for in excess of 20 years for monitoring purposes.	Previous users of the landfill required the provision of the service. But it is not possible to identify these users.	N/A	100% Landfill Aftercare provisions.	
Green Island Landfill (Operational)	A Safe and Healthy City	Users of landfills. There is also a public health benefit through the safe and appropriate disposal of rubbish.	The Council has made a commitment undertaking this activity for an ongoing period.	The landfill users require the Council to provide this facility.	N/A	100% Fees and Charges.	
Waikouaiti Landfill and Middelmarsh Transfer Station.	A Safe and Healthy City	Users of the transfer stations. There is also a public health benefit through the safe and appropriate disposal of rubbish.	The Council has made a commitment undertaking this activity of an ongoing period.	Transfer Station users in the area require the Council to provide these facilities.	N/A	55% General Rates. 45% Fees and Charges. General rates subsidise this activity due to the public good elements.	
Waste Management Minimisation	A Safe and Healthy City	The community benefits from the Council's commitment to waste minimisation and providing education to the public and also contributes to other Council Strategic priorities	Indefinitely.	The Waste Minimisation Act 2008 requires territorial authorities to minimise waste in their district.	N/A	100% External Revenue which comes from Ministry for the Environment's Waste Levy, charged at \$10 per tonne at the landfill, 50% of which is returned to the Council.	
Eco-Housing retrofit scheme	A Safe and Healthy City	Residents of the city benefit by the provision of warm and healthy homes.	The Council has made a commitment to undertake this activity for the long term.	Owners of colder homes will be able to upgrade the heating systems.	N/A	100% Contribution by user via targeted rates.	

Activity	Community Outcomes	Who Benefits	Period of Benefit	Whose acts create a need (Actions or Inactions)	Separate Funding	Funding Sources	Rationale
City Development	A Distinctive Built Environment	The service benefits the general public through the ability to enjoy an aesthetically pleasing environment	The Council has made a commitment to undertake the activity for the long term	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	N/A	100% General Rates.	This activity is largely public good with no scope for user charges and will therefore be funded by the capital value based general rule.
Earthquake strengthening Targeted Rates	A Distinctive Built Environment	The owners of the building and the general public who will enjoy an aesthetically pleasing environment.	The Council has made a commitment to undertake this activity for the long term.	Owners of heritage buildings are required to upgrade the building to an appropriate earthquake standard.	N/A	100% Contribution by user via targeted rates.	
Resource Consents	A Distinctive Built Environment	Applicants for resource consents benefit. The whole community benefits from ensuring that development occurs with minimal adverse environmental effect and maintains environmental, and amenities standards.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions that require this service to be provided. Noting however that costs for private plan changes are recovered.	N/A	Resource Consents. 53% General Rates. 47% Fees and Charges.	
Community Development and Events	A Supportive Community	The community benefits through the provision of information, advice and assistance on matters relating to the community for the Council. Community Groups that receive advice and assistance are identifiable.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	N/A	100% General Rates.	This activity is largely public good with no scope for user charges and will therefore be funded by the capital value based general rule.

Activity	Community Outcomes	Who Benefits	Period of Benefit	Whose acts create a need (Actions or Inactions)	Separate Funding	Funding Sources	Rationale
Community Housing	A Supportive Community	Tenants – predominantly elderly people, and other people who meeting the means testing criteria benefit.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	N/A	100% Fees and Charges.	
Cemeteries (Parks and Burials)	A Supportive Community	Provision of well-maintained cemeteries is important to the community as a whole. Families using burial services are identifiable for charging purposes.	The Council has statutory and public health responsibilities to provide the service on an ongoing basis. The Council also maintains closes cemeteries.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	N/A	50% Fees and Charges. 50% General Rates.	
Crematorium	A Supportive Community	The provision of a sensitive crematorium/ chapel service is important to the community as a whole.	The Council currently provides this service for the private sector.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	N/A	100% Fees and Charges.	
Civic Leadership	A Supportive Community	The activity supports the decision-making function of the Council and therefore benefits the community as a whole.	Indefinitely. The Council's decision making function is provided for by the Local Government Act.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	N/A	100% General Rates.	
Civil Defence	A Supportive Community	The whole community benefits from having appropriate planning and resources in place.	The Council has made a commitment to undertake this activity for the long term.	Natural hazards exist despite individuals and groups.	N/A	100% General Rates.	This activity is largely public good with no scope for user charges and will therefore be funded by the capital value based general rule.

Activity	Community Outcomes	Who Benefits	Period of Benefit	Whose acts create a need (Actions or Inactions)	Separate Funding	Funding Sources	Rationale
Dunedin Public Art Gallery	A Vibrant and Creative City	Visitors to the gallery. The community also benefits through the custodial role the gallery fulfils and its role as a tourist attraction.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	N/A	85% General Rates. 15 % Fees and Charges/ Other external charges.	This activity is largely public good. While it is possible to charge an entry fee, a previous entry fee for non-residents has been abandoned and Council made the decision in February 2014 to continue not to charge at our cultural institutions following a report by staff to assess feasibility. This decision does not preclude charging an entry fee to special exhibitions or for hiring the venue.
Toitū Otago Settlers Museum	A Vibrant and Creative City	Visitors to the museum. The community also benefits through the custodial role the gallery fulfils and its role as a tourist attraction.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	N/A	95% General Rates. 5% Fees and Charges.	This activity is largely public good. While it is possible to charge an entry fee, a previous entry fee for non-residents has been abandoned and Council made the decision in February 2014 to continue not to charge at our cultural institutions following a report by staff to assess feasibility. This decision does not preclude charging an entry fee to special exhibitions or for hiring the venue.

Activity	Community Outcomes	Who Benefits	Period of Benefit	Whose acts create a need (Actions or Inactions)	Separate Funding	Funding Sources	Rationale
Otago Museum Levy	A Vibrant and Creative City	Visitors to the museum. The community also benefits through the custodial role the gallery fulfils and its role as a tourist attraction.	The Council has made a commitment to undertake this activity for the long term, noting that the Otago Museum Trust Board Act is in place.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	N/A	100% General Rates.	This activity is largely public good with no scope for user charges and will therefore be funded by the capital value based general rule.
Dunedin Chinese Garden	A Vibrant and Creative City	Visitors to the garden benefit. There is also a wider economic benefit to the Community through the garden as a tourist attraction.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	N/A	60% General Rates. 40% Fees and Charges.	
Libraries	A City of Learning	Borrowers and visitors who browse, read and research.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	N/A	95% General Rates. 5% Fees and Charges.	This activity is largely public good with no scope for user charges and will therefore be funded by the capital value based general rule.
Aquatic Services	An Active City	Users benefit from personal fitness and competition but there is also a community benefit in providing another option for exercise.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	N/A	50% General Rates. 50% Fees and Charges.	
Botanic Garden	An Active City	The whole community benefits because the Botanic Garden adds to the environment and amenity values of Dunedin.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	N/A	98% General Rates. 2% Fees and Charges.	This activity is largely public good with no scope for user charges and will therefore be funded by the capital value based general rule.

Activity	Community Outcomes	Who Benefits	Period of Benefit	Whose acts create a need (Actions or Inactions)	Separate Funding	Funding Sources	Rationale
Parks and Reserves	An Active City	The whole community benefits from the provision of recreation reserves and walkways. There are also identifiable users e.g. sports clubs for charging purposes.	The Council has made a commitment to undertake this activity for the long term. See above in relation to Reserves under the Reserves Act.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	N/A	96% General Rates. 4% Fees and Charges.	This activity is largely public good with no scope for user charges and will therefore be funded by the capital value based general rule.
Recreation Policy	An Active City	Ensures the city's cemeteries, parks and reserves are appropriately managed through the development and review of reserve management plans, and other strategies and policies.	Indefinitely. Reserves that are created or administered under the Reserves Act remain in place unless there is a contrary Ministerial decision.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	N/A	100% General Rates.	This activity is largely public good with no scope for user charges and will therefore be funded by the capital value based general rule.

Consideration of the overall impact of the Funding Policy

After considering funding sources by activity, the Council then looked at what the overall call on each source would be and considered the impact of this allocation on the current and future interests of the community.

While users of some activities can be easily identified and charged, where the activity delivers community benefits and is largely for the public good, the Council has determined that general rate funding may also be an appropriate funding source. The Council also considered that user charges should not be set so high as to create an undesirable barrier and disincentive to use those services.

The Council has therefore determined that certain activities will be funded or subsidised through general rates, for example Aquatic Services and public toilets.

Remission and Postponement Policies

1 Remission of Rates for Extreme Financial Hardship

Objective

The objective of this policy is to assist ratepayers experiencing extreme financial hardship which affects their ability to pay rates.

Conditions and Criteria

Only rating units used solely for residential, farmland and lifestyle purposes (as defined by the Council) will be eligible for consideration for rates remission for extreme financial hardship.

Only the person entered as the ratepayer, or their authorised agent, may make an application for rates remission for extreme financial hardship on the rating unit which is the subject of the application. The person entered on the Council's rating information database as the "ratepayer" must not own (or have interest in) any other rating units or investment properties (whether in the district or in another district), with the exception of farmland and lifestyle which may include several properties as one farming unit.

The Council will consider, on a case by case basis, all applications received that meet the criteria described in the two paragraphs above.

When considering whether extreme financial hardship exists, all of the ratepayer's personal circumstances will be relevant including, but not limited to, the following factors: age, physical or mental disability, injury, illness and family circumstances.

Before approving an application the Council must be satisfied that the ratepayer is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision for maintenance of his or her home and chattels at an adequate standard as well as making provision for normal day to day living expenses.

Amount of Remission

If a remission is approved, as a general rule the amount will be in the range of \$100 to \$300 for each rating year.

An approved remission will apply for the rating year in which the application is made.

Application and Approval

The ratepayer (or authorised agent) must make an application to the Council each year on the prescribed form. Copies can be obtained from the Council Offices, or Customer Service Centres.

The Council will delegate authority to approve applications for rates remission to particular officers.

2 Postponement of Rates for Extreme Financial Hardship

Objective

The objective of this policy is to assist ratepayers experiencing extreme financial hardship which affects their ability to pay rates.

Conditions and Criteria

Only rating units used solely for residential purposes (as defined by the Council) will be eligible for consideration for rates postponement for extreme financial hardship.

Only the person entered as the ratepayer, or their authorised agent, may make an application for rates postponement for extreme financial hardship on the rating unit which is the subject of the application. The person entered on the Council's rating information database as the "ratepayer" must not own, or have an interest in, any other rating units or investment properties (whether in the district or in another district).

The Council will consider, on a case by case basis, all applications received that meet the criteria described in the two paragraphs above.

When considering whether extreme financial hardship exists, all of the ratepayer's personal circumstances will be considered relevant including, but not limited to, the following factors: age, physical or mental disability, injury, illness and family circumstances.

Before approving an application the Council must be satisfied that the ratepayer is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision for maintenance of his or her home and chattels at an adequate standard as well as making provision for normal day to day living expenses.

Amount of Postponement

Where the Council decides to postpone rates, the ratepayer may be required to make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.

Any postponed rates will be postponed until:

- the death of the ratepayer(s); or
- until the ratepayer(s) ceases to be the owner or occupier of the rating unit; or

- until the ratepayer(s) ceases to use the property as his/her residence; or
- until a date specified by the Council.

The Council may charge an annual fee on postponed rates for the period that the rates are postponed. This fee is designed to cover the Council's administrative and financial costs and may vary from year to year. The current fee is \$100.00 (incl. GST).

The postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this policy.

Postponed rates will be registered as a statutory land charge on the rating unit title. This means that the Council will have first call on the proceeds from the sale or lease of the rating unit.

An approved postponement will apply from the beginning of the rating year in which the application is made.

Application and Approval

When requested, the ratepayer (or authorised agent) must make an application to the Council each year on the prescribed form. Copies can be obtained from the Council Offices, or Customer Service Centres.

The Council will delegate authority to approve applications for rates postponement to particular officers.

3 Remission of Penalties

Objective

The objective of this policy is to enable the Council to act fairly and reasonably in its consideration of rates which have not been received by the Council by the penalty date due to circumstances outside the ratepayer's control.

The intention is to have a fair and equitable approach to penalties. The Council's intention is that they are a method of encouraging payment on time, not a source of revenue.

Conditions and Criteria

1. Residential, Businesses (Commercial), Farmland, and Lifestyle Ratepayers

Only the person entered as the ratepayer, or their authorised agent, may make an application for remission of penalties of the rating unit which is the subject of the application.

The Council will consider, on a case by case basis, all applications received that meet one or more of the six criteria described below.

- Humanitarian grounds.
- Address problems which resulted in the rate account going to the wrong address.
- The ratepayer did not receive an account.
- The Council made a mistake.
- Problem caused by previous owners not paying rates in full before a property sale is completed.
- Monies received on time but credited to a different rate account due to a ratepayer supplying an incorrect reference number.
- Other miscellaneous requests where a ratepayer has a good previous history and is paying the rate account within 10 days of the penalty date, or as soon as he/she reasonably can and has some plausible excuse for tardiness.

2. Business (Commercial) and Farmland Ratepayers

In general, businesses are expected to be "business like" and to be organised to pay their rates on time. Humanitarian grounds will only be applicable to smaller businesses where there is a specific person involved.

3. Agreement Ratepayers

Penalties will not be applied where a ratepayer has entered into a Payplan agreement or another repayment agreement and makes the regular rate payments that are agreed to.

4. Payment in Full by Second Instalment Date

Where a ratepayer has not paid the first instalment by the penalty date of that instalment, but has paid the total rates and charges by the second instalment date, any late payment penalties on the first instalment will be remitted.

Amount of Remission

If a remission of the penalty is approved, it will be the amount of the penalty imposed.

Application and Approval

In general, applications for waiver will be received by telephone. There is no need for them to be in writing unless the amount is more than \$100 or the penalty refers to the previous financial year.

The Council will delegate authority to approve applications for remission to particular officers.

4 Remission for Certain Targeted Rates on Farmland

Objective

The objective of this policy is to provide for relief from certain targeted rates for rural land which is non-contiguous, farmed as a single entity and owned by the same ratepayer.

Conditions and Criteria

Rating units that meet the criteria under this policy may qualify for a remission of any targeted rate set on the basis of a fixed dollar charge per rating unit. The ratepayer will remain liable for at least one set of each type of charge.

The rating units must be owned by the same ratepayer.

Only one of the units may have any residential dwelling situated on the rating unit.

Where a ratepayer owns rating units that meet this criteria, and where any of the rating units lies within the district of an adjoining Local Authority which applies their sets of Targeted Rates to the rating units in the District, the Council may wave the uniform annual charges on those rating units.

Only the person entered as the ratepayer, or their authorised agent, may make an application for rates remission for the rating unit which is the subject of the application.

The Council will consider, on a case by case basis, all applications received that meet the criteria described in the two paragraphs above.

Amount of Remission

If a remission is approved, the ratepayer will only be charged one set of Targeted Rates each rating year.

An approved remission will apply from no later than the beginning of the next rating year from when the application is made.

Application and Approval

The ratepayer (or authorised agent) must make an application to the Council on the prescribed form. Copies can be obtained from the Council Offices, or Customer Service Centres.

The Council will delegate authority to approve applications for rates remission to particular officers.

5 Remission for Certain Targeted Rates on Farmland and Commercial Land Used by the same Ratepayer as a Single Entity

Objective and Benefit

The objective is to provide for rates relief from certain targeted rates on Farmland and Commercial properties where the ratepayer occupies and uses the adjoining land as one unit.

Conditions and Criteria

Rating units that meet the criteria under this policy may qualify for a remission of any targeted rate set on the basis of a fixed dollar charge per rating unit or separately used or inhabited part. The ratepayer will remain liable for at least one set of each type of charge.

The granting of this remission is subject to all of the following five conditions:

- all Rating Units must be occupied by the same ratepayer
- all Rating Units must be used by the ratepayer as a single entity
- all Rating Units must be contiguous or separated only by road, railway, drain, water race, river or stream
- the number of Community Services Targeted rates is limited to the number of inhabited dwellings on each rating unit
- the occupier is unable to negotiate a lease compliant with the Local Government (Rating) Act 2002.

The Council will consider, on a case-by-case basis, all applications received that meet the criteria described in the paragraphs above.

Amount of Remission

If a remission is approved, the ratepayer will only be charged one set of targeted rates each rating year.

An approved remission will apply from no later than the beginning of the next rating year commencing 1st July from which the application is made until the occupier no longer meets the five criteria above.

Application and Approval

The occupier (or authorised agent) must make an application to the Council on the prescribed form. Copies can be obtained from the Council Offices, or Customer Service Centres.

The Council will delegate authority to approve applications for rates remission to the Financial Controller.

6 Remission of Rates on Land Voluntarily Protected for Conservation Purposes

Objective

The policy is intended to link in with the Council's goal –

“To promote a quality environment and sustainable management of our resources by ensuring that existing values are not compromised and by encouraging improvement.”

More specifically, the intention is to encourage property owners to protect and preserve open spaces within the city for the benefit and enjoyment of present and future generations of the people of Dunedin.

This policy does not cover urban buildings, or properties which would more appropriately fall within the Council's rates remission for development policy.

Conditions and Criteria

The Council may remit rates where a rating unit meets the following criteria.

- 1 The rating unit is within the City. It may be a part of a larger property in which case the area concerned shall be separately rated; and
- 2 The rating unit is an area of land listed in Schedule 25.4 of the District Plan as an Area of Significant Conservation value or the land owner has agreed for the land to be so listed, and
- 3 The conservation of the rating unit contributes to the benefit and enjoyment of citizens of Dunedin by preserving particular natural or historic or cultural features within the district. This could include, but is not limited to, the following features:
 - a) A specific area of forest or bush; or
 - b) A specific visual or scenic feature of the landscape; or
 - c) Any specific feature the conservation of which, in the view of the Council, meets the Council's goal in regard to the environment; and
- 4 The owner has applied for a rates remission under this policy.
- 5 When determining rates remission, and a particular application, the Council shall have regard to the following matters:
 - the desirability of preserving particular natural or historic or cultural features within the district

- whether, and to what extent, the preservation of particular natural or historic or cultural features might be prejudicially affected if rates remission is not granted in respect of the land on which they are situated
- whether, and to what extent, preservation of particular natural or historic or cultural features are likely to be encouraged by the granting of rates remission
- the extent to which the preservation of different types of natural, historic, and cultural features should be recognised by different criteria and conditions for rates remission, and whether different levels of rates remission should apply
- the extent to which rates remission should be available where the preservation of natural or historic or cultural features does not restrict economic utilisation of the land;
- such other matters as the local authority considers relevant.

Only the person entered as the ratepayer, or their authorised agent, may make an application for rates remission on the rating unit which is the subject of the application.

The Council will consider, on a case by case basis, all applications received that meet the criteria described in the paragraphs above.

Amount of Remission

If a remission is approved, the amount will be for all of the rates otherwise payable for a whole year, or years, or any lesser period.

Special Conditions

The Council may impose conditions on a property owner when granting relief.

Application and Approval

The ratepayer (or authorised agent) must make an application to the Council on the prescribed form. Copies can be obtained from the Council Offices, or Customer Service Centres.

Applications for rates remission under this provision shall be referred in the first instance to the Rates and Revenue Team Leader who shall confirm that it complies with the first condition of this policy. The Council will delegate authority to approve applications for the remission of rates to particular officers.

7 Remission of Rates for Māori Freehold Land

The Council policy is that it has no specific policy for the remission of rates on Maori freehold land, however other Council rates remission policies may apply.

8 Postponement of Rates for Māori Freehold Land

The Council policy is that it has no specific policy for the postponement of rates on Maori freehold land, however other Council rates postponement policies may apply.

9 Remission of Rates Following a Natural Calamity

Objective and Benefit

The objective is to provide rates relief to ratepayers where the use of any rating unit has been detrimentally affected by erosion, subsidence, submersion or other natural calamity, and where Government funds that rates relief.

Conditions and Criteria

Ratepayers who meet the criteria under this policy may qualify for a remission of up to 100% of their rates for the period for which the rating unit is uninhabitable or the use is detrimentally affected. The remission will apply only to each single event and to the rating unit affected by such an event.

The granting of this Remission is subject to all of the following four conditions:

- where Government has established and approved a reimbursement scheme for rates remitted for such properties.
- applications for this remission must be in writing describing the nature of the calamity and the steps being taken to return the rating unit to a usable state and providing an estimate of the time the rating unit is expected to be affected. Council may require other records, such as Insurance claims, as part of the remission approval process
- all applications must be made within three (3) months of the event
- Council can set additional criteria for each event, as criteria may change depending on the nature and severity of the event and available funding at the time.

Application and Approval

The ratepayer (or authorised agent) must make application to the Council on the prescribed form.

The Council will delegate authority to approve applications for rates remission to the Financial Controller.

Section 5 – Other Policies



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Treasury Risk Management Policy (2014)

1. Purpose

This policy document is the policy document for the Dunedin City Council (“the DCC”). It has been prepared by Dunedin City Treasury Limited (DCTL) and before being submitted to the DCC for approval it has been reviewed and approved by the DCTL Board and the Board of Dunedin City Holdings Limited (DCHL). It is for the use of all subsidiaries owned by DCC and is the basis for the risk management parameters within the Council’s Liability Management and Investment policies that are approved from time to time by the Council. The entities that this policy document applies to are collectively called the Dunedin City Council Group (“DCC Group”).

For the purposes of this policy and as at the date of this policy, the DCC Group consists of the following entities:

- Dunedin City Council
- Dunedin City Holdings Limited
- Dunedin City Treasury Limited
- Dunedin Venues Limited
- Dunedin Venues Management Limited
- City Forests Limited
- Aurora Energy Limited
- Delta Utility Services Limited
- Taieri Gorge Railway Limited.

This policy replaces all existing Treasury Policies within the DCC Group.

The purpose of this policy is to set out a prudential framework for the identification, quantification, assessment and management of all financial market risks associated with the Borrowing, Investment, Foreign Exchange and Commodity exposures faced by the DCC Group.

This policy has been prepared with reference to the following:

- the Establishment Plan of DCTL dated 4 August 1992
- the Deed of Understanding entered into by the DCC and various subsidiary companies dated 30 June 1993
- statutory requirements relating to DCC Liability Management and Investment Policy preparation
- relevant accounting standards in relation to hedge accounting.

A sound treasury management control framework will assist the DCC Group in achieving its broader business objectives by:

- operating efficiently in accordance with sound commercial practice
- managing the cost of debt and treasury investment returns within an appropriate risk management framework
- maximising the net worth of its assets
- producing sustainable returns to the DCC.

The policy contains specific objectives, policies and reporting requirements for the management of:

- operational risk
- liquidity and funding risk
- interest rate risk
- credit risk
- investment risk
- foreign exchange and commodity risk.

Treasury risk management and related operational risk management are carried out internally by qualified and experienced personnel acting under specific delegations, which ensure appropriate segregation of duties, and act within a best practice code of conduct; and which utilise systems of an appropriate standard incorporating effective reporting.

The DCC has set in place a financial structure to allow effective financial management of its activities on a sound commercial basis. This structure consists of a number of companies which are independently managed through Boards of Directors. Notwithstanding this corporate structure, the benefits of a centralised approach to treasury management have been recognised. This policy provides a framework for treasury management by the DCC Group.

The DCC by its political nature and the ongoing requirement to deliver appropriate services to its ratepayers and to be the custodian of assets owned by, and for the benefit, of the ratepayers of Dunedin City, has a conservative approach to risk management. This policy document recognises these principles.

2. Treasury Structure – Roles and Responsibilities

The roles and responsibilities of the key parties involved in the treasury management process are detailed below. This is in addition to the specific delegations as noted in Appendix 1.

Currently the board of DCTL and DCHL are composed of the same board members.

2.1 Dunedin City Council

The Council has responsibility for:

- overall performance of the DCC Group
- approving the DCC treasury policy, on the recommendation of the DCHL Board
- approving Council Liability Management and Investment policies -on the recommendation of management and confirmation from the Council and the Group Chief Financial Officer that they are consistent with the risk management parameters contained in this policy
- approving annual Council borrowing requirements through the annual plan
- delegating authority to DCTL to undertake Treasury activities on behalf of the DCC
- overseeing the DCC Group Treasury activities through regular DCHL reporting.

2.2 DCHL Board

The DCHL Board has responsibility for:

- over viewing the operations of all subsidiaries under its supervision including treasury risk management activity
- approving the DCC treasury policy, on the recommendation of the DCTL Board
- monitoring the performance of DCTL against this policy by DCTL Board treasury reporting
- confirming any facility agreement between subsidiaries and DCTL including pricing levels and any annual adjustments to base pricing levels attributable to DCTL's actual performance.

2.3 DCTL Board

The DCTL Board has responsibility for:

- assisting the achievement of overall DCC objectives by promoting sound treasury management practices throughout the DCC Group
-

- overseeing the operation and performance of DCTL ensuring that treasury activities within the DCC Group are conducted within agreed risk management parameters
- recommending the DCC treasury policy and subsequent changes to the DCHL Board for submission to the Council for approval
- assisting management through sound governance practices in achieving the risk management objectives set out in this policy as well as the annual objectives set out in the Statement of Intent prepared by the Group TM
- monitoring the performance of the treasury operation through the review of regular reports
- reviewing the opinions and needs of the DCC Group as users of treasury services provided by DCTL on an annual basis in conjunction with the relevant entities
- undertaking an annual internal review of this policy each year and an external review at least once every three years and recommending any changes to the DCHL Board for approval and subsequent submission to the Council for approval
- ensuring DCTL observes the terms of the Deed of Understanding
- over viewing the implementation of internal or external audit recommendations
- reviewing treasury activity through regular treasury reporting
- approving transactions, short term facilities or decisions outside the delegated authority of the Group TM
- reviewing performance against benchmarks
- reviewing and recommending instruments and techniques to manage risk outside the policy, to the DCHL Board and Council for approval.

The Group Treasury Manager (Group TM) has responsibility for:

- the management of all treasury risks within the DCC Group, excluding foreign exchange risk in those circumstances in which the DCHL Board has agreed that this will be managed at the subsidiary level
- exercising delegations as outlined in this policy
- notifying the DCTL Board of any breaches of the policy including a plan for remediation, as appropriate
- overseeing implementation of internal or external audit recommendations on treasury related issues after consultation with the DCTL Board
- managing and reporting to the DCTL Board the overall activities and results of DCTL

- negotiating and setting up facilities to ensure the availability of funding for the requirements of the DCC Group as identified
- formulating and implementing risk management strategies for DCTL and other DCC Group entities within the delegated limits
- developing and documenting appropriate operational procedures and -ensuring an appropriate system of internal control is in place
- entering into financial market transactions with external parties on behalf of DCTL and the wider DCC Group within delegated limits
- over viewing net cash requirements as provided by the DCC Group and developing long term funding plans
- over viewing the operation of treasury information systems and preparing treasury management reports
- managing all external bank accounts and external financial market relationships
- advising the DCC Group entities on foreign exchange risk management policies, financial products and techniques as requested
- over viewing all internal relationships with DCTL clients
- recommending to the DCTL Board those transactions which fall outside the scope of the Group TM's delegated authority
- managing relationships with banks, rating agencies and lenders
- reporting to the DCTL Board on the overall activities and results of DCTL.

The Assistant Treasurer has responsibility for:

- assisting in the management of all treasury risks within the DCC Group, excluding foreign exchange risk in those circumstances in which the DCHL Board has agreed that this will be managed at the subsidiary level
- exercising delegations as outlined in this policy
- assisting in negotiating and setting up facilities to ensure the availability of funding for the requirements of the DCC Group as identified
- assisting the Group TM in formulating and implementing risk management strategies for DCTL and other DCC Group entities within delegated limits
- entering into financial market transactions with external parties on behalf of DCTL and the wider DCC Group within delegated limits
- collating net cash requirements for DCC Group entities and managing day-to-day cashflow requirements of the DCC with internal and external parties

- assisting in advising DCC Group entities on foreign exchange risk management policies, financial products and techniques as requested
- day-to-day management of all treasury related internal relationships with other entities within the DCC Group and with external parties
- processing the day to day Treasury related transactions including – interest payments
- processing Treasury accounting entries.

The Council provided back office support has responsibility for:

- assisting the Group TM to ensure appropriate operational controls are in place
- providing accounting support to DCTL as agreed with the Group CFO of DCC
- assisting in the preparation of Treasury reports to management and the Boards, to ensure alignment of reporting practices and procedures across the DCC Group
- reconciling external transaction confirmations with internal records
- escalating any discrepancies resulting from the reconciliations, to the attention of the Group TM and the Group CFO of DCC.

The Boards of the DCC Group Entities and the Council (as counterparties of DCTL) have responsibility for:

- approving funding requirements as advised to DCTL on an annual basis
- determining the capital structure of each individual organisation
- ensuring the Finance Manager (or equivalent) provides information as required by this policy to DCTL
- reviewing financing facilities set up with DCTL
- observing the terms of the Deed of Understanding.

The Finance Managers (or equivalent) within the DCC Group Entities (as clients of DCTL) have responsibility for:

- preparing Funding Requirement Budgets (FRB) on an annual basis for DCTL
- assisting DCTL in achieving efficient working capital management
- identifying and collating all cash and funding availability/requirements within the organisation on a daily basis
- providing the Group TM or Assistant Treasurer with accurate, timely and relevant information as to cash requirements as specified in this policy

- communicating all finance and other banking needs to DCTL
- building a strong working relationship with DCTL
- advising DCTL of any foreign currency hedging requirements to be entered into with third parties and providing monthly reports evidencing policy compliance.

2.4 Internal Audit

Internal audit has responsibility for:

- reviewing operational risk controls and recommending change as appropriate
- reporting directly to the Audit Committee of DCTL.

2.5 Breach Reporting

Any breaches of this policy are to be advised in the first instance to the Group CFO of DCC by the Group TM within 1 business day of the breach being detected. This notification will outline the nature of the breach, its causes, and recommendations to rectify the breach.

This notification is to be escalated, if the breach is not rectified within 1 business day, as follows:

- the Board of DCTL
- the Board of DCHL.

The DCTL Board, the DCHL Board, Audit and Risk Sub-committee of Council and Council will be notified of all breaches (whether rectified or not) no later than their next scheduled meetings.

3. Operational Risk and Internal Control Policy

3.1 Purpose

The operational risk policy addresses the risk incurred by an organisation's internal activities. Operational risk is the risk of loss resulting from inadequate or failed internal process, people and systems, or from external events.

3.2 Policy Statement

DCTL manages this exposure by:

- ensuring the Treasury function is operating in a controlled manner and that adequate internal control procedures are in place for measurement and management of the various functions undertaken by the Treasury function

- ensuring the Treasury function has adequate systems in place for the management of financial risk
- ensuring Treasury function employees are suitably qualified and trained so as to undertake and perform financial risk management activities
- ensuring legal enforceability of financial management contracts.

A formal 'Treasury Procedures Manual' of written procedures/protocols for the treasury management function must be maintained detailing each stage of each procedure for the processing and checking of treasury transactions. The manual also details paper-flow, files, registers, internal controls and accounting treatment of all transactions. It also includes guidelines and precedent documents.

All DCC Group entities are responsible for implementing and reviewing their own appropriate operational and internal controls.

Delegated authorities for initiating financial transactions, appropriate dealing limits, and authorisation and settlement conditions are detailed in Appendix 1.

4. Interest rate risk policy

4.1 Purpose

Interest rate risk is the risk of adverse changes in interest income or interest expense arising from fluctuations in interest rates that impact on the net income of the DCC and may have to be compensated through increasing rates or charges or decreasing services provided. The risk is that the DCC may not be able to increase rates or charges to fund this increased expense without incurring significant pushback from rate-payers and/or may not be able to materially decrease services delivered within an appropriate timeframe.

The majority of interest rate risk arises from borrowings. DCTL is also responsible for transacting interest bearing investments within the controls detailed in this policy.

DCTL understands there is a trade off when seeking to minimise the cost of debt or maximise return on investments between certainty (fixed rate) and participating in favourable movements in interest rates (floating rate). This policy recognises the conservative nature of the DCC and the desire for stability in interest expense and interest income over multiple reporting periods. In no circumstances can transactions be entered into that are of a speculative nature. All hedging transactions must relate to underlying physical exposures and must decrease the net exposure to financial market movements.

Interest rate risk is managed by setting minimum and maximum levels of floating rate risk over various timeframes for borrowings and investments.

Fixed rate debt or investment is defined as having a re-pricing or rollover date of more than 12 months into the future.

4.2 Risk Management Approach

DCTL utilises a portfolio approach to manage interest rate risk.

Portfolio approach – a portfolio approach implies managing interest rate risk over multiple time frames within prescribed hedging parameters. This approach recognises the unacceptable levels of volatility that would be assumed if trying to pick market moves and predict interest rate changes over the long run, compared to the incremental approach that attempts to smooth volatility over time, implied by the portfolio approach.

4.3 Management of Interest Rate Risk

Interest rate risk is managed by implementing the following:

An annual Funding Requirement Budget (FRB) is submitted to DCTL by each member of the DCC Group that will require debt funding at least two (2) months before the start of the financial year. The FRB also includes projected debt requirements for as long as projected but for at least a further two years.

DCTL maintains an approved debt interest rate reset profile within the debt interest rate resetting profile detailed below.

Fixed Rate Maturity Profile Limit		
Period ¹	Minimum Cover	Maximum Cover
Year 1	50%	100%
Years 2 and 3	40%	90%
Years 4 and 5	30%	70%
Years 6 and 7	20%	50%
Years 8, 9 and 10	0%	30%

¹ Any hedging beyond 10 years requires DCHL approval. Time periods are on a rolling 12 months basis.

Specified permitted debt instruments are detailed in section 6.

All interest rate hedges are entered into by DCTL with external counterparties.

Other DCC Group entities are precluded from entering into any financial transactions with external counterparties.

This policy recognises that an implementation plan will be required detailing a timetable for complying with the hedging parameters detailed above. The Group TM will present an implementation plan to the DCTL Board within three (3) months of the approval of this policy -and will report on implementation of this plan to the DCTL Board through regular treasury reporting and will report quarterly to the DCHL Board and the DCC until the hedging in place complies with the policy.

5. Liquidity and Funding Risk Policy

5.1 Liquidity Risk

Liquidity and funding risk management is associated with ensuring the availability of sufficient funds to meet the DCC Group's financial commitments in a timely manner. It is also associated with planning for unforeseen events which may curtail cash flows and cause pressure on liquidity. These risks include:

- an unplanned reduction in revenue thus reducing cash receipts
- unexpected business disruption
- unplanned capital or operating expenditures
- external market liquidity.

5.2 Measurement of Liquidity Risk

Liquidity management is the analysis of the DCC Group's cash flows, in both the short and long terms for all perceived requirements and contingencies, and arrangement of suitable sources of liquid resources.

Liquid resources are defined as:

- Unencumbered financial assets which can be readily converted to cash in a short space of time with no loss of principal value; and
- Undrawn committed or standby facilities which can be accessed within a suitable time frame.

The DCC Group recognises three aspects to liquidity management:

Short term operational liquidity management: To be monitored and controlled by short term cash forecasts. This responsibility remains within each member of the DCC Group.

Long term operational liquidity management: To be monitored and controlled through the functioning of long term financial planning and long term cash forecasting. This management process is monitored through the annual budget preparation coordinated by DCHL.

Contingency planning: Maintenance of a liquidity buffer to be monitored through the long and short term planning processes and arrangement of liquidity sources sufficient to meet maximum forecast requirements.

Each DCC Group entity is responsible for identifying short term operational and long term liquidity planning in conjunction with the FRB process and communicating these to DCTL. Each DCC Group entity is also responsible for identifying contingent requirements and communicating those to DCTL.

DCTL is responsible for overall liquidity management based on the requirements identified by the DCC Group entities. Because of the credit quality of DCC and DCTL (currently AA, A-1+) liquidity is maintained through a commercial paper programme supported by committed, but unutilised, bank debt facilities. The quantum of committed bank facilities required is reviewed annually by the Group TM and approved by the Board of DCTL. This must be reviewed if DCC and/or DCTL are advised that they will be placed on negative credit watch or are downgraded.

5.3 Funding Risk

Funding risk is the risk to the DCC Group of not being able to re-finance or raise new debt at a future time at competitive rates, fees and borrowing margins, and also terms.

A key factor of funding risk management is to spread and control the risk to reduce the concentration of risk at one point in time so that if any unforeseen events occur, the overall interest cost is not materially increased because of adverse margin changes, adverse base interest rates or a lack of availability of funds.

The DCC Group aims to manage this risk by having its funding facilities spread over a reasonable period of years and from a range of funding sources.

The risks for the DCC Group are as follows:

- if the majority of facilities are maturing at, or around, the same time there is a risk that it is an unfavourable time to be renewing facilities in the market due to high pricing/margins required from lenders
- if the DCC Group is experiencing some difficulties, by having all facilities maturing at one time this may impact adversely on the DCC Group's ability to either renew the facility or receive favourable conditions
- there is a danger of saturating the market and negatively impacting on pricing and/or terms and conditions if all facilities are maturing at the same time.

To spread this risk it is prudent to have the total debt spread so that there is a maximum amount maturing in any 12 month period.

The policy control in relation to funding risk is:

- No more than \$200 million can mature over the next 12 months or in any 12 month period thereafter and at least 20% of total debt must have a maturity greater than 5 years (but no more than 10 years without DCC approval).

5.4 Funding within the DCC Group

DCTL provides all funding to all of the DCC Group entities with the exception of two specific external funding facilities in place in relation to the Forsyth Barr Stadium and City Forests Limited. This funding is excluded from this policy as it is not considered material but it is also expected that upon expiry these facilities will be replaced, if still required, with internal funding from DCTL.

DCTL provides funding to the DCC Group entities on a floating rate basis priced off the three (3) month BKBM FRA rate at the day of drawdown plus a pre-agreed margin detailed in the specific funding facility documentation for that entity.

An implementation plan to achieve this will be developed by the Group TM within three (3) months of this policy being submitted to the DCTL Board for approval. This plan will include detailing the liaison with internal and external audit as required.

The actual interest expense recognised for each DCC Group entity each financial year will be based on DCTL's actual cost of funds plus a margin to reflect the costs of operating DCTL. At the end of each financial year each DCC Group entity will be subject to an internal adjustment to underlying interest expense based on floating rates as above and any residual fixed rate swaps to ensure actual interest expense is in line with DCTL performance.

Because all interest rate risk management is at the DCTL level interest rate expense will not be a KPI for any DCC Group entity other than DCTL. However, KPI's for the DCC Group entities around accuracy of cash flow projections, debt projections etc are expected to be implemented.

6. Permitted Debt Instruments Policy

6.1 Purpose

The Permitted Debt Instruments Policy describes the instruments which can be transacted, having regard to any legislative requirements and the potential risks that may need to be hedged and the risk inherent in the instruments.

6.2 Permitted Instruments

This list of permitted instruments for debt management is:

Borrowing Instruments

- Bank overdraft.
- Committed bank facilities.
- Commercial paper issuance.
- Fixed rate bonds, floating rate notes from the domestic debt capital markets

Borrowings via the Local Government Financing Authority (LGFA) are subject to approval from Council in relation to participation in the LGFA structure and analysis from DCTL that this would be a cost effective funding source.

Borrowings from international capital markets are subject to prior Council approval and analysis from DCTL that this would be a cost effective funding source. Any such borrowings must be in NZD.

Derivative Instruments

- Forward interest rate agreements (FRA's).
- Interest rate swaps.
- Interest rate options (purchase of caps or collars only).
- Options on interest rate swaps.

Any combination of these instruments is permitted.

Derivative instruments permitted under this policy may be used for hedging purposes or to position the portfolio for interest rate moves within the constraints contained in the interest rate risk policy. The following specific policy constraints are required:

- all hedging transactions must relate to an underlying debt exposure and no speculative transactions can be undertaken
- where possible any instruments used should be designated as effective hedges for accounting purposes and should be matched to physical debt in DCTL's debt portfolio. If this is not possible the potential impact must be advised to the Boards of DCTL and DCHL and the Council before the transaction is undertaken
- interest rate options are not permitted to be sold except to cancel a previously purchased option where hedging is no longer required or where the option is combined with a purchased option of matching maturity and principal in the course of executing an interest rate collar strategy.

Delegated authorities for initiating derivative transactions are detailed in Appendix 1.

7. Cash Management Policy

7.1 Definition of Policy Purposes

Cash management is concerned with ensuring the best use of available cash resources. This requires organising the collection and disbursement systems in such a way as to maximise the investment of and to limit the borrowings of funds. Accurate and timely forecasting of cash movements by the DCC Group is essential.

Cash management practices are to focus on cost effective collection of funds, achieving minimal float, retention of funds for as long as possible and controlled disbursement.

7.2 Cash Accountability

DCTL is responsible and accountable for the investment of surplus cash and financing of short term borrowings.. The Finance Manager or equivalent within each DCC Group entity co-ordinates procedures that support the achievement of the overall DCC Group cash management objective and advises the Assistant Treasurer as to cash requirements..

Responsibility for operating a cash efficient operation ultimately rests with the individual DCC Group entities, which must have systems in place to ensure the efficient management of their cash flows and to be able to work proactively with DCTL to achieve this. Responsibility for developing controls and procedures is that of the individual entity's Finance Manager (or equivalent) with such controls and procedures reviewed by DCTL to ensure practical application can be achieved.

7.3 Bank Account Structure

The location and counterparties of Council's accounts form the bank account structure. The DCC limits the number of accounts to the minimum necessary to service financial requirements. Wherever possible DCC Group entities should all have their transactional banking with the same financial institution.

Given that this is not currently the case within six (6) months of this policy being adopted an implementation plan for undertaking a review of DCC Group transactional banking relationships will be prepared by the Group TM and submitted to the Board of DCTL for approval. This plan will include a clear timeframe for the Group TM to review all DCC Group banking relationships and pricing and make a recommendation to the DCC around potential changes and the appropriateness of completing a formal transactional banking review/tender.

7.4 Funding DCC Accounts

All accounts are funded directly by DCTL. This funding will be made in accordance with agreed funding limits and agreements. The DCC Group entities must endeavour to maintain an adequate balance in their bank accounts to cover un-presented cheques. A maximum balance should be agreed between the Group TM and the Finance Manager or equivalent within each DCC Group entity on an annual basis. In any case, surplus balances should be monitored closely recognising the cost of having these funds earning little or no interest when compared to overall cost of funds for the DCC.

7.5 Cash Collection and Disbursement

7.5.1 The Cash Cycle

The bulk of revenues are received on cyclical or regular intervals and are typically divorced from expenditure which is incurred on an ongoing basis. This cash flow pattern emphasises the importance for accurate cash flow forecasts and efficient cash collection and disbursement mechanisms.

7.5.2 Cash Collection

The policy is to optimise the earnings potential of cash inflows by shortening the cash collection cycle wherever possible.

Collection float is defined as the aggregate delay from the time the ratepayer or other debtor writes a cheque or commits to payment and when that payment is available as cleared funds.

The DCC seeks to promote collection methods which reduce processing requirements and provide more accurate value dating of receivables.

7.5.3 Cash Disbursement

The policy is to optimise the earning potential of available cash by lengthening the cash disbursement cycle wherever possible.

DCTL encourages the use of electronic transactions and mechanisms to reduce uncertainty of value date and promote the minimisation of float.

All DCC entities ensure that DCTL is advised of the larger cash flows (both cash receivable and payable) in a timely manner.

The major cash flow items will include capital asset purchases, dividend flows, taxation payments and subvention payments.

The strategic and long term financial planning processes are to be supported by:

- Three (3) year forecast by year, prepared annually on a rolling basis.
- Capital expenditure forecasts over a minimum five (5) year period, prepared annually on a rolling basis.

This process forms part of the annual budget preparation undertaken by each DCC Group entity and is co-ordinated by DCHL.

8. Investment Management Policy

8.1 Purpose

The Investment Management Policy establishes appropriate benchmarks (for performance measurement) and prudent limits for the management of surplus funds. The investment management objective is to optimise returns subject to maintaining an appropriate risk profile.

8.2 Rationale

The objective of investment management is to achieve an appropriate return consistent with the risk assumed. While the DCC Group has a number of cash and fixed interest investments in place currently that provide income and also a source of liquidity, the aim going forward is to have the bond holdings repaid on maturity (even if there is an option to reinvest) and, unless approved by Council, there will be no new investments entered into for a term in excess of one year. Cash investments will by nature become a function of liquidity and cashflow management and DCTL will endeavour to minimise outstanding borrowings by applying material cash surpluses to debt reduction. At its discretion DCTL can sell bonds held before maturity subject to market conditions, term to maturity, actual interest income received against average cost of debt for DCTL and potential capital gains. Unless there are credit concerns about any holding DCTL should not consider sales at a capital loss, rather hold to maturity and thus receive the whole face value back. Any such sales must be approved by the DCTL Board.

8.3 Policy Parameters

The following controls apply:

all investments are to be in accordance with the Permitted Investment Instruments policy (Section 9) and the Credit Risk Policy (Section 10)

- investments in risk-leveraged derivative instruments are not permitted
- investment performance is to be benchmarked against an appropriate index as agreed between the Group TM and the DCTL Board.

9. Permitted Investment Instruments Policy

9.1 Purpose

The Permitted Investment Instruments Policy describes the investment related instruments which can be transacted having regard to any legislative requirements and the potential risks faced by the DCC Group and inherent in the instruments.

9.2 Permitted Instruments

The list of permitted instruments for investment are:

- investments Instruments
- bank deposits (maximum 365 days)
- commercial paper (maximum 182 days)
- fixed rate bonds, floating rate notes from the domestic debt capital markets (maximum 365 days to maturity) other than residual bond holdings at the time of this policy's approval.

10. Credit Risk Policy

10.1 Requirement for External Credit Limits

The risk of financial loss that could accrue to the DCTL from the non-settlement of financial transactions requires a separate credit limit to be established for all outside counterparties.

No transaction will be entered into with any outside counterparty for whom an approved credit limit has not been established within the parameters detailed in this policy.

10.2 Establishing External Credit Limits

10.2.1 Maximum Counterparty Credit Limit

The maximum credit limit which is to be applied to any outside counterparty reflects the maximum exposure in total likely to be incurred at any one time, the maximum loss which could be sustained by DCTL without affecting viability and the benefits of risk reduction through diversification.

10.2.2 Individual Counterparty Credit Limits

Rated Organisations

Individual credit limits will be determined by reference to credit rating published by internationally recognised rating agencies. Principal use will be made of S&P followed by Moody's and then Fitch rating assessments.

Limits will be assigned on the basis of their relative standing in respect of the maximum available rating and the maximum counterparty credit limit. Formulas and limits are set out in Section 10.5. All limits are to be approved by the DCTL Board.

Unrated Organisations

No limit will be established for unrated organisations without Council approval. The Group TM will provide a formal request in support of any application including the cost benefit of contemplating such a relationship.

10.3 External Credit Limit Operation

The Assistant Treasurer will ensure that information is available on total exposure to counterparties and that proposed transactions can be assessed against available limits.

All transactions with external counterparties are to be recorded against the relevant counterparty based on approved risk weightings. No transaction is to be entered into without calculation of credit limit usage and confirmation that sufficient limit is available to accommodate the transaction.

10.4 External Credit Limit Reviews

Credit ratings are reviewed by the Assistant Treasurer on an ongoing basis, especially in the event of notices of "credit-watch negative" and credit downgrades with credit limits and exposures adjusted accordingly. Credit ratings will be reviewed by the Group TM annually.

Counterparties exceeding limits must be reported to the Board of DCTL as soon as the policy breach is recognised with a plan for correction that must be approved by the Board.

The Group TM may recommend with immediate effect the termination or reduction in the limit of a counterparty at any time.

10.5 External Counterparty Credit Limits

The following schedule confirms the approved limits:-

Instrument	Long Term S&P Rating (or Moody's or Fitch equivalent)	Maximum exposure to any one counterparty with this rating (\$ million)
All Exposures	AAA	\$150
All Exposures	AA to AA+	\$100
All Exposures	AA-	\$50
All Exposures	A to A+	\$30
Residual Investments	BBB to A-	\$5

Exposures are to be calculated as follows:

Cash/Bonds 100% of face value including accrued interest

Other Investments

FX forwards/options $MTM + FV * \text{remaining tenor}(y) * 10\%$

Interest Rate Swaps $MTM + FV * \text{remaining tenor}(y) * 2\%$

Interest Rate Options $MTM + FV * \text{remaining tenor}(y) * 2\%$

CCIRS $MTM + FV * \text{remaining tenor}(y) * 10\%$

(Where Mark to Market “MTM” is positive if the position is in the money for DCTL and negative if it is out of the money for DCTL).

For each instrument, if $MTM + PCE$ is negative, a nil value is assigned. If the total exposure for any one FI is net out of the money for DCTL, then a nil value is used when calculating total exposure for the relevant credit band.

The Assistant Treasurer will report monthly on actual credit usage by all of the DCC Group with all external counterparties against the approved limits.

10.6 Internal Credit Risks

The credit risk is managed as follows:-

No transaction is to be undertaken unless it is formally documented as a facility agreement which includes the facility limit and is approved by the DCTL Board and the relevant DCC entity Board subject to final approval by the DCHL Board.

No security arrangements are required for all entities that are ultimately 100% owned by the DCC. However, it is recognised that security arrangements are currently in place and as part of the Group TM's implementation plan requirements, within 6 months the Group TM will propose a timeframe to unwind these arrangements in the most cost effective manner.

11. Foreign Exchange Risk Policy

11.1 Purpose

The Foreign Exchange Risk Policy establishes guidelines under which foreign exchange risk management occurs.

11.2 Rationale

The objective of the policy is to mitigate the potential for financial loss arising through unfavourable movements in exchange rates. This foreign exchange transaction risk can result in the DCC Group's cash flows being adversely affected by movements in exchange rates that will change the New Zealand dollar (NZD) value of foreign currency exposures.

11.3 Permitted Instruments

In addition to foreign currency spot transactions the DCC Group can enter into the following instruments to manage foreign exchange risk by undertaking:

- forward foreign exchange transactions
- foreign exchange options.

The maximum contract term and amount for any hedging instrument is the same as the underlying contract exposure. Hedges are undertaken to match the expected payment or receipt of a firm commitment.

11.4 Hedging Parameters

- The various DCC Group entities will monitor their net foreign exchange position in all currencies. Any foreign currency exposure greater than NZD\$50,000 by individual contract, is deemed significant and, subject to this policy, needs to be notified to DCTL within one business day of the commitment being entered into.

- Net foreign currency exposures in excess of NZD\$50,000 are to be fully hedged within one business day of the exposure being notified to DCTL. Exposure is defined to exist at the firm commitment of an approved sale or purchase in a foreign currency. Foreign exchange hedging must be conducted through an approved counterparty.
- DCTL is provided with delegated authority as to the choice of hedging instruments.
- The Assistant Treasurer will ensure that all hedges are supported by the acquisition of a physical asset, payment of a liability or a high degree of certainty that a potential foreign currency exposure or part thereof will become a firm commitment to purchase. That is, all hedges are to be physical hedges and not “trading” positions. Hedge accounting is implemented where possible.
- DCTL will enter all FX transaction in the Treasury system, which records all foreign exchange hedges and the underlying exposures in all currencies.
- Delegated authorities for initiating foreign exchange transactions are outlined in Appendix 1.

11.5 Hedging at Subsidiary Level

An individual DCC Group entity can manage its own foreign exchange exposures subject to approval from the DCHL Board and subject to a formal foreign exchange risk management policy being developed by the entity, reviewed by DCTL and approved by the entity’s Board and the DCTL Board.

However, this would only be expected to occur if the entity had ongoing foreign exchange transactional exposures linked to export receipts or import payments that are a core part of the underlying business, e.g. the foreign exchange exposures are ongoing and directly related to – day-to-day business activities.

In these circumstances hedging transactions with external counterparties will be executed by DCTL upon instruction from the entity. All such deals will be in the name of the hedging entity to avoid the requirement for internal transactions to be completed.

12. Commodity Risk Policy

12.1 Purpose

The Commodity Risk Policy establishes guidelines under which commodity price risk management occurs.

12.2 Rationale

The objective of the policy is to mitigate the potential for financial loss arising through unfavourable movements in commodity prices. This commodity transaction risk can result in the DCC’s cash flows being adversely affected by movements in commodity prices that will change the New Zealand dollar (NZD) value of commodity payables or receipts.

At this stage there are not considered to be any material commodity exposures within the DCC Group but if material exposures that are ongoing are identified (defined as an underlying exposure in excess of NZ\$500,000 equivalent per annum) DCTL will work with the entity to develop an appropriate policy to manage that risk with the policy being submitted for approval in accordance with this policy.

For clarity the trading in physical forest assets are not considered a commodity.

Any one-off commodity exposures (defined as in excess of NZ\$50,000) will be reviewed by DCTL which will recommend a potential hedging strategy to the Board of the DCC Group entity incurring the exposure. Any such hedge must be approved by the DCTL Board.

13. Reporting

13.1 Definition for Policy Purposes

Management information is the basis for monitoring and reporting treasury activity. For the reason management must have access to information that is timely, accurate, relevant and complete. Characteristics of effective information for treasury management purposes are:

- information that deals primarily with treasury activities; Information sources must be clearly identified
- information must be timely and made available to appropriate levels of management; Reports must be clearly presented, preferably on a summary basis
- reports must be internally consistent.

13.2 Management Reports

Management reports for the DCTL Board are produced on a monthly basis providing the following categories of information:

- approved facility limits provided to DCC entities, and current utilisation
- external counterparty limit utilisation for the DCC Group
- debt hedging profile against policy parameters, funding profile against policy parameters and liquidity levels
- details of DCC Group FX hedging against policy parameters
- quarterly reporting that measures the actual interest cost against interest expense in the current Annual Plan and also current LTP.

13.3 Reporting to DCTL Board

The DCTL Board will be provided with a monthly report of treasury activity. The report will include details of any exception to the policy and information supporting any decisions required of DCTL, DCHL or Council where authority has not been delegated to management.

The Group TM is responsible for preparing the report, with the format to be agreed on an ongoing basis with the DCTL Board. The report will include progress in relation to the approved Group TM implementation plans as detailed previously in this document.

14. Performance measurement

14.1 Definition for Policy Purposes

Performance measurement is the analysis of DCTL activity in order to compare actual achievement with the objectives established for its operation. Without such a systematic and objective approach no judgements can be formulated as to achievement, as to whether the DCC is receiving value from DCTL and as to what improvements have been made.

14.2 Establishing Performance Indicators

Performance indicators are established annually in the Statement of Intent. Performance indicators for the treasury functions must:

- be consistent with the objectives established for treasury management and be recast as changes occur in short or long term objectives
- have a time horizon chosen for measurement purposes which is relevant; and the targets must be achievable
- have targets agreed by all involved but at a minimum will compare average all up interest rate (% terms) against current Annual Plan budget and current LTP budget.

14.3 Performance Measurement Reporting

A quarterly report to the DCHL and DCTL Boards will update performance against the key indicators agreed.

Appendix 1: Delegations of Authority

The following table lists individuals who have the authority to deal, the dealing limits, and any specific conditions applicable to the type of transaction:

Transaction Type	Delegation given to	Dealing Limit Total Value per week
Cash Management (borrowing) Commercial paper, bank overdraft, bank facilities.	DCTL Board Group Chief Financial Officer Group TM Assistant Treasurer	\$50 million to 180 days. \$30 million 181 to 365 days. \$20 million to 180 days. \$10 million 181 to 365 days. \$10 million to 180 days. \$5 million 181 to 365 days.
Long-term funding represented by new and maturing debt drawdown	DCTL Board Group Chief Financial Officer Group TM Assistant Treasurer	\$100 million to 5 years. \$50 million to 10 years. \$50 million to 3 years. \$20 million to 5 years. N/A Total debt outstanding after transaction must not be in excess of debt projection and latest funding budget approved by DCTL Board.
Foreign exchange and commodity price management	Group TM Assistant Treasurer	Total of exposure being hedged. Total of exposure being hedged.
Debt management via derivative transactions	DCTL Board Group Chief Financial Officer Group TM Assistant Treasurer	\$50 million to 3 years. \$30 million to 5 years. \$20 million to 3 years. \$10 million to 5 years. N/A
Investment Transactions	Group TM Assistant Treasurer	\$10 million to 180 days. \$5 million to 365 days. \$5 million to 180 days. \$2 million to 365 days.

Appendix 2: Key Terms and Definitions

Cash Forecasting

The process of estimating the total of the cash inflows and outflows which will occur during various periods into the future for entities (or group of entities where a central treasury function is used) and calculating the projected net cash balance at the end of each of the various future periods.

Counterparty

A counterparty is the other party to a transaction entered into for example, if one party agrees to invest some money with a bank, then that bank is the counterparty in relation to that transaction.

Credit Risk

The risk to one party that a counterparty, to a transaction entered into, will be unable to perform its side of the transaction. This could result in the loss of money invested with them, or could involve the cost of replacing the transaction at current market rates.

DCC

This is the body corporate, Dunedin City Council, and includes its officers acting under delegated authority where the context so requires.

DCC Group

This is comprised of DCC, DCHL plus all of the companies (other than Dunedin International Airport Limited) in which either DCC or DCHL owns some or all of the share capital.

DCHL

This is Dunedin City Holdings Limited. This company holds the DCC's investment in the share capital of some of the DCC Group companies. Dunedin City Holdings Limited is 100% owned by DCC.

DCTL

This is Dunedin City Treasury Limited. This company is responsible for funding the financial requirements of the DCC Group. To satisfy these funding requirements, DCTL borrows from and invests money with organisations inside and outside the DCC Group. In performing this task it is required to manage its own interest rate risk within defined limits set out in its Treasury Management Policy document.

Deed of Understanding

This is the Deed entered into by all members of the DCC Group recording their agreement on various restrictions, requirements and obligations imposed on each member with the Group as regards their respective operations and undertakings.

Facility

A formal arrangement with another party to make available an agreed service on request (for example, an overdraft facility with a bank allows one party to overdraw the balance available in that bank account whenever required, up to the limit agreed in that facility).

Foreign Exchange Risk

The risk arising from a change in foreign exchange rates against the New Zealand dollar adversely affecting the New Zealand denominated value of an outstanding transaction, asset, or liability.

Interest Rate Risk

The risk inherent in an adverse change in market interest rates. This risk can be reflected in the interest rate paid on new borrowings/rollover of existing borrowings, and the opportunity cost relating to interest rates agreed to on borrowings already raised.

Liquidity

Having access to sufficient cash at the times necessary to make the required payments.

Performance Measurement

The process of comparing what was actually achieved with the objectives and indicators set.

Statement of Corporate Intent

The document as defined in the Local Government Act 1974 and, the Energy Companies Act 1992

Treasury Management Policy

A document setting out guidelines within which treasury related activities (for example, borrowing and investment of money, working capital control, cash flow forecasting, interest risk rate risk management) will be conducted.

Subsidiary/Subsidiaries

This refers to DCHL plus all of the companies in which DCHL owns some or all of the share capital but excluding Dunedin International Airport Limited.

Working Capital Control

The process of managing current assets (for example, cash debtors, stock – in its various stages) and current liabilities (for example, creditors) to produce the greatest net benefit relative to the net investment in working capital (current assets less current liabilities)

Appendix 3: Standard & Poor’s Liquidity Calculation

Liabilities to cover		
Commercial paper		XXX
Other direct S/T debt		XXX
Long term loans maturing within 12 months		XXX
12 months interest		XXX
TOTAL		XXX
Required liquidity	80%	A
Calculated free cash and liquid assets		
		Haircut
Unrestricted cash		0%
Government bonds/money market instruments		5%
Liquid bonds/money market instruments IG		30%
Liquid bonds/money market instruments NIG		50%
Equities listed on a major stock exchange		50%
= calculated free cash and liquid assets		
Committed bank lines		
Bank line 1		
Bank line 2		
Bank line 3		
Other sources of funds		
Total Liquidity		B
Net Liquidity		A-B

Development Contributions Policy 2015/16

Overview

The Dunedin City Council (DCC) is expected to continue to experience growth in resident population, dwelling numbers, visitor numbers, development and economic activity. The DCC must make significant investment in additional assets and services, and assets of greater capacity, in order to meet the demands of growth. The Development Contributions Policy (‘this Policy’) provides a transparent and consistent basis for requiring contributions from developers towards the capital expenditure incurred to provide for growth.

This Policy has been prepared in accordance with the Local Government Act 2002. Development contributions are defined by the provisions of Part 8 Subpart 5 and Schedule 13 of the Local Government Act 2002. The DCC is required to have a Development Contributions Policy as a component of its Funding and Financial Policies in its Long Term Plan under section 102(2)(d) of the Local Government Act 2002.

The schedule of charges for the Mosgiel Plan Change Areas is calculated using a different methodology to the other ‘areas of benefit’ defined in this Policy, as set out in the Development Contributions Policy contained in the Dunedin City Council Community Plan 2009/10 –2018/19 and the latest schedule of charges is included in this Policy.

Definitions

The terminology used in this Policy adopts the definitions in section 197 of the Local Government Act 2002.

Purpose

The purpose of development contributions is to enable the DCC to recover from those persons undertaking development a fair, equitable, and proportionate portion of the costs of capital expenditure necessary to service growth. This Development Contributions Policy ensures that growth, and the cost to provide for growth, is funded in a fair and reasonable manner by those who create, or those who have created, the need for that cost. The DCC’s baseline position is that it is inappropriate to burden the community as a whole, by way of rating or other payment means, to meet the cost of growth.

The DCC intends to entirely fund the portion of capital expenditure that is attributable to growth by development contributions wherever it is legislatively permitted, fair, equitable, and proportionate to do so.

Development contributions are not a tool to fund the cost of maintaining or improving/ changing levels of service for existing users. These costs will be met from other sources.

Principles and approach

The DCC is permitted by section 199 of the Local Government Act 2002 to require development contributions, subject to the limitations specified by section 200. The sustainable management of the DCC’s network of community facilities is important. Growth through development places demands upon such networks in the form of increased use, additions or expansion. The District Plan seeks to ensure that such demands are managed in a planned and integrated manner. This Policy will ensure that the costs of additional community facilities are funded in a fair, equitable and proportionate manner by those who create the additional demand.

Development contributions will be required if the effects or cumulative effects of developments will create or have created a requirement for the Council to provide or to have provided new or additional assets or assets of increased capacity.

A development contribution may be required for capital expenditure that the DCC has already incurred in anticipation of growth.

The DCC will adopt the following approach to fund the growth component of the capital expenditure for community facilities:

- a development contribution will be payable for any development which creates an additional or part unit of demand, within any area of Dunedin City, for: water supply, transportation, wastewater, community infrastructure, stormwater and reserves
- a development contribution payable will be based on the development funding up to 100% of the assessed growth cost of community facilities attributable to the additional demand resulting from that development.
- The DCC may amend this Policy to require contributions for any development that creates additional units of demand:
 - in areas that have been identified for growth through a change made to the District Plan after 19 April 2004
 - in areas where capital expenditure has been or will be incurred to provide for additional capacity in network infrastructure in anticipation of future growth.

Schedules will identify the community facility and the relevant geographic area of benefit where development contributions will be required. Each schedule will contain the standard development contribution required and reference a map showing the area of benefit. Should the DCC approve a water supply or wastewater connection to a property outside the areas of benefit, the applicable development contribution, or a reassessed amount, shall be required.

Reasons

Section 106(2)(c) of the Local Government Act 2002 requires the DCC’s Development Contributions Policy to explain why the DCC has determined that it is appropriate to use development contributions as a funding source, by reference to the matters in section 101(3) of the Local Government Act 2002.

For the purposes of section 101(3)(a) community outcomes are as identified in ‘Section 1 – Major Issues and Financial Strategy’ of the Dunedin City Council Long Term Plan 2012/13 – 2021/22. For the purposes of this Policy, activities have been grouped into:

- reserves and community infrastructure
- utilities – water supply, wastewater and stormwater
- transportation – roading and footpaths

This Policy has been established to support these activities and help deliver the community outcomes to which each group of activity primarily contributes as shown below:

Relevant activity	Community Outcome
Transportation (Roading and Footpaths)	A Connected Community
Utilities (Water Supply, Wastewater and Stormwater)	A Safe and Healthy City
Reserves and Community Infrastructure (Parks and Reserves)	An Active City

For each activity the DCC has determined that development contributions are an appropriate method of funding growth costs, following consideration of each matter specified in section 101(3) of the LGA 2001, and documented in Table 1.

Each matter has been considered for each activity, however in some cases the reasons given are valid for all activities. Where this is the case Table 1 shows the common reasons applicable to all activities.

Table 1: Considerations of Section 101(3) of the Local Government Act 2002

Reserves and Community Infrastructure	Utilities (Water Supply, Wastewater and Stormwater)	Transportation
Reserves and community infrastructure are managed City-wide as a network providing a variety of active and passive recreation opportunities to all residents. The network also provides amenity, landscape and ecological benefits for City residents.	Water supply, stormwater and wastewater networks throughout the City are provided to levels appropriate to sustain the density of use provided for in that locality. These networks are recognised by the District Plan, which utilises zoning to provide for use and development to ensure sustainable management of existing infrastructure and any extensions. The three networks are grouped together as they share similarities in their management and in terms of the effects any extensions have upon them.	The transportation network is maintained throughout the city at an appropriate level to ensure accessibility for all possible origins and destinations, and to provide for all possible activities.
Section 101(3)(a)(i) the community outcomes to which the activity primarily contributes;		
An Active City	A Safe and Healthy City	A Connected Community
Section 101(3)(a)(ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals;		
<p>Existing Community and Growth Community</p> <p>Capital expenditure will provide capacity, and therefore benefit, to the existing community, the growth community, or both these groups. The DCC intends to recover the cost of growth from the growth community via development contributions. Improving levels of service, historical catch-up or asset renewal will be funded by other sources of revenue by the existing community. In determining the value of the benefits being received by the growth community, it is assumed that the value of those benefits is equal to the cost of providing them.</p> <p>Each item of capital expenditure undergoes a cost driver analysis to define the benefit, and the cost, attributed to each part of the community using one or many of the following cost drivers:</p> <ul style="list-style-type: none"> • growth • level of service • renewal. <p>The growth costs provide for new or additional assets or assets of increased capacity to meet the demands growth places on community facilities.</p>		
<p>Areas of Benefit</p> <p>Each area of benefit is a defined geographic area with a separate development contribution. The areas of benefit reflect the variations in the cost of providing assets according to the characteristics of each particular locality and the nature of the works required.</p>		

Reserves and Community Infrastructure	Utilities (Water Supply, Wastewater and Stormwater)	Transportation
<p>The DCC intends to use two areas of benefit for Reserves and Community Infrastructure to distribute the benefits:</p> <ul style="list-style-type: none"> • Dunedin Metropolitan • Dunedin Other <p>A decision was made that the Transportation area of benefit boundary should also apply to Community Infrastructure and Reserves. Areas that have a high utilisation of the inner city transport network are likely to use the inner city Reserves and Community Infrastructure assets.</p> <p>The growth costs for each project have been apportioned to both areas based on the following variables:</p> <ul style="list-style-type: none"> • Location of capital works • Cross border benefit/utilisation between the two areas 	<p>The DCC intends to use the scheme boundaries to define the areas of benefits for the Water Supply and Wastewater contributions. These are:</p> <ul style="list-style-type: none"> • Water Supply • Dunedin Metropolitan • Mosgiel • Outram • Rockland Rural • Waikouaiti, Merton, Karitane, Seacliff • Waitati and Warrington • West Taieri • Wastewater • Middlemarch • Green Island (Dunedin Metropolitan) • Mosgiel • Seacliff • Tahuna (Dunedin Metropolitan) • Waikouaiti / Karitane • Warrington <p>Stormwater has a single city-wide area of benefit.</p>	<p>The DCC intends to use two areas of benefit for Transportation to distribute the benefits:</p> <ul style="list-style-type: none"> • Dunedin Metropolitan • Dunedin Other <p>The core philosophy behind this decision is that the Dunedin Metropolitan area of benefit defines an area in which there are a high proportion of commuters which travel into Dunedin's main urban area and that developments in this area should pay a different contribution to those that use mainly rural and township roads.</p> <ul style="list-style-type: none"> • The growth costs for each project have been apportioned to both areas based on the following variables: <ul style="list-style-type: none"> – Location of capital works • Cross border benefit/utilisation between the two areas
Section 101(3)(a)(iii) the period in or over which those benefits are expected to occur;		
<p>Capital expenditure often has benefits extending beyond the 10 year Long Term Plan planning horizon. For each of the individual capital expenditure projects, the DCC determines the length of time over which the asset created by that expenditure will provide a benefit to the community. The DCC also determines the capacity of that asset and the amount of capacity that will be utilised by the growth community. The use of development contributions ensures that existing ratepayers are not paying for the infrastructural capacity that they do not require, and this ensures intergenerational equity.</p> <p>Once a development contribution has been paid in relation to a development, the benefits of the asset, service, or environmental enhancement shall occur indefinitely.</p>		

Reserves and Community Infrastructure	Utilities (Water Supply, Wastewater and Stormwater)	Transportation
Section 101(3)(a)(iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity;		
<p>The DCC has projected the extent of growth within the City. The DCC has also identified its capital expenditure necessary to meet the needs of the growth community. Funding the cost of providing increased capacity in community facilities through development contributions, rather than rates serviced debt, promotes equity between the existing community and the growth community.</p> <p>The areas of benefit discussed above in relation to section 101(3) (a) (ii) also ensure the growth costs are attributed to those which contribute to the need to undertake the activity.</p>		
Land Use Categories		
<p>The DCC will use land use categories to ensure the growth costs are attributed to identifiable parts of the growth community which contribute to the need to undertake the activity. Growth in each land use category generates a different demand for community facilities and therefore each land use shall pay appropriate fair, equitable and proportionate contribution.</p>		
<p>The land use categories used for reserves and community infrastructure (CI) are:</p> <ul style="list-style-type: none"> • Residential • Rural Residential • Visitor Accommodation • Commercial (CI only) • Farming • Industrial (CI only) • University/Polytechnic – Accommodation • University/Polytechnic – Other (CI only) 	<p>The land use categories used for utilities are:</p> <ul style="list-style-type: none"> • Residential • Rural Residential • Visitor Accommodation • Commercial • Farming • Industrial • Otago University/Polytechnic – Accommodation • Otago University/Polytechnic – Other 	<p>The land use categories used for transportation are:</p> <ul style="list-style-type: none"> • Residential • Rural Residential • Visitor Accommodation • Commercial • Farming • Industrial • Otago University/Polytechnic – Accommodation • Otago University/Polytechnic – Other
Section 101(3)(a)(v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities;		
<p>Development contributions received for a specific activity will only be used for, or towards, the capital expenditure of that activity for which the contribution was required.</p> <p>Using development contributions to fund the cost of providing additional community facilities provides greater transparency. This enables the DCC's growth costs to be recovered from developers through development contributions. The benefits of this approach are deemed to exceed the costs of assessing development contributions.</p>		
Section 101(3)(b) the overall impact of any allocation of liability for revenue needs on the community;		
<p>The liability for revenue falls directly with the growth community. At the effective date of this Policy, the DCC considers that any negative impact of the allocation of liability for revenue on this particular sector of the community is outweighed by a positive impact on the wider community. At any stage in the future where there may be impacts of this nature, the DCC may revisit this policy.</p>		

The full methodology that demonstrates how the calculations for development contributions were derived is contained in the Detailed Supporting Document, which is available to the public as per section 106(3) of the Local Government Act 2002. The Detailed Supporting Document is available on the DCC website www.dunedin.govt.nz or on request from the DCC Customer Services Agency, Civic Centre, 50 The Octagon, Dunedin.

When will contributions be required

Section 198 of the Local Government Act 2002 gives territorial authorities the power to require a contribution for developments.

The DCC will assess whether development contributions are payable when any of the following occur:

- a Resource Consent is granted
- a Building Consent is granted
- a Certificate of Acceptance is issued for building work situated in its district (whether issued by the territorial authority or by a building consent authority)
- an Authorisation for a Service Connection is granted.

Enforcement powers

If payment of development contributions is not received the DCC will enforce powers outlined in Section 208 of the Local Government Act 2002.

Until a development contribution required in relation to a development has been paid or made under section 198, the DCC may:

- in the case of a development contribution required under section 198(1)(a), –
 - withhold a certificate under section 224(c) of the Resource Management Act 1991
 - prevent the commencement of a resource consent under the Resource Management Act 1991.
- in the case of a development contribution required under section 198(1)(b), withhold a code compliance certificate under section 95 of the Building Act 2004
- in the case of a development contribution required under section 198(1)(ba), withhold a certificate of acceptance under section 99 of the Building Act 2004
- in the case of a development contribution required under section 198(1)(c), withhold a service connection to the development
- in each case, register the development contribution under the Statutory Land Charges Registration Act 1928, as a charge on the title of the land in respect of which the development contribution was required.

Financial contributions

Councils have the option to use either the provisions of the Resource Management Act 1991 (Financial Contributions) or those of the Local Government Act 2002 (Development Contributions) or a combination of both to obtain funds or land from developers. Councils must ensure that they do not ‘double dip’ for the same infrastructure.

The DCC has decided to establish its Development Contributions Policy within the requirements of the Local Government Act 2002. However, one financial contribution currently provided for in the District Plan will remain in that document because it does not fall within the scope of the Local Government Act 2002 provisions for Development Contributions. The provision is: Section 10: Industrial Activities – Rule 10.6.2(vii) Industrial 2 Zone landscaping requirements.

If situations arise in future where contributions not allowed by the Local Government Act 2002 would be permissible within the Resource Management Act 1991 provisions, the DCC will consider whether or not the event is of sufficient frequency and value to justify a change to the District Plan introducing the financial contribution – for the avoidance, remediation or mitigation of adverse environmental effects.

Which policy will apply

This Policy will apply to applications for resource consent, building consent or service connection received after 1 July 2015.

In all other cases, the DCC will apply the provisions of the applicable Development Contributions Policy.

Capital expenditure

Only capital expenditure is considered in determining development contributions charges under this Policy. All operational expenditure is excluded, including internal overheads.

Capital expenditure is identified from two sources:

- the latest Annual Plan/Long Term Plan – future capital expenditure
- historic financial reports – historic capital expenditure. Historic growth-related capital expenditure will only be included:
 - where there is a current debt balance, and
 - where there is documented evidence that there was a growth component to the project. The documented evidence must have existed at the time of construction.

Capital expenditure is considered in nominal (current day) dollars, and interest considerations are included.

All third-party funding is excluded from the capital expenditure used in calculating development contributions charges.

Cost driver apportionments

All capital expenditure has been apportioned into three cost drivers – growth, renewal and level of service. Only the growth portion is used for assessing development contributions. The cost drivers have been assessed using several methods.

These are:

- asset capacity
- using design life of new assets to approximate growth percentage
- assessed using professional judgement.

The growth related capital expenditure is referred to in this policy as growth costs.

Unit of demand

To identify the share of the growth costs attributable to each unit of demand the DCC will use an Equivalent Household Unit (EHU). An EHU represents the impact of a typical residential dwelling for each activity.

All development shall be converted to an EHU using land use differentials and conversion factors. These enable the number of EHU's to be calculated for non-residential developments based on a standard measure of size.

Further information about the land use differentials and conversion factors can be found in the Detailed Supporting Document.

Overview of calculation methodology

A brief introduction to the development contributions calculation method is presented here. A full disclosure of the methodology and calculations is in the Detailed Supporting Document and is available on the DCC website www.dunedin.govt.nz or on request from the DCC Customer Services Agency, Civic Centre, 50 The Octagon.

The key concept of the approach is to define the total growth costs consumed by the growth community over a period of time. This consumption of growth costs is then apportioned among the increased number of units of demand (Equivalent Household units) over the same time period. This defines the long run average cost of growth per unit of demand, defined as the equivalent household unit (EHU) contribution. This can be represented by the following formula:

$$\text{Standard Contribution} = \frac{\text{Sum of Growth Costs Consumed in Analysis Period}}{\text{Sum of New Equivalent Household Units in Analysis Period}}$$

The calculation method can be simplified according to the following steps:

- Step 1: Assess growth costs on an asset by asset basis using financial reports (past expenditure) and the Long Term Plan (projected expenditure)
- Step 2: Apportion growth costs by the growth population (equivalent household units) over the design life of the asset, to assess the \$/EHU
- Step 3: For each year in the analysis period determine the total consumption of asset capacity for each asset identified, namely

$$\text{Growth Cost Consumed} = \text{Standard Contribution (\$/EHU)} \times \text{Number of EHUs}$$
- Step 4: Sum for all assets in each year in the analysis period, namely total capacity consumed in that year, measured in \$
- Step 5: Sum each year in the 10-year analysis period and divide by the growth population (new equivalent household units) projected over the analysis period to determine the equivalent household unit contribution.

Development contributions for each activity shall be capped at \$5,000 per Equivalent Household Unit (EHU) in all areas of benefit, except:

- the existing Mosgiel Plan Change Areas, which will be subject to 100% of the calculated development contribution being charged
- any other Plan Change Areas where an application for a change to the District Plan is lodged subsequent to 1 July 2014, which will be subject to 100% of the calculated development contribution being charged.

Schedule of development contributions charges

The following tables indicate:

- the areas of benefit where development contributions are to be sought
- the development contributions per equivalent household unit for each activity within each area
- the conversion factors for each activity and for each area of benefit
- the contributions have been rounded to the nearest \$10
- the contributions capped at \$5,000 per EHU are shown in italics
- the contributions below do not apply to the Mosgiel Plan Change areas. These are shown in Table 5.

Table 2: Schedule of Development Contributions per Equivalent Household Unit – (excluding GST)

Area of Benefit	Water Supply	Wastewater	Stormwater	Transportation	Reserves	Community Infrastructure	Total Contribution by Area of Benefit
Allanton	\$0	\$0	\$0	\$490	\$340	\$50	\$880
Dunedin Metro WS – Green Island WW	\$1,680	\$2,330	\$180	\$490	\$340	\$50	\$5,070
Dunedin Metro WS – Tahuna WW	\$1,680	\$3,500	\$180	\$490	\$340	\$50	\$6,240
Karitane	\$5,000	\$100	\$0	\$450	\$160	\$70	\$5,780
Merton	\$5,000		\$0	\$450	\$160	\$70	\$5,680
Middlemarch	\$0	\$320	\$180	\$450	\$160	\$70	\$1,180
Mosgiel WS – Mosgiel WW	\$1,580	\$2,080	\$180	\$490	\$340	\$50	\$4,720
Mosgiel WS – Green Island WW	\$1,580	\$2,330	\$180	\$490	\$340	\$50	\$4,970
Outram	\$1,820		\$180	\$490	\$340	\$50	\$2,880
Rockland Rural	\$0		\$0	\$450	\$160	\$70	\$680
Seacliff	\$5,000	\$230	\$0	\$450	\$160	\$70	\$5,910
Waikouaiti	\$5,000	\$100	\$180	\$450	\$160	\$70	\$5,960
Waitati	\$5,000		\$0	\$450	\$160	\$70	\$5,680
Warrington	\$5,000	\$0	\$0	\$450	\$160	\$70	\$5,680
West Taieri	\$5,000		\$0	\$450	\$160	\$70	\$5,680
All Other Dunedin Metropolitan	\$0		\$180	\$490	\$340	\$50	\$1,060
All Other Dunedin Other	\$0		\$180	\$450	\$160	\$70	\$860

Notes to Table 2:

- See section on Water Supply and Wastewater charges for details.
- ‘Mosgiel’ in the table above excludes the Mosgiel Plan Change Areas.
- In establishing the development contribution rates for Reserves, section 203 of the LGA 2002 states that development contributions for Reserves must not exceed the greater of:
 - 7.5 percent of the land value of the additional allotments created by the subdivision (either cash or land equivalent); and
 - The value equivalent of 20 square metres of land for each additional household unit created by the development.
- The Areas of Benefit Maps section below shows the areas of benefit described above.
- WS means Water Supply.
- WW means Wastewater

Table 3: Equivalent Household Unit Conversion Factors for each Land Use Category

Land Use Category	Equivalent Household Units (EHU) per unit of measure									
	Water Supply		Wastewater	Stormwater	Transportation		Reserves		Community Infrastructure	
	Working Charge EHU's	Network Charge			Dunedin Metropolitan	Dunedin Other	Dunedin Metropolitan	Dunedin Other	Dunedin Metropolitan	Dunedin Other
Residential unit 3 or more habitable rooms	1 EHU per unit		1 EHU per unit	1 EHU per unit	1 EHU per unit	1 EHU per unit	1 EHU per unit	1 EHU per unit	1 EHU per unit	1 EHU per unit
Residential unit 2 habitable rooms	0.75 EHU per unit		0.75 EHU per unit	0.75 EHU per unit	0.75 EHU per unit	0.75 EHU per unit	0.75 EHU per unit	0.75 EHU per unit	0.75 EHU per unit	0.75 EHU per unit
Residential unit 1 habitable room	0.5 EHU per unit		0.5 EHU per unit	0.5 EHU per unit	0.5 EHU per unit	0.5 EHU per unit	0.5 EHU per unit	0.5 EHU per unit	0.5 EHU per unit	0.5 EHU per unit
Family Flat	0 EHU		0 EHU	0 EHU	0 EHU	0 EHU	0 EHU	0 EHU	0 EHU	0 EHU
Rural Residential	0.86 EHU per dwelling	0.41 EHU per property	1.48 EHU per dwelling	0.34 EHU per 100m ² ISA	1.63 EHU per dwelling	0.82 EHU per dwelling	1 EHU per dwelling	1 EHU per dwelling	1 EHU per dwelling	1 EHU per dwelling
Visitor Accommodation	0.56 EHU per 100m ² GFA	0.93 EHU per property	0.99 EHU per 100m ² GFA	0.34 EHU per 100m ² ISA	0.31 EHU per 100m ² GFA	0.37 EHU per 100m ² GFA	0.30 EHU per 100m ² GFA	0.30 EHU per 100m ² GFA	0.71 EHU per 100m ² GFA	0.67 EHU per 100m ² GFA
Commercial	0.19 EHU per 100m ² GFA	0.94 EHU per property	0.31 EHU per 100m ² GFA	0.34 EHU per 100m ² ISA	6.01 EHU per 100m ² GFA	3.21 EHU per 100m ² GFA			0.04 EHU per 100m ² GFA	0.05 EHU per 100m ² GFA
Farming	0.86 EHU per dwelling	0.41 EHU per property	1.48 EHU per dwelling	0 EHU per 100m ² ISA	5.34 EHU per 100 Ha	2.17 EHU per 100 Ha	0.50 EHU per dwelling	0.50 EHU per dwelling	0.50 EHU per dwelling	0.50 EHU per dwelling
Industrial	0.36 EHU per 100m ² GFA	0.90 EHU per property	0.58 EHU per 100m ² GFA	0.34 EHU per 100m ² ISA	3.39 EHU per 100m ² GFA	3.27 EHU per 100m ² GFA			0.03 EHU per 100m ² GFA	0.03 EHU per 100m ² GFA
Otago University/ Polytechnic – Other	0.16 EHU per 100m ² GFA	0.94 EHU per property	0.28 EHU per 100m ² GFA	0.34 EHU per 100m ² ISA	2.02 EHU per 100m ² GFA				0.04 EHU per 100m ² GFA	
Otago University/ Polytechnic – Accommodation	0.61 EHU per 100m ² GFA	0.93 EHU per property	1.09 EHU per 100m ² GFA	0.34 EHU per 100m ² ISA	0.72 EHU per 100m ² GFA		0.60 EHU per 100m ² GFA		0.80 EHU per 100m ² GFA	

Notes to Table 3:

- GFA means gross floor area, and is defined, as ‘the sum of the gross area of the several floors of all buildings on a site, measured from the exterior faces of the exterior walls, or from the centre lines of walls separating two buildings’. For the purpose of this policy this definition of gross floor area, excluding car parking areas, will be used.
- ISA means impermeable surface area.
- Non-residential Farming developments (for example, barns and sheds) would not be charged a development contribution, except where a farm is subdivided. Farm subdivisions will be assessed under the Farming land use category, and the per dwelling charges for Water Supply, Wastewater, Reserves and Community Infrastructure will only be applicable where a new residential dwelling forms part of the development. Where an additional residential dwelling is built on an existing farm, this will be assessed under the Rural Residential land use category.

Assessment of developments of unknown size

If the gross floor area is unknown, which may be the case at the subdivision or land use consent stage, the deemed values in Table 4 will be used to estimate gross floor area. These deemed values are considered to be conservative estimates of the potential gross floor area of a development in each category.

When an estimate of the gross floor area and impermeable surface area is used in the development contribution assessment then the DCC will only charge 75% of the calculated contribution at subdivision or land use consent. The balance of the contribution based on actual gross floor area and impermeable surface area would be required at building consent.

Table 4: Estimation of gross floor area

Category	Building Coverage	Number of Floors
Residential	1 dwelling / lot	
Rural Residential	1 dwelling / lot	
Visitor Accommodation	45%	2
Commercial	75%	1
Industrial	75%	1

Notes to Table 4:

- Where the impermeable surface area is unknown and the gross floor area is known, the gross floor area will be used as an estimate of the impermeable surface area.
- Where both the impermeable surface area and gross floor area is unknown, the impermeable surface area will be estimated according to the estimation of gross floor area as set out in Table 4.
- Where the gross floor area is unknown for Otago University / Polytechnic developments, the category Commercial in Table 4 shall be used as the basis of assessments of unknown size.
- The assumptions in Table 4 will also be used to assess credits for vacant non-residential lots.

Water supply and Wastewater charges

All developments within the area of benefit that are intended and able to be serviced by water supply and/or wastewater are required to connect and the DCC will charge the relevant development contribution. The development contribution may be levied at resource consent, land use consent or building consent stage. In extraordinary circumstances where an in-zone property is not practically able to be supplied with water supply and/or wastewater exception may be granted and zoning reviewed. Should the DCC approve an out of zone water supply or wastewater connection to a property outside the areas of benefit, the applicable development contribution, or a reassessed amount, shall be required.

For some properties at the Burnside end of Kaikorai Valley Road and surrounding streets, the DCC will determine on the basis of line capacity whether to connect the property to the Tahuna or Green Island wastewater treatment plant. Where the DCC determines a property will connect to the Green Island wastewater plant, the Dunedin Metro WS - Green Island WW area of benefit charges will apply. Where the DCC determines a property will connect to the Tahuna wastewater plant, the Dunedin Metro WS - Tahuna WW area of benefit charges will apply.

Schedule of Development Contribution Charges – Mosgiel Plan Change Areas

The methodology for calculating charges for the Mosgiel Plan Change Areas remains as per the DCC’s 2009/10 Development Contributions Policy. The schedule of charges for 2015/16 is shown in Table 5 below. All schedules of charges in this Policy will be updated annually to reflect changes to the actual and budgeted cost of capital expenditure. The City-wide Reserves contribution is the only contribution common across all of the Mosgiel areas of benefit.

The area of benefit maps can be found in the final section of this policy. Further details on these calculations can be found in the Detailed Supporting Document or the 2009/10 Development Contributions Policy, available from the DCC website www.dcc.govt.nz or on request from the DCC Customer Services Agency, Civic Centre, 50 The Octagon.

Table 5: Mosgiel Plan Change Areas – Schedule of Charges

Area of benefit	City Wide Reserves	Reserves – Local	Water Supply	Wastewater	Stormwater	Transportation	Total Contribution per Unit of Demand (excluding GST)
Variation 9B			\$3.94 per m ² site area	\$1.08 per m ² site area			\$5.02 per m ² site area
Plan Change 15 – Mosgiel East Area	\$340.00 per lot	\$3,363.43 per lot		\$1,318.86 per lot	\$3,226.40 per lot	\$2,925.87 per lot	\$11,174.55 per lot
Plan Change 15 – Mosgiel West Area	\$340.00 per lot	\$2.51 per m ² site area	\$3.65 per m ² site area	\$1.01 per m ² site area		\$5.86 per m ² site area	\$340 per lot + \$13.03 per m ² site area
Plan Change 15 – Mosgiel West Area – Access Road to Riccarton Road Area						\$2.46 per m ² site area	\$2.46 per m ² site area
Plan Change 15 – Mosgiel East Area C	\$340.00 per lot		\$2.42 per m ² site area	\$1.33 per m ² site area			\$340 per lot + \$3.75 per m ² site area

Calculation assumptions

All information used in the calculations of development contributions is the best available at the time.

All figures are in nominal New Zealand dollars.

Interest has been included and an interest rate of 7.3% has been applied.

Development contributions are calculated on capital expenditure projections in the 2015/16 Long Term Plan.

Risks

The risks relating to the Policy are listed below. The steps required to mitigate these risks are also shown. This ensures that the correct development contributions are collected by the DCC.

Subsidies: The future portion of the development contributions are based on the DCC's 10-year Long Term Plan programme. There are a number of projects in the budget that

may be fully or partially subsidised by non-DCC entities. The actual capital expenditure will be input into the calculation model on an annual basis as soon as it is available. This will ensure the contributions are based on the DCC's most up to date information and reflect the actual growth related expenditure.

Legislative changes: This Policy and calculation model will be updated to incorporate any legislation changes.

Growth lower or higher than anticipated: If the growth in Dunedin City is more or less than projected, the DCC risk under or over collecting contributions. The growth projections will be reviewed regularly to ensure they are as accurate as possible.

Growth apportionment: Any changes in the growth rates may affect the apportionment of some capital projects and hence the growth capital expenditure to be recovered through development contributions charges.

The variables above can be reviewed every year via the Annual Plan/Long Term Plan update and review process. This ensures that development contribution charges are based on the most up-to-date information possible.

Growth Projections – Source Data

The growth projected for each area of benefit has been estimated using the best information available.

- Dunedin City Council Population Projections 2009 – Rationale Ltd.
- Site Specific Projections – One-off studies completed by the DCC for specific projects.
- BERL Otago Regional and Sub-Regional Economic Profile 2008 – 2009, March 2010.

The growth in each area of benefit can be found in the disclosure tables in this policy.

The following table shows the projected 10-year EHU growth for each activity.

Table 6: EHU Growth over 10 years by Activity

Activity Units	10-Year Growth in Equivalent Household Units (2015-2024)
Water Supply	2,796
Wastewater	2,988
Stormwater	2,797
Transportation	4,901
Community Infrastructure	3,347
Reserves	3,410

Each activity has a different method for converting property growth into EHU’s. This is based on the different impact of each land use category on the infrastructure of each activity, namely land use differential and conversion factors. This is described in Part 3 of the Detailed Supporting Document, available from the DCC website www.dcc.govt.nz or on request from the DCC Customer Services Agency, Civic Centre, 50 The Octagon.

Implementation and review

This Policy will be reviewed once every three (3) years or more frequently as required. The review will include adjustment of figures to reflect changes in budgeted costs.

Any review of this Policy may take account of:

- any changes to significant assumptions underlying this Policy
- any changes in the capital development works programme for growth
- any changes to the District Plan

- development of the DCC Strategies which affect growth
- any changes in the pattern and distribution of development in the City
- any changes that reflect new or significant modelling of the networks
- any change in actual costs and/or actual interest costs
- addition of new projects and changes, or new areas of benefit, or deletion or modification to existing projects, costs or areas of benefit
- the regular reviews of the Funding and Financial Policies, and the Long Term Plan
- any other matters the DCC considers relevant, including amendments to legislation and regulations.

Under section 106 of the Local Government Act 2002 a development contribution may be increased without consultation, formality, or a review of the development contributions policy if

- a) the increase does not exceed the result of multiplying together –
 - the rate of increase (if any), in the Producers Price Index Outputs for Construction provided by Statistics New Zealand since the development contribution was last set or increased; and
 - the proportion of the total costs of capital expenditure to which the development contribution will be applied that does not relate to interest and other financing costs; and
- b) before any increase takes effect, the territorial authority makes publicly available information setting out –
 - the amount of the newly adjusted development contribution; and
 - how the increase complies with the requirements of paragraph (a).

The scope and nature of consultation on any changes to this Policy will be determined by Council on the basis of the Council’s Significance and Engagement Policy.

Developer provision of assets – liability

The DCC may accept or require a contribution to the equivalent value in the form of land or infrastructure. It may be appropriate, for example, to allow water supply assets to vest in the DCC through the subdivision consent process, where they meet the DCC’s requirements, and credit them against the contributions required. Any such proposals will need to be the subject of an agreement with the DCC before the consent is issued, and will be dealt with on a case by case basis.

Credits

Credits can be used to reduce or offset any development contributions that might be payable.

The following principles will apply to all development contribution credit assessments:

- Credits will be specific to the activity for which they were assessed (i.e. a water supply credit will not be able to offset a wastewater contribution).
- For vacant sites, credits are based on the underlying District Plan zoning of the lot and not the proposed activity, except as otherwise provided for in the definitions in the glossary. Where the underlying zoning of the lot allows for multiple land uses, the primary purpose of the zone will be considered, and where that is unclear, the current rating classification will be considered in determining an appropriate land use category for assessing credit.
- For existing developments with a non-residential land use category, credits will be assigned based on the actual demand or an assigned demand from Table 4 of this Policy using the underlying District Plan zoning, whichever is the greater.
- Where recent demolition on a site has occurred, credits will be applied to any development in existence within the 12 month period prior to the application being made.
- Credits are to be site specific (not transferable) and non-refundable unless the refund provisions of the Local Government Act 2002 apply.
- The existing demand of any lot or building that is to be developed will be converted to an Equivalent Household Unit (EHU) credit when assessing development contributions. Credits for existing demand will be adjusted upwards as necessary for any additional credits for development contributions already paid or to reflect historic entitlements. Development contributions will then be required for the additional demand created by the new development.
- If the demand of a proposed activity is less than the existing demand then a credit will sit with the site. No time limit will apply to the use of the credit in the future towards another development on the same site.

There are two types of development contribution credits that may be applicable in addition to existing demand, termed Actual Credits and Deemed Credits. Where both an Actual Credit and a Deemed Credit applies to a development, only the Actual Credit can be claimed.

Actual Credits

A credit will be given for any development contribution already paid, under this or an earlier Policy. Actual credits will be assessed based on the EHUs paid for at the time. Therefore changes to contributions in a subsequent policy, such as inflation or changes to the schedule of charges will not be passed onto a development that has paid at an earlier date.

Deemed Credits

Deemed credits reflect historic entitlements. Deemed credits will be granted as follows:

- Any lot absent of dwellings with a land use category of residential that was created prior to 1 July 2006 or granted subdivision consent prior to 1 July 2014 will receive a credit of 1 EHU per lot.
- Any lot absent of dwellings with a land use category of rural residential that was created prior to 1 July 2006 or granted subdivision consent prior to 1 July 2014 will receive credits equivalent to one dwelling.
- On sites with a land use category of residential, on which there is a lawfully established dwelling in existence on 1 July 2014, or a resource consent or building consent for a dwelling has been granted prior to 1 July 2014 that has not lapsed, each dwelling will receive a credit equivalent to a three habitable room residential unit.
- Any lot with a land use category other than residential, rural residential or farming that was created (or granted subdivision consent) prior to 1 July 2014 will receive a credit in accordance with the greater of:
 - the actual GFA and ISA of any development in existence on 1 July 2014 plus any additional GFA and ISA approved under any resource consent or building consent issued prior to 1 July 2014 that has not lapsed, or
 - a deemed GFA and ISA using the site coverage assumptions and application rules in the Assessment of Unknown Size section of this Policy (Table 4).

Deemed credits do not apply to the farming land use category.

The deemed credit provisions do not apply to the Mosgiel Plan Change Areas.

Development exceeding permitted zone densities

Where a development exceeds permitted zone densities, the standard contributions will be payable and there may also be additional costs for upgrading infrastructure.

Under these circumstances the DCC's preference is to minimise its involvement. The DCC is likely to specify the required upgrades required by virtue of the resource consent or plan change. All options should be open to accomplish the upgrades. The DCC's broad order of preferred approach is as follows, where 1 is the most preferred.

- 1 Developer undertakes and funds upgrades.
- 2 The DCC undertakes upgrades and developer pays upfront.
- 3 Upgrades are incorporated into the broader area of benefit analysis. This may or may not increase the standard contributions depending on the cost of the development.
- 4 Set up separate area of benefit contributions.

Where it can be demonstrated that third parties including the DCC benefit, the costs will be fairly allocated to those parties. The objective is to ensure the costs sit with those who benefit from the infrastructure provided. The DCC wants to avoid facilitating infrastructure upgrades beyond the permitted densities.

Invoicing and payment of development contributions

The development contributions identified by the DCC in the schedules of this Policy are no longer required pursuant to the Resource Management Act 1991 (except those financial contributions identified in this Policy), but are a requirement pursuant to the Local Government Act 2002 and therefore will no longer:

- be a condition of a resource consent
- be able to be challenged through the provisions of the Resource Management Act 1991.

The DCC shall assess the development contribution at the earliest opportunity (resource consent, land use consent, building consent, certificate of acceptance or service connection). The development contribution assessed will be payable at the following times:

- Subdivision Consent – prior to the issue of the section 224 completion certificate.
- Land Use Consent – prior to commencement of the consent.
- Building Consent – prior to issuing the code of compliance.
- Certificate of acceptance – prior to issuing the certificate of acceptance.
- Service Connection – prior to service connection.

GST exclusive

Development contributions specified in the schedules are exclusive of Goods and Services Tax (GST). GST will need to be added to the final calculation.

Service connections

The DCC will continue to collect service connection fees in accordance with current practice and the Local Government Act 2002 for the following assets:

- Water Supply connection
- Stormwater connection
- Wastewater connection.

Nothing in this Policy will prevent the DCC from requiring, as a condition of resource consent, the provision of works and services usually, but not exclusively, internal to or on the boundaries of the development site required to service that development, to connect it to existing infrastructural services and to avoid, remedy or mitigate the environmental effects of the development, except where such works are provided for in the Long Term Plan.

Nothing in this Policy will prevent the DCC from requiring, at its request and cost, the provision of additional 'extra-over' works by the developer, such as installing a larger pipe and/or constructing a wider road through their development, in anticipation of future demand on those services beyond the boundaries of the development.

Where additional extra-over works for a development are supplied by the developer that will benefit the current and future requirements of growth and/or levels of service, and where the cost of the works exceeds the development contribution assessed and payable for that development, the DCC may, at its discretion, reimburse the developer. The reimbursement will be via a contractual agreement entered into by both parties, being the developer and the DCC. The payment terms of any monies will be negotiated in the terms of the contractual agreement.

Development agreements

Where in the DCC's opinion, it is in the best interests of all parties, the DCC reserves the discretion to enter into a development agreement with a developer for the provision of particular infrastructure to meet the special needs of a development. An example is where a development requires a special level of service or is of a type or scale which is not readily assessed in terms of units of demand.

The DCC envisages that such agreements could be used in situations where significant developments occur or are proposed and require new capital expenditure to cater for growth but no budgeted capital expenditure has been provided and no development contribution has been set. This situation is likely to occur where a plan change has resulted in the rezoning of an area, greenfield sites are to be developed, a structure plan has been prepared in anticipation of development of an area, or a resource consent is issued which would result in additional pressures on services or the requirement of upgraded or additional services or reserves. Development agreements could also be used in situations where alternative technologies or on-site management may provide acceptable solutions.

The DCC may enter into a development agreement with a developer if:

- a) the developer has requested in writing that the DCC enter into a development agreement with the developer; or
- b) the DCC has requested in writing that the developer enter into a development agreement with the DCC.

In establishing a development agreement the applicant will be expected to provide supporting information and detailed calculations of their development's roading, water supply and waste water demands in terms of units of demand.

The development agreement must clearly state the departures from the standard process and calculation, and the reasons for entering into the agreement. The agreement would also specify land to be vested in the Council, works to be undertaken on or off the site, timeframes of when infrastructure will be provided, and financial contributions required for the provision or upgrading of existing services.

The DCC will consider a written request from a developer to enter into a development agreement without unnecessary delay. The DCC may accept the request in whole or in part subject to any amendments agreed to by the DCC and the developer, or decline the request. The DCC shall provide the developer who made the request with a written notice of its decision and the reasons for its decision.

A developer who receives a request from the DCC to enter into a development agreement may, in a written response to the DCC accept the request in whole or in part subject to any amendments agreed to by the DCC and the developer; or decline the request.

Reconsiderations

An applicant may request reconsideration of development contributions levied to correct any erroneous figures or resolving misunderstandings around the design or location of a development.

An applicant may request the DCC to reconsider the requirement if the applicant has grounds to believe that:

- a) the development contribution was incorrectly calculated or assessed under the territorial authority's development contributions policy; or
- b) the DCC incorrectly applied its development contributions policy; or
- c) the information used to assess the applicants development against the development contributions policy, or the way the DCC has recorded or used it when requiring a development contribution, was incomplete or contained errors.

A request for Reconsideration must be made in writing stating clearly which of the above grounds the applicant believes the DCC has erred. The request for Reconsideration must be made within 10 working days after the date on which the applicant received the demand notice or invoice for the development contribution.

The process the DCC will follow for reconsiderations is to:

- a) consider any new information supplied by the applicant; and
- b) check all calculations used in the assessment.

The Council will, within 15 working days after the date on which it receives all required relevant information relating to a request, give written notice of the outcome of its reconsideration to the person who made the request.

A reconsideration cannot be requested if the applicant has already lodged an objection. If the applicant is not satisfied with the outcome of the reconsideration, they may lodge an objection as specified in the following section.

Objections

An applicant for a development may lodge an Objection to the assessed amount of the development contribution with the DCC for review by an independent commissioner(s). The process for lodging, considering and determining an Objection is set out in the Local Government Act 2002 and regulations (if any).

Remissions, unusual developments and deferral of payment

The DCC will consider requests for remissions, unusual developments and deferral of payment.

Unusual Developments – The DCC reserves the right to individually assess contributions on any development that it deems to create a significantly different demand on infrastructure than could usually be expected under their relevant land use category. This may include a development that the DCC deems does not fit into the land use categories.

Remissions – At the request of the applicant, the development contribution required on a development may be considered for remission at the DCC’s discretion on a case-by-case basis.

Any application for remission will be considered and determined by the DCC

Remission (in whole or in part) of development contributions may be allowed in the following circumstances:

- where the actual cost of the project or a revised estimate is significantly lower than the cost used as the basis for the contributions indicated in this policy
- where the applicant will fund or otherwise provide for the same reserve, network infrastructure, or community infrastructure
- where the projects or alternative solutions indicated in this policy are no longer to be undertaken
- where the DCC determines that a Development Contribution will not be charged.

Any remission (in whole or in part) may result in the need for a private development agreement to confirm alternative arrangements.

Deferral of payment – the DCC will consider deferring the payment of development contributions. These will be assessed on a case by case basis and may use any of the following mechanisms.

- Defer using Local Government Act 2002 parameters – allow payment to be made later in the sequence of development (for example, at building consent).
- Defer using Resource Management Act 1991 mechanisms – for example, using lot amalgamation under the consent process to allow payment to be made as sections are sold.
- Defer using legal agreement – for example, requiring payment as sections are sold. A legal agreement and a bank guaranteed bond (or similar) may be used to ensure payment.

Any deferral of contributions will be cost neutral to the DCC so administration and interest costs will be added to deferred payments.

Process for remissions, unusual developments and deferral of payment

Applications for remission, unusual development and deferral of payment must be applied for before a development contribution payment is made to the DCC. The DCC will not allow remissions or assessment of unusual developments retrospectively. Any request for remission, assessment of an unusual development or a deferral of payment of development contributions shall be made by notice in writing, from the applicant to the DCC before development contributions required on the development are paid. Any request for remission, assessment of unusual developments or deferral of payment shall set out reasons for the request.

Cost – The cost of considering a remission, unusual development or deferral of payment will be on a cost recovery basis. Each applicant pays for the actual cost of processing their particular application. The developer will be required to pay an initial fixed deposit when they make their application. This deposit must be paid before the application will be accepted.

The fixed deposit and schedule of charges for processing an application are set out in a schedule of charges that will be reviewed annually. The final amount payable is dependent on the total amount of time and money the DCC spends in processing the application for a remission, assessment of an unusual development or a deferral of payment.

When a decision on the application has been made the DCC will add up the amount of time and money spent and compare the total to the initial deposit. If the total is more than \$25 above the initial deposit, the applicant will be sent an invoice requiring the payment of the additional costs. If the total is more than \$25 below the initial deposit, the applicant will be sent a refund of the unspent money. The invoice or refund will normally be sent within one month of a decision on the application being made or the application being withdrawn.

In undertaking the assessment:

- the DCC shall consider the request as soon as reasonably practicable
- the DCC may determine whether to hold a hearing for the purposes of the review, and if so, give at least five working days’ notice to the applicant of the commencement date, time, and place of the hearing

- for a remission only, the DCC may, at its discretion, uphold, reduce, or cancel the original amount of development contribution required on the development
- the DCC shall communicate its decision in writing to the applicant within 15 working days' of any determination or hearing.

Where the DCC decides to consider a request for a remission the following matters will be taken into account:

- The Development Contributions Policy.
- The DCC's Funding and Financial Policy.
- The extent to which the value and nature of works proposed by the applicant reduces the need for works proposed by the DCC in its capital works programme.
- The level of existing development on the site. Where multiple existing and pre-existing uses can be established the DCC may have regard to the most intensive use(s) and the extent of time that has elapsed since those pre-existing uses existed.
- Development contributions paid and/or works undertaken and/or land set aside as a result of:
 - Development Contributions
 - Agreements with the DCC
 - Financial Contributions under the Resource Management Act.
- Any other matters the DCC considers relevant.

Refunds

The refund of money and return of land will occur in accordance with sections 209 and 210 of the Local Government Act 2002, in the following circumstances:

- if development or building does not proceed
- if a consent lapses or is surrendered
- if the DCC does not provide any reserve, network infrastructure or community infrastructure for which the development contribution has been collected within 10 years of that contribution being received. Where a specific project does not proceed, DCC will only refund a contribution if the service delivered by that project is not provided.

Any refunds will be issued to the consent holder of the development to which they apply. The amount of any refund will be the contribution paid, less any costs already incurred by the DCC in relation to the development or building and its discontinuance, and will not be subject to any interest or inflationary adjustment.

Money or land

The Local Government Act 2002 provides that a development contribution may be money or land, or both. Under this Policy the contribution shall be money unless, at the sole discretion of the DCC, a piece of land offered by the developer would adequately suit the whole or part of the purpose for which the contribution is sought.

Esplanade Reserves

Esplanade Reserves and Strips do not fall within the ambit of reserves for development contributions. Esplanade Reserves will continue to be dealt with under the Resource Management Act 1991 as they are at present and will generally not be discounted against development contributions due for Reserves. There may be rare circumstances where the DCC desires a wider Esplanade Reserve, for example, and where additional land may be offered as partial or total payment of the development contribution liability for reserves. This would have to be agreed with the DCC's Parks and Recreation Services Department and recorded in a development agreement.

Glossary

Commercial – Use of land or buildings that includes the display, offering, provision, sale or hire of goods, equipment or service. Includes administrative or professional offices, offices and depots for trade services, childcare facilities, restaurants, service stations, rural retail sales activity, rural tourist activity, self-storage units, panel beaters, internet-based sales, repair stores and garden supply stores.

Equivalent household unit (EHU) – A typical residential dwelling, representing a unit of demand for which non-residential land uses can be described by. Non-residential activities, such as visitor accommodation and commercial, can be converted into equivalent household units using land use differentials. Equivalent household units enable the demand of different land uses to be considered collectively.

Dwelling – Any residential unit, irrespective of the number of habitable rooms in that unit, but excluding family flats.

Family Flat – A family flat is a secondary residential unit to be occupied by a family member/s of the household that lives in a residential unit on the same site or within the same building as the family flat. The family flat must be within the same site as the primary residential unit and be on the same infrastructure connection. A written statement shall be provided with the application creating the family flat confirming that it is not intended for tenancy, lease, licence or other agreement.

Farming – Land zoned Rural with no dwelling, irrespective of the rating land use, plus sites zoned Rural greater than 15ha than contain a dwelling. Also includes land zoned Rural Residential but rated Farmland where no dwelling exists or is proposed to be built.

Gross Floor Area – The sum of the gross area of the several floors of all buildings on a site, measured from the exterior faces of the exterior walls or from the centre lines of walls separating two buildings. Buildings that have no enclosed sides or only one fully enclosed side will be excluded from gross floor area.

Habitable Rooms – In determining habitable rooms within a residential unit, accessory building or family flat, a habitable room is any room that is greater than 4.5m² in floor area and capable to be used for sleeping purposes. Habitable rooms do not include entranceways, passageways, toilets, bathrooms, separate kitchen, laundries, or garages. For residential units with more than one habitable room, the calculation of habitable rooms will exclude only one functional living area per residential unit (including family flats). Any additional rooms which could be used both as a living area or for sleeping purposes will be counted as a habitable room.

Studio rooms count as one habitable room. Habitable rooms in associated sleepouts and accessory buildings will be counted towards the rooms in the principal residential unit.

Industrial – Primarily activities that involve the manufacturing, fabricating, processing, packing or associated storage of goods. Also includes rural processing activities, transport yards and depots, printing and publishing, warehousing/large scale storage activities (but not self-storage units), wholesale distributors and port-related activities.

Impermeable Surface Area – The sum of the roof area of buildings on a site and the area of hard surfaces used for driveways, parking or manoeuvring. A hard surface is a surface through which water cannot pass and examples include concrete, asphalt, chip seal, and impermeable/impervious/non-porous paving stones. For the Rural Residential land use category, only the roof area of dwellings shall be counted as impermeable surface area.

Lot – has the same meaning as a 'Site' under the District Plan, meaning an area of land held in one Certificate of Title, which may be sold or otherwise disposed of separately without reference to the Council, provided that a site may contain one or more Certificates of Title where a restriction has been registered on the Title preventing sale or lease of any parcel. of Title where a restriction has been registered on the Title preventing sale or lease of any parcel.

Otago University/Polytechnic (Accommodation) – Land or buildings used or intended to be used by students or staff of the University of Otago or Otago Polytechnic for residential type accommodation, where the primary activity takes the form of a college or hall of residence. Such developments are typified by a larger number of bedrooms, shared cooking or dining facilities for a large number of occupants, and catering and laundry services being provided for residents. Developments with any building or part of a building containing 10 or more habitable rooms in a residential unit will be treated under this category.

Otago University/Polytechnic (Other) – Land or buildings used by the University of Otago or Otago Polytechnic that are not for the purpose of residential type accommodation.

Residential Unit – A residential unit is defined as a residential activity which consists of a single self-contained household unit, whether of one or more persons, and includes accessory buildings and a family flat. For the purposes of this definition, residential activity means the use of land and buildings by a residential unit for the purpose of permanent living accommodation and includes emergency housing, refuge centres, halfway houses and papakaika housing if these are in the form of residential units.

Residential activity also includes home occupation, childcare facility for up to and including five children, and home stay or boarding house for up to and including five guests – provided that these are secondary to the permanent living accommodation

Rural Residential – Land zoned Rural Residential in the Dunedin City District Plan where there is an existing dwelling on the site, or sites with no dwelling where the rating differential is Lifestyle. Proposals to build a dwelling on land zoned Rural Residential with a rating differential of Farmland will be treated as Rural Residential. Proposals to build an additional dwelling on an existing farm will be assessed as Rural Residential. Sites zoned Rural in the Dunedin City District Plan and less than 15ha in size will be treated as Rural Residential where there is an existing dwelling on the site, or where a dwelling is proposed to be built.

Visitor Accommodation – Land or buildings used for the accommodation of people and which are or can be let on a commercial tariff, including boarding houses for six guests or more, and home stays for six (6) guests or more. This category includes backpacker accommodation, motels, hotels, tourist lodges, holiday flats, tourist cabins, camp grounds, motor inns, and accessory buildings or ancillary activities on the same site. Boarding houses for less than six guests and home stays for less than six guests will be treated as residential.

Summary Disclosure Tables

The following disclosure tables show a summary for each activity, and for each area of benefit, for the 10-year period between 2015/16 and 2024/25. The disclosure tables demonstrate:

- The nature and level of expected capital expenditure required by the DCC and the portion that is attributable to growth.
- The growth costs consumed within each contributing area and the growth, in EHU's, used to calculate the development contributions.

The disclosure tables show the total calculated contributions, before any rounding or \$5,000 caps are applied. The full disclosure tables can be found in the appendices of the Detailed Supporting Document.

Table 7: Water Supply

Water Supply Area of Benefit	Total Capital Costs Considered	Total Growth Costs Considered	Growth Portion of Total Capital Costs Considered	2015/16-2024/25 Long Term Plan Total Capital Cost	2015/16-2024/25 Long Term Plan Growth Costs	2015/16-2024/25 Long Term Plan Costs Funded by Other Sources	Growth Costs to be Funded by Development Contributions	Growth Costs Consumed 2015-2024	Weighted Average No. of EHU's 2015-2024	Standard Development Contribution Per EHU (\$)
City Headworks Charge – WS	167,980,666	10,759,497	6%	86,016,928	1,197,469	84,819,459	100%	4,330,826	2,738	\$1,582
Dunedin Metro WS – Other Assets Charge	50,612,857	412,475	1%	21,966,396	32,839	21,933,557	100%	210,384	2,157	\$98
Mosgiel WS – Other Assets Charge	5,676,989	3,573	0%	2,986,504	0	2,986,504	100%	576	511	\$1
Outram WS – Other Assets Charge	375,798	28,205	8%	0	0	0	100%	5,674	24	\$235
Waitati, Warrington, Merton, and Seacliff WS – Other Assets Charge	7,964,100	1,985,196	25%	0	0	0	100%	1,066,595	46	\$23,120
Allanton – WS scheme	0	0	0%	0	0	0	100%	0	44.4	\$0
Rockland Rural – WS scheme	67,094	0	0%	0	0	0	100%	0	0.5	\$0
Waikouaiti, and Karitane – WS scheme	5,699,543	389,632	7%	1,608,698	1,022	1,607,676	100%	202,730	39	\$5,231
West Taieri – WS scheme	9,496,722	1,338,742	14%	4,231,875	298,326	3,933,548	100%	537,554	19	\$28,662
Total	247,873,768	14,917,321	6%	116,810,400	1,529,656	115,280,744		6,354,338	2,796	

Note: Dunedin Metropolitan, Mosgiel, Outram and Waitati & Warrington pay a City Headworks Charge and an Other Assets Charge.

Table 8: Wastewater

Wastewater Area of Benefit	Total Capital Costs Considered	Total Growth Costs Considered	Growth Portion of Total Capital Costs Considered	2015/16-2024/25 Long Term Plan Total Capital Cost	2015/16-2024/25 Long Term Plan Growth Costs	2015/16-2024/25 Long Term Plan Costs Funded by Other Sources	Growth Costs to be Funded by Development Contributions	Growth Costs Consumed 2015-2024	Weighted Average No. of EHU's 2015-2024	Standard Development Contribution Per EHU (\$)
Tahuna WW Treatment Charge	129,418,280	16,345,217	13%	17,352,019	686,577	16,665,442	100%	6,927,454	2,021.4	\$3,427
Tahuna WW Other Assets Charge	64,849,583	230,517	0%	43,434,136	176,400	43,257,736	100%	145,732	2,021.4	\$72
Green Island WW Treatment Charge	24,315,983	2,448,232	10%	3,046,913	209,978	2,836,935	100%	892,875	392.2	\$2,276
Green Island WW Other Assets Charge	9,323,349	52,352	1%	6,127,696	44,215	6,083,481	100%	19,668	392.2	\$50
Mosgiel WW Treatment Charge	11,047,391	659,159	6%	4,911,883	373,167	4,538,716	100%	388,914	539.2	\$721
Mosgiel WW Other Assets Charge	13,512,928	1,300,968	10%	8,035,035	59,263	7,975,773	100%	734,798	539.2	\$1,363
Middlemarch – WW scheme	773,270	5,258	1%	619,028	5,051	613,978	100%	2,012	6.3	\$318
Seacliff – WW scheme	169,070	2,847	2%	129,565	2,732	126,834	100%	1,121	4.8	\$233
Waikouaiti, Karitane – WW scheme	2,637,091	548	0%	1,943,734	528	1,943,206	100%	186	1.9	\$99
Warrington – WW scheme	546,044	0	0%	431,969	0	431,969	100%	0	21.9	\$0
Total	256,592,989	21,045,098	8%	86,031,979	1,557,910	84,474,068		9,112,759	2,988	

Note: Tahuna, Green Island and Mosgiel pay a Treatment Charge and an Other Assets Charge.

Table 9: Stormwater

Stormwater Area of Benefit	Total Capital Costs Considered	Total Growth Costs Considered	Growth Portion of Total Capital Costs Considered	2015/16-2024/25 Long Term Plan Total Capital Cost	2015/16-2024/25 Long Term Plan Growth Costs	2015/16-2024/25 Long Term Plan Costs Funded by Other Sources	Growth Costs to be Funded by Development Contributions	Growth Costs Consumed 2015-2024	Weighted Average No. of EHU's 2015-2024	Standard Development Contribution Per EHU (\$)
City Wide	56,332,278	1,015,754	2%	40,467,100	845,863	39,621,237	100%	502,796	2,797	180

Table 10: Transportation

Transportation Dunedin Area of Benefit	Total Capital Costs Considered	Total Growth Costs Considered	Growth Portion of Total Capital Costs Considered	2015/16-2024/25 Long Term Plan Total Capital Cost	2015/16-2024/25 Long Term Plan Growth Costs	2015/16-2024/25 Long Term Plan Costs Funded by Other Sources	Growth Costs to be Funded by Development Contributions	Growth Costs Consumed 2015-2024	Weighted Average No. of EHU's 2015-2024	Standard Development Contribution Per EHU (\$)
Dunedin Metro	242,094,054	3,355,853	1%	111,206,933	2,519,480	108,687,453	100%	2,148,990	4,380	\$491
Dunedin Other	53,971,233	598,493	1%	24,267,170	439,347	23,827,824	100%	236,336	521	\$453
Total	296,065,286	3,954,345	1%	135,474,103	2,958,827	132,515,276		2,385,326	4,901	

Table 11: Community Infrastructure

Community Infrastructure Area of Benefit	Total Capital Costs Considered	Total Growth Costs Considered	Growth Portion of Total Capital Costs Considered	2015/16-2024/25 Long Term Plan Total Capital Cost	2015/16-2024/25 Long Term Plan Growth Costs	2015/16-2024/25 Long Term Plan Costs Funded by Other Sources	Growth Costs to be Funded by Development Contributions	Growth Costs Consumed 2015-2024	Weighted Average No. of EHU's 2015-2024	Standard Development Contribution Per EHU (\$)
Dunedin Metropolitan	8,520,002	258,141	3.03%	3,254,274	253,880	3,000,395	100%	142,016	3,088	\$46
Dunedin Other	3,532,350	40,040	1.13%	328,226	39,253	288,972	100%	18,256	259	\$70
Total	12,052,352	298,182	2.47%	3,582,500	293,133	3,289,367		160,272	3,347	

Table 12: Reserves

Reserves Area of Benefit	Total Capital Costs Considered	Total Growth Costs Considered	Growth Portion of Total Capital Costs Considered	2015/16-2024/25 Long Term Plan Total Capital Cost	2015/16-2024/25 Long Term Plan Growth Costs	2015/16-2024/25 Long Term Plan Costs Funded by Other Sources	Growth Costs to be Funded by Development Contributions	Growth Costs Consumed 2015-2024	Weighted Average No. of EHU's 2015-2024	Standard Development Contribution Per EHU (\$)
Dunedin Metropolitan	17,542,742	2,092,773	12%	3,589,655	94,855	3,494,800	100%	1,058,635	3,151	\$336
Dunedin Other	837,647	84,979	10%	291,845	25,423	266,421	100%	40,631	259	\$157
Reserves Total	18,380,389	2,177,753	12%	3,881,500	120,278	3,761,222		1,099,266	3,410	

Table 13: Mosgiel Plan Change Areas Schedule of Projects

Area of Benefit	Activity	Asset/Project	DCC Capital Cost	Growth %	Proportion recovered through DC's	Proportion recovered from other sources
Mosgiel East	Wastewater	Factory Road foul sewer – 300 diameter	\$344,991	100%	\$344,991	\$0
		* Pump Station Upgrade for Variation 15 and 9B	\$286,367	13%	\$37,868	\$248,499
	Wastewater Total		\$631,358		\$382,859	\$248,499
	Stormwater	Hagart Alexander Drive stormwater sewer project	\$2,273,333	30%	\$682,000	\$1,591,333
	Transportation	Roundabout: Wingatui Road/Factory Road	\$600,000	85%	\$510,000	\$90,000
		Factory Road Improvements	\$448,839	90%	\$403,955	\$44,884
		Wingatui Road Improvements	\$368,079	90%	\$331,271	\$36,808
		Factory Road/Centre Street Roundabout Land	\$82,390	10%	\$8,239	\$74,151
		Roundabout: Factory Road/New Road	\$0	85%	\$0	\$0
		Roundabout: Factory Road/Centre Street/Hagart Alexander Drive	\$206,822	0%	\$0	\$206,822
	Transportation Total		\$1,706,130		\$1,253,465	\$452,665
	Reserves – Local	* Reserve Development Mosgiel East	\$1,793,778	91%	\$1,631,366	\$162,412

Area of Benefit	Activity	Asset/Project	DCC Capital Cost	Growth %	Proportion recovered through DC's	Proportion recovered from other sources
Variation 9B	Water Supply	Variation 9B watermain	\$1,230,450	100%	\$1,230,450	\$0
	Wastewater	* Pump Station Upgrade for Variation 15 and 9B	\$172,858	13%	\$22,858	\$150,000
		* Reticulation Facilities for Variation 9B	\$584,579	60%	\$352,721	\$231,858
	Wastewater Total		\$757,437		\$375,579	\$381,858
Plan Change 15 – Mosgiel West Area	Reserves – Local	* Reserve Development Mosgiel West	\$1,125,000	100%	\$1,125,000	\$0
	Water Supply	* Mosgiel West and East C Gladstone Road watermain	\$405,000	100%	\$405,000	\$0
		* Mosgiel West and East C Gladstone Road watermain	\$732,800	100%	\$732,800	\$0
	Water Supply Total		\$1,137,800		\$1,137,800	\$0
	Wastewater	* Pump Station Upgrade for Variation 15 and 9B	\$214,422	13%	\$28,354	\$186,068
		* Burns St PS Upgrade Variation 15 – Pump Station	\$418,529	40%	\$167,411	\$251,117
		* Burns St PS Upgrade Variation 15 – Mosgiel West Wastewater reticulation upgrades	\$152,471	100%	\$152,471	\$0
	Wastewater Total		\$785,422		\$348,237	\$437,185
	Transportation	Upgrade to Cemetery Road	\$2,012,600	100%	\$2,012,600	\$0
		Riccarton Road Access Link Area	\$786,720	100%	\$786,720	\$0
	Transportation Total		\$2,799,320		\$2,799,320	\$0
Plan Change 15 – Mosgiel East Area C	Water Supply	* Mosgiel West and East C Gladstone Road watermain	\$405,000	100%	\$405,000	\$0
	Wastewater	* Gladstone Road North Pump Station	\$245,900	100%	\$245,900	\$0

Areas of Benefit Maps

Water Supply Areas of Benefit Maps

- Dunedin Metro
- Mosgiel
- Outram
- Waitati, Warrington, Merton and Seacliff
- West Taieri
- Rocklands
- Waikouaiti and Karitane

Wastewater Areas of Benefit Maps

- Tahuna
- Green Island
- Mosgiel
- Middlemarch
- Seacliff
- Waikouaiti and Karitane
- Warrington

Stormwater Area of Benefit Map

- City Wide

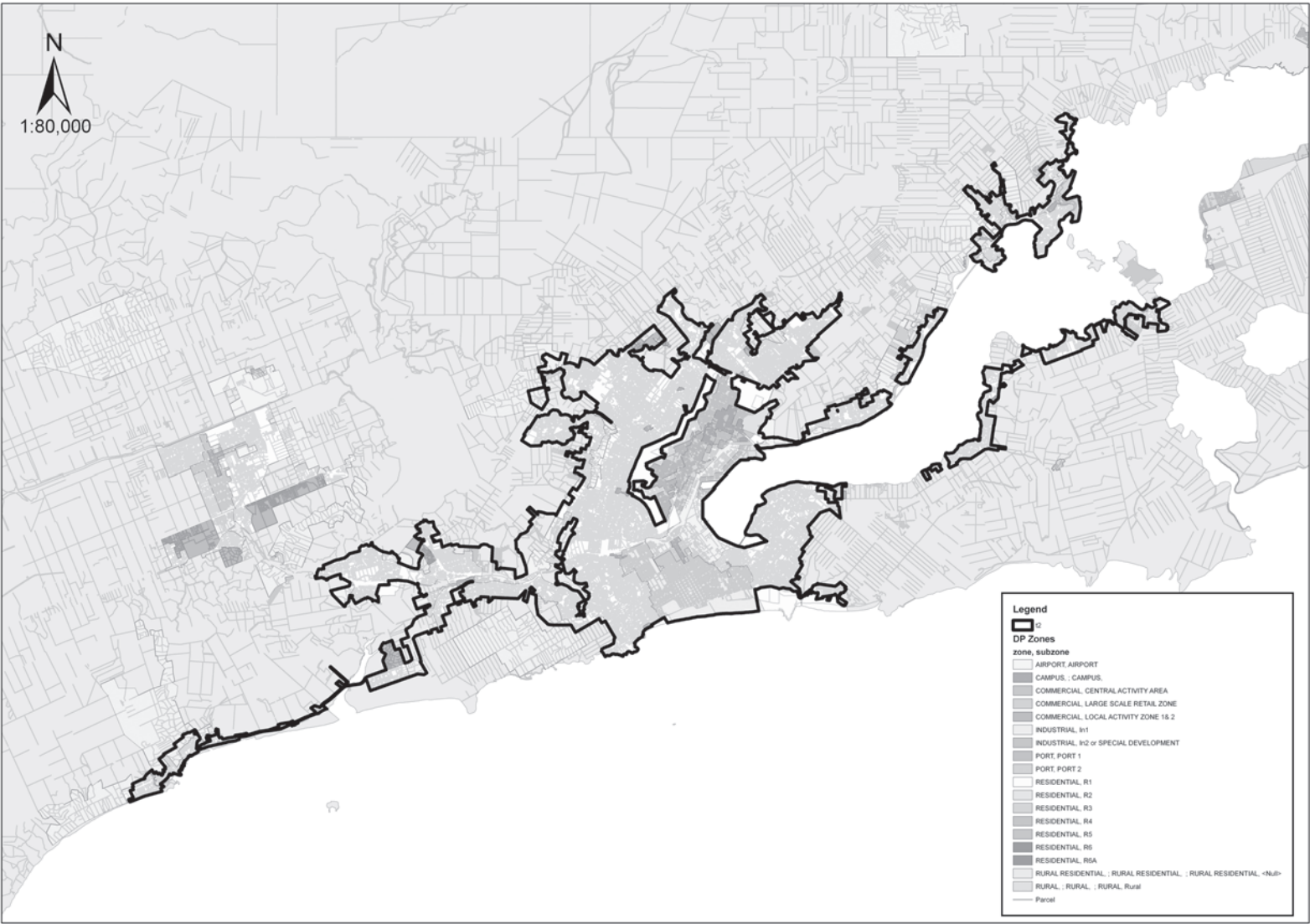
Transportation, Community Infrastructure and Reserves Areas of Benefit Map

- Dunedin Metropolitan and Dunedin Other

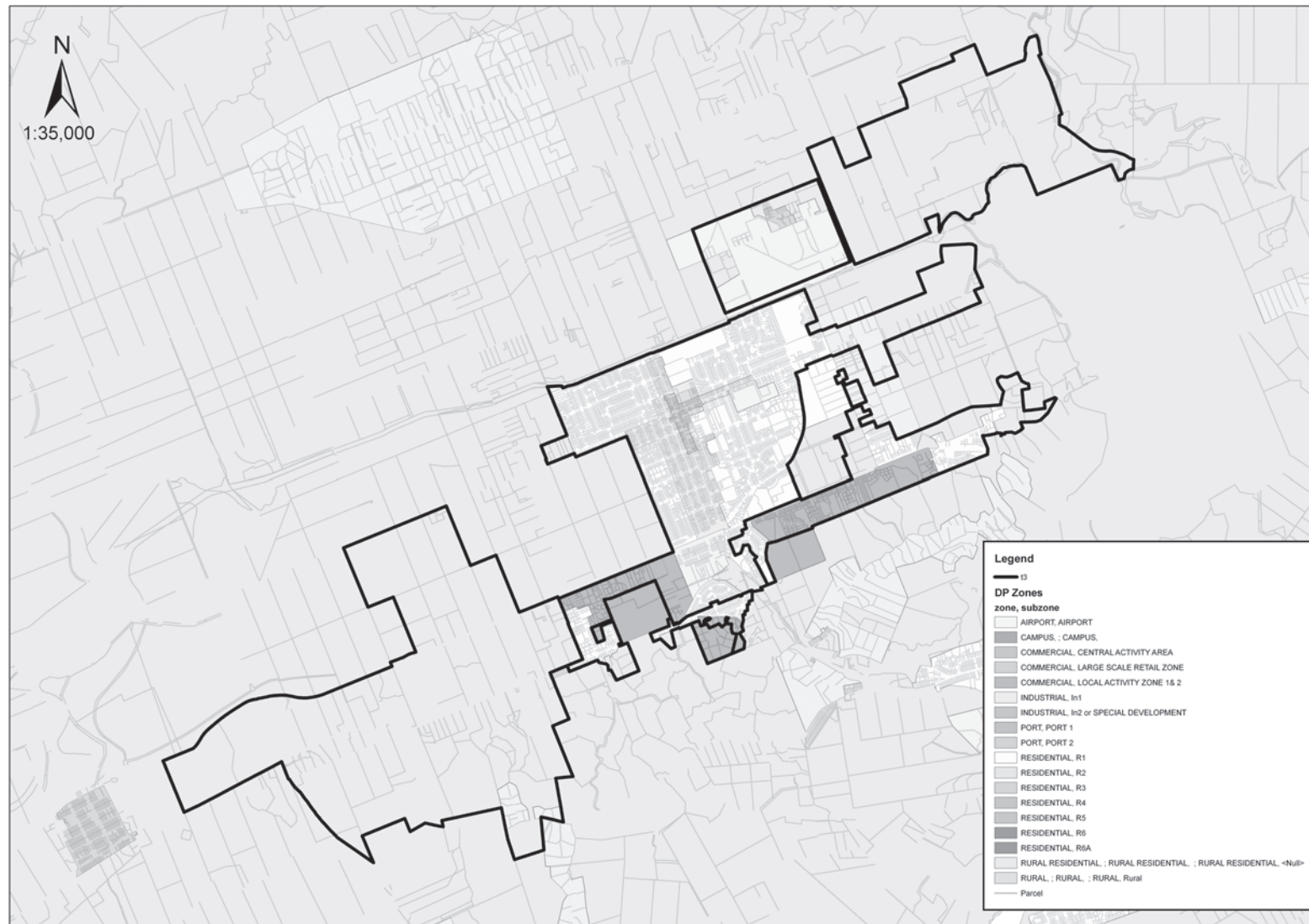
Mosgiel Plan Change Area of Benefit Map

- Mosgiel East – Local Reserves, Transportation, Stormwater and Wastewater
- Mosgiel West – Local Reserves, Transportation, Water Supply and Wastewater
- Mosgiel West – Transportation – Riccarton Road Access Link Area
- Mosgiel East C Water Supply and Wastewater
- Mosgiel Variation 9B Water Supply and Wastewater

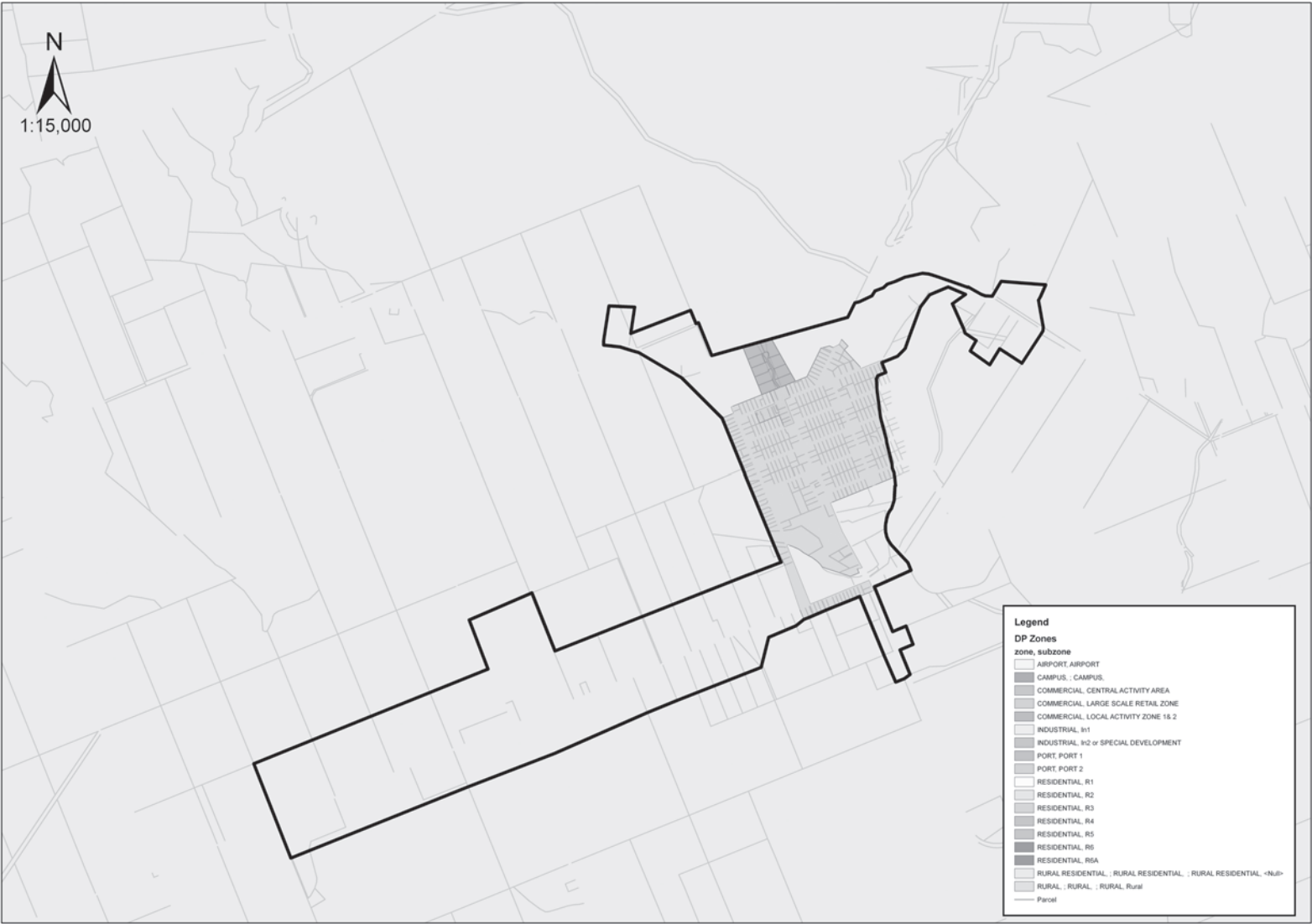
Map 1: Dunedin Metro Area of Benefit – Water Supply



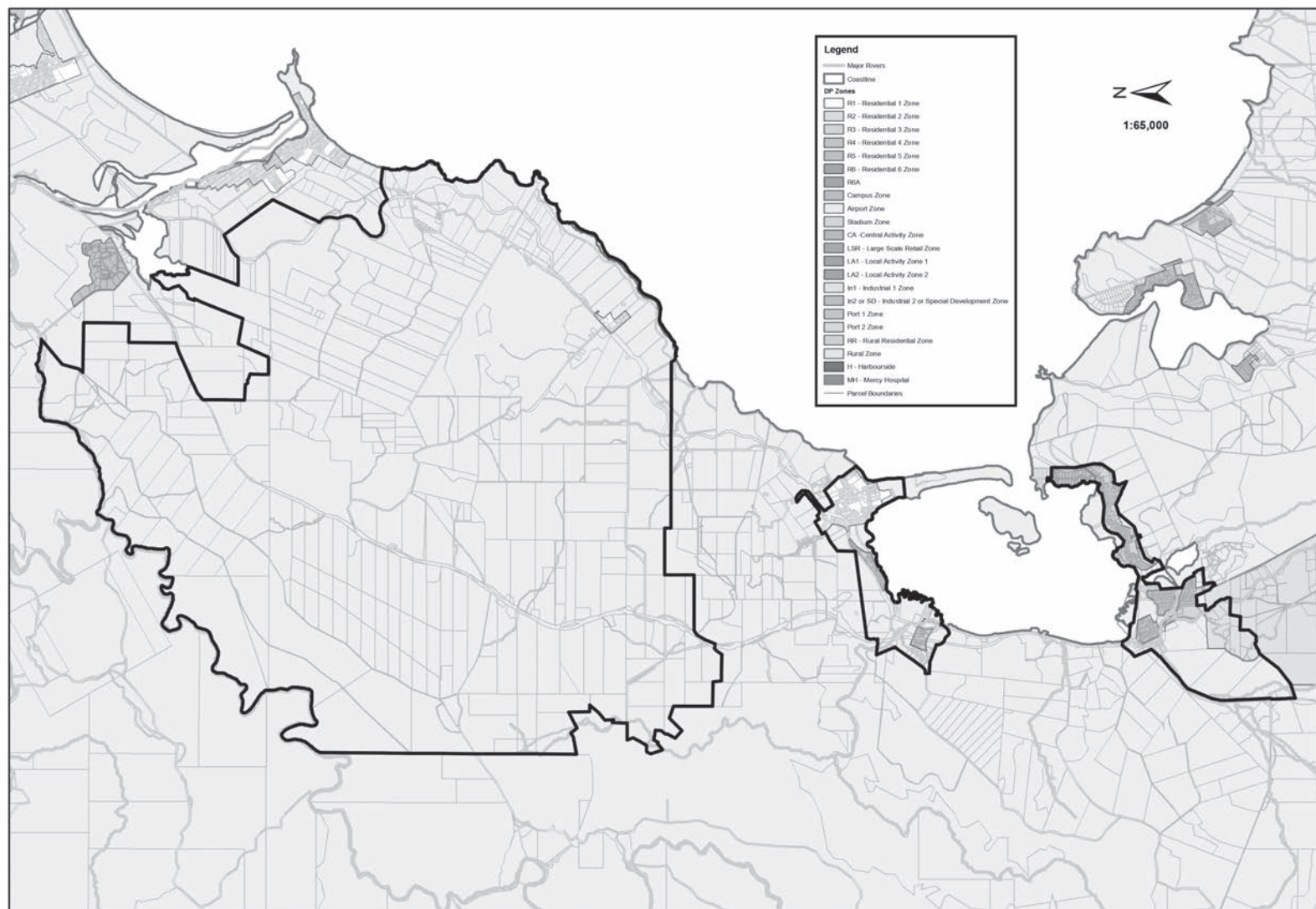
Map 2: Mosgiel Area of Benefit – Water Supply



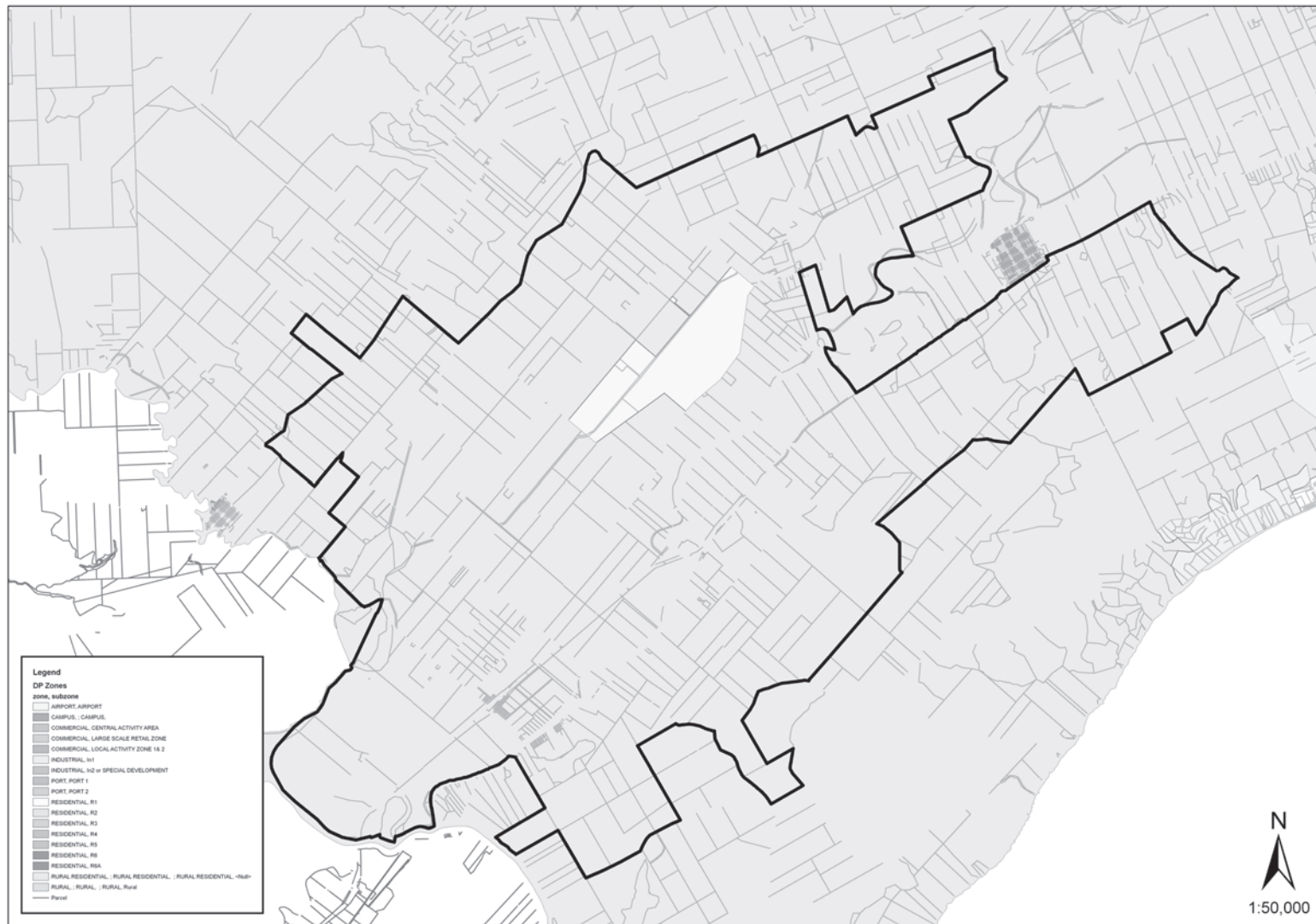
Map 3: Outram Area of Benefit – Water Supply



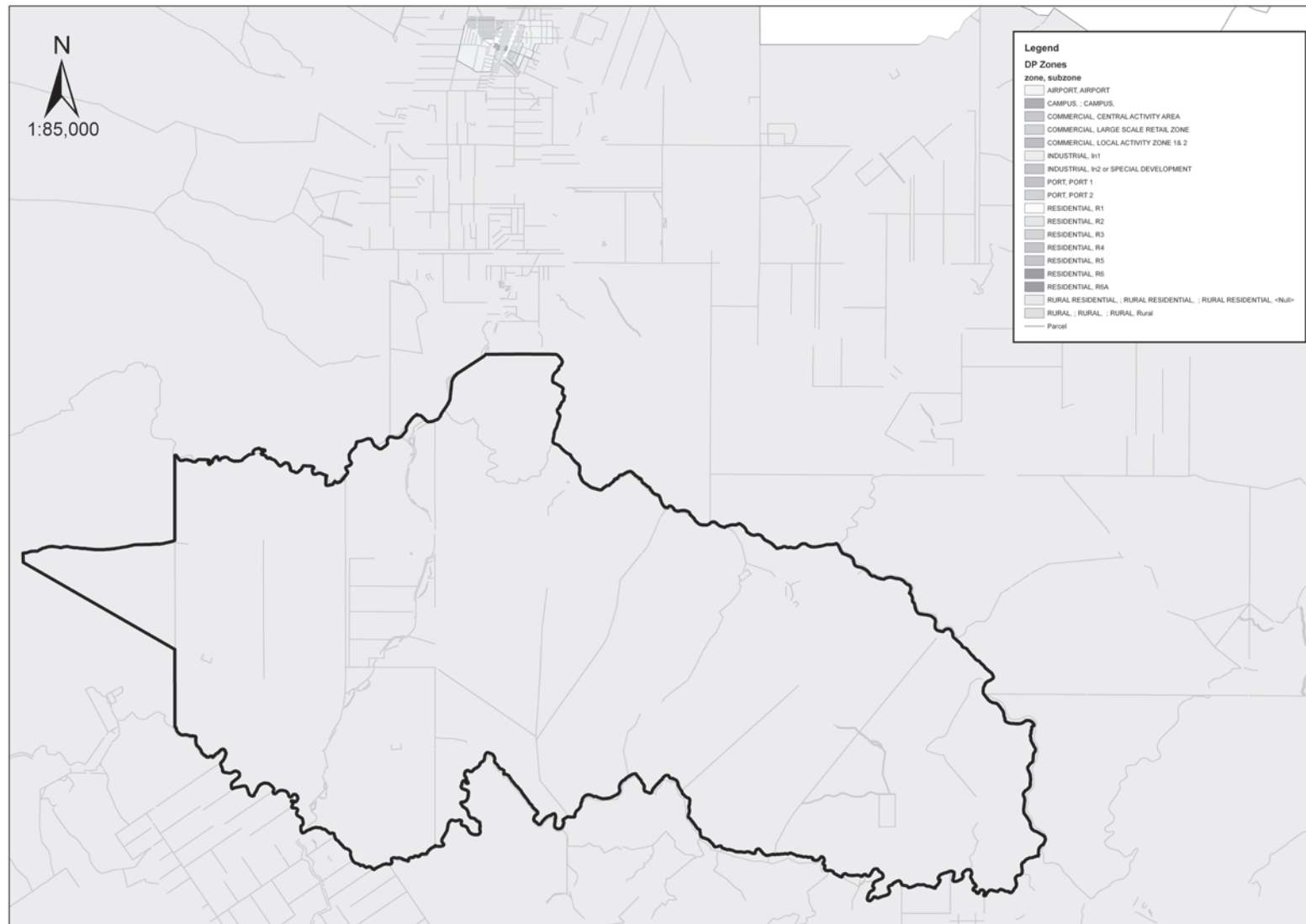
Map 4: Waitati, Warrington, Merton and Seacliff Area of Benefit – Water Supply



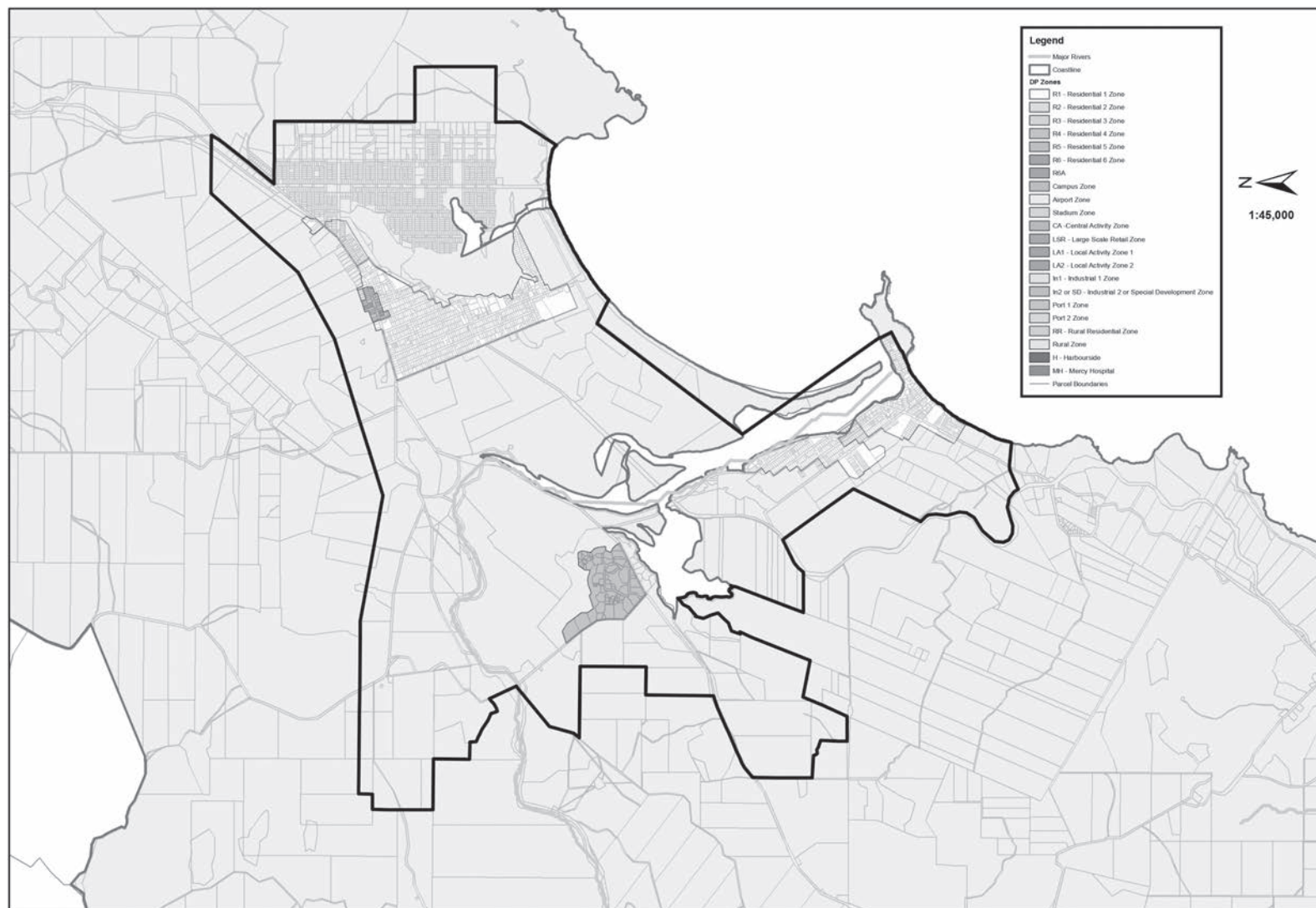
Map 5: West Taieri Area of Benefit – Water Supply



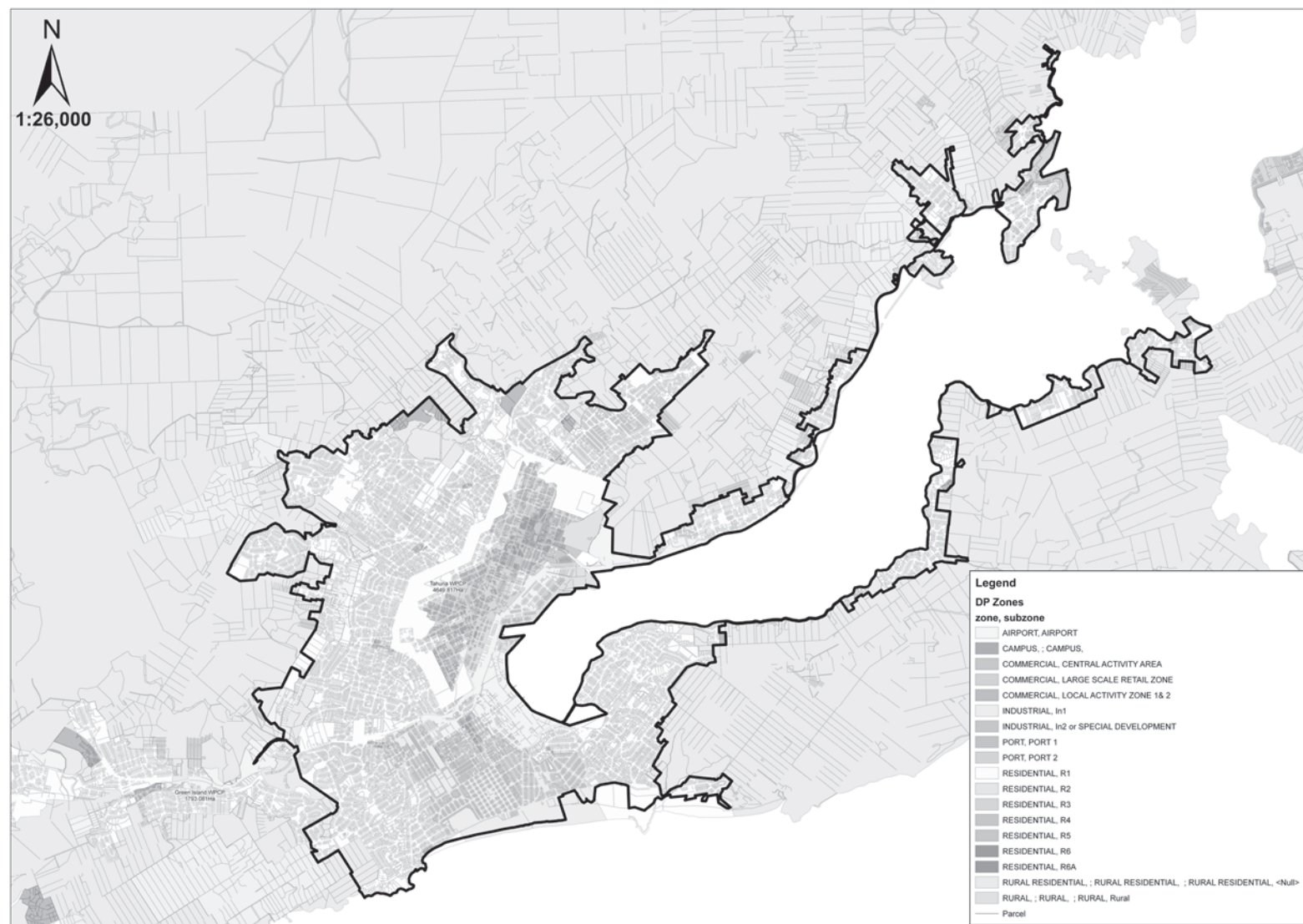
Map 6: Rocklands Area of Benefit – Water Supply



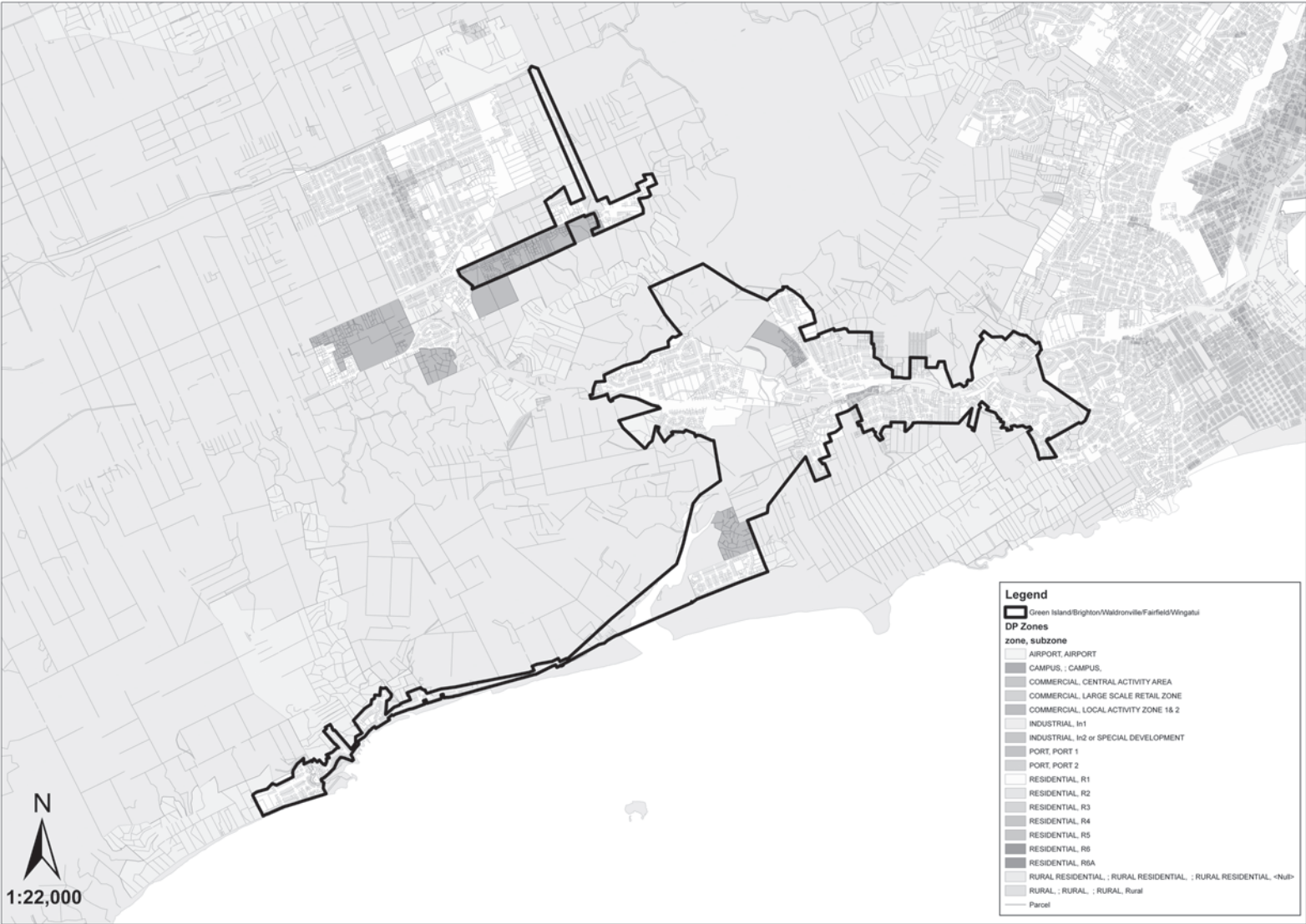
Map 7: Waikouaiti and Karitane Area of Benefit – Water Supply



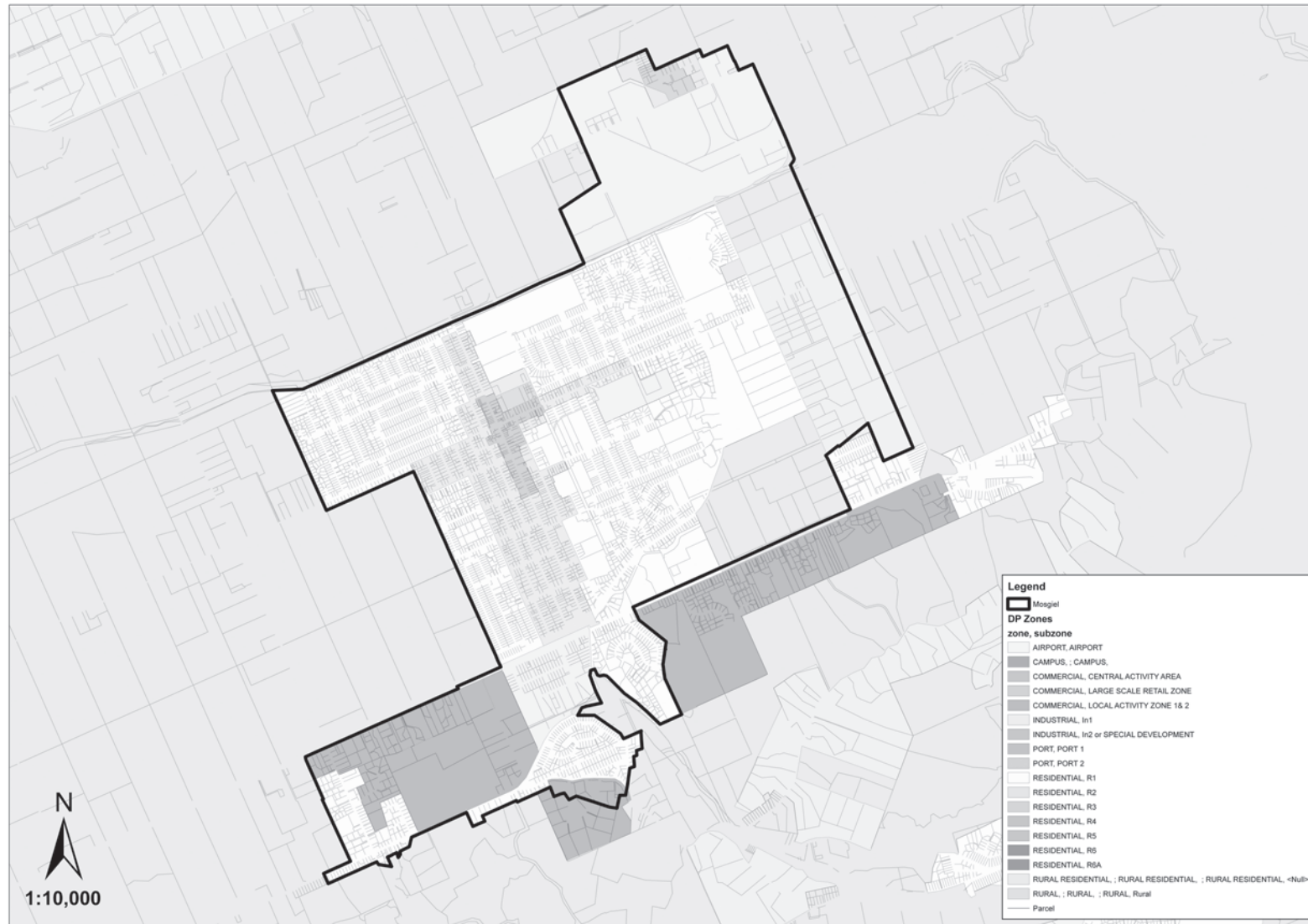
Map 8: Tahuna Area of Benefit – Wastewater



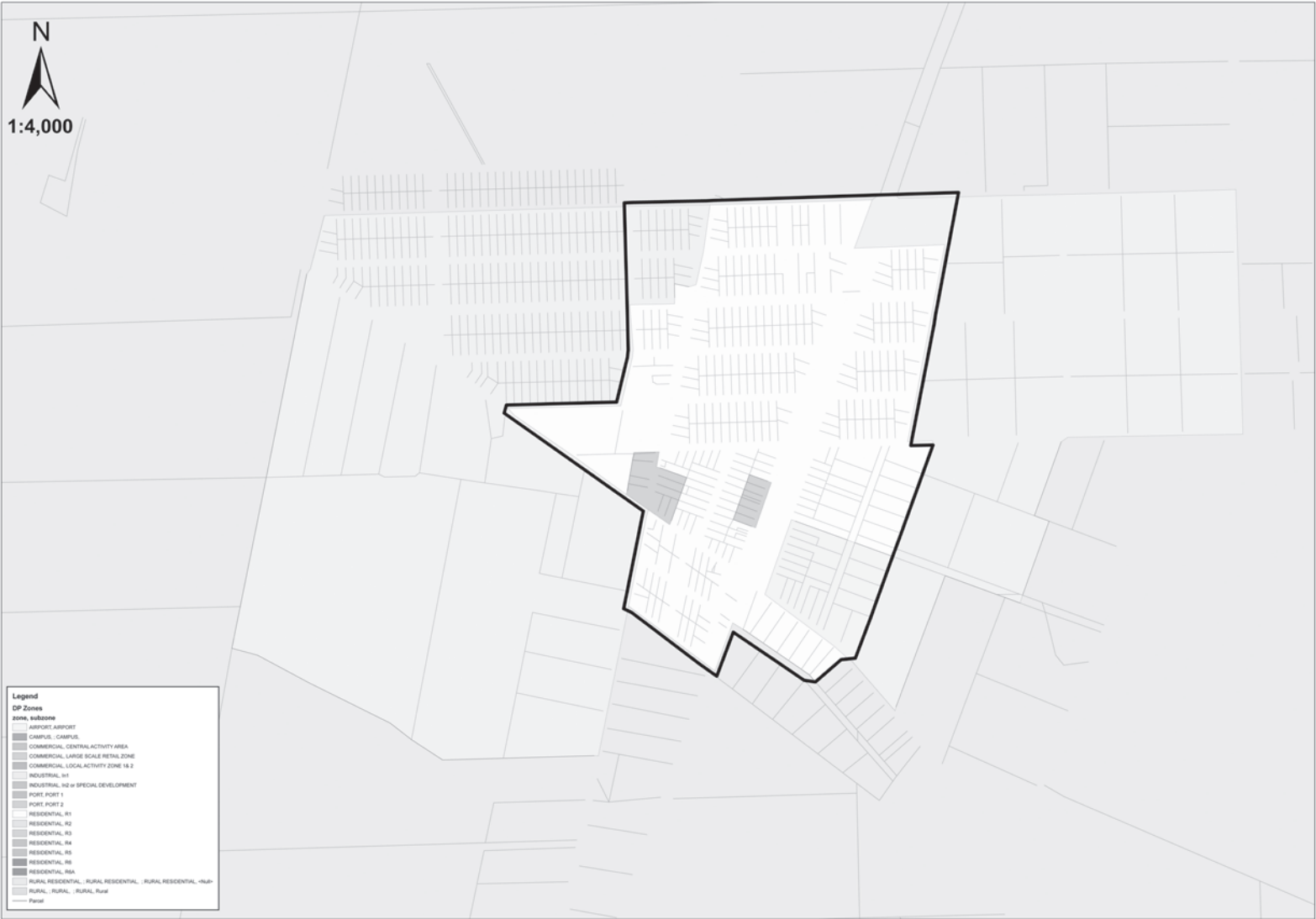
Map 9: Green Island Area of Benefit – Wastewater



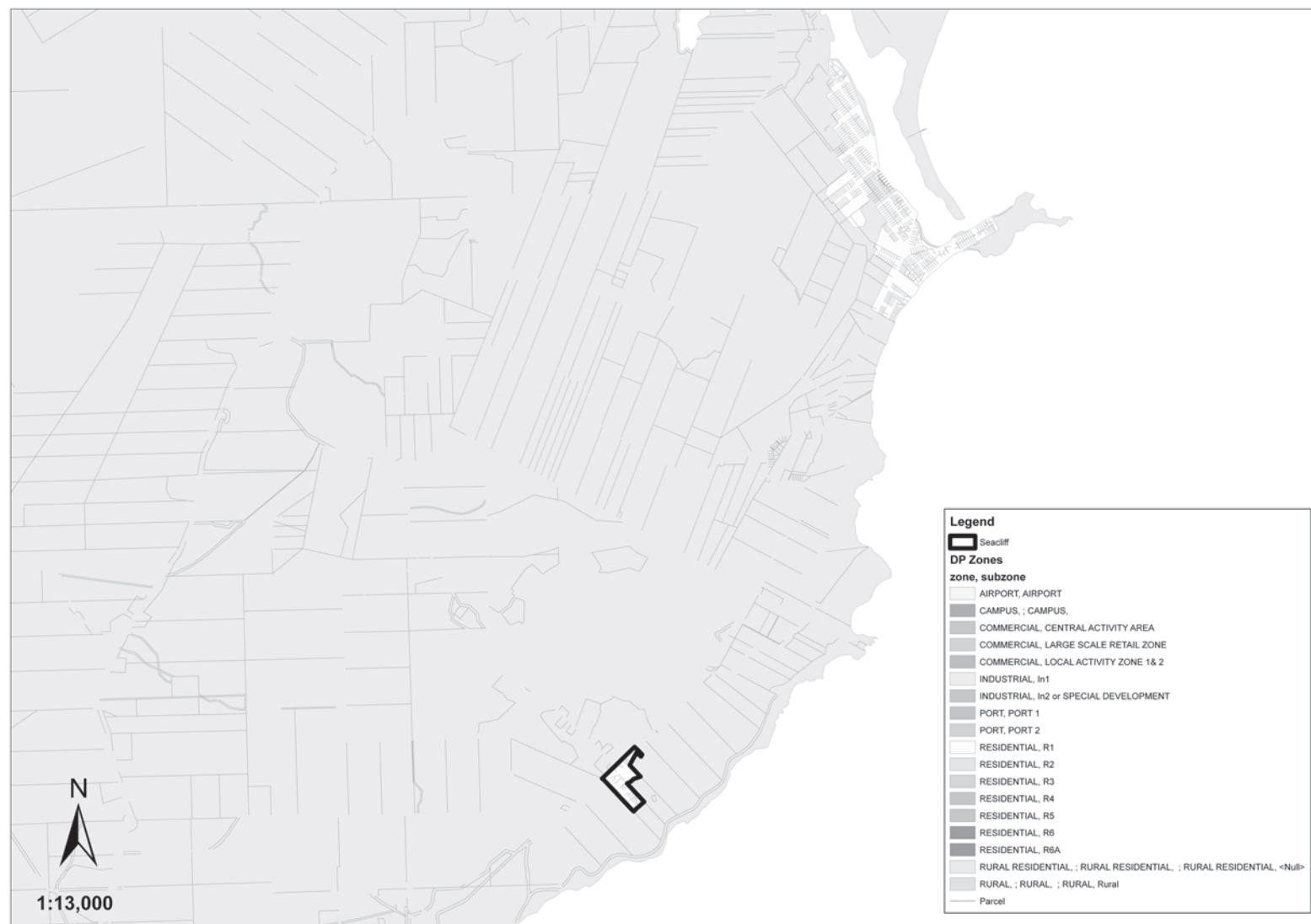
Map 10: Mosgiel Area of Benefit – Wastewater



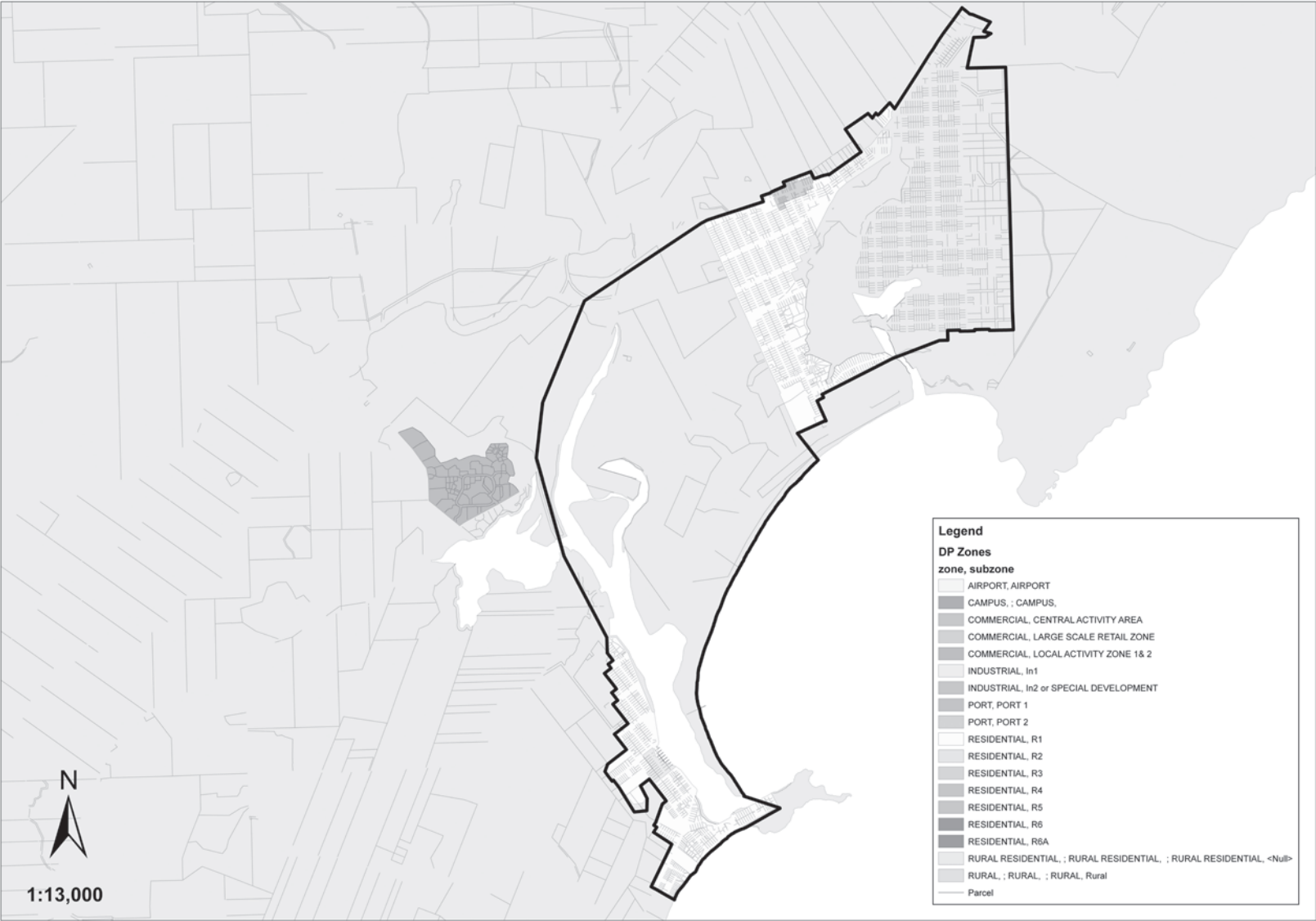
Map 11: Middlemarch Area of Benefit – Wastewater



Map 12: Seacliff Area of Benefit – Wastewater



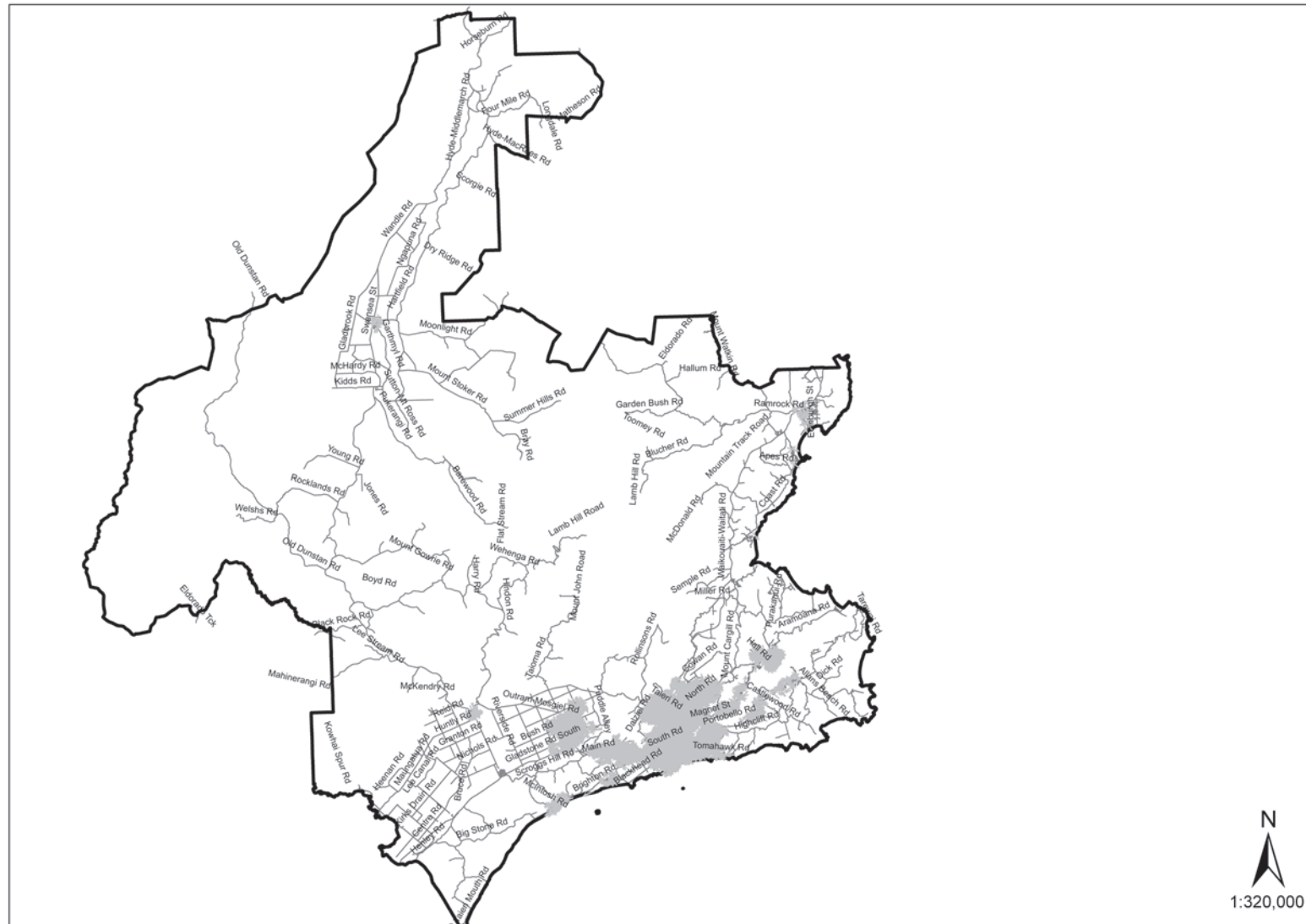
Map 13: Waikouaiti, Karitane Area of Benefit – Wastewater



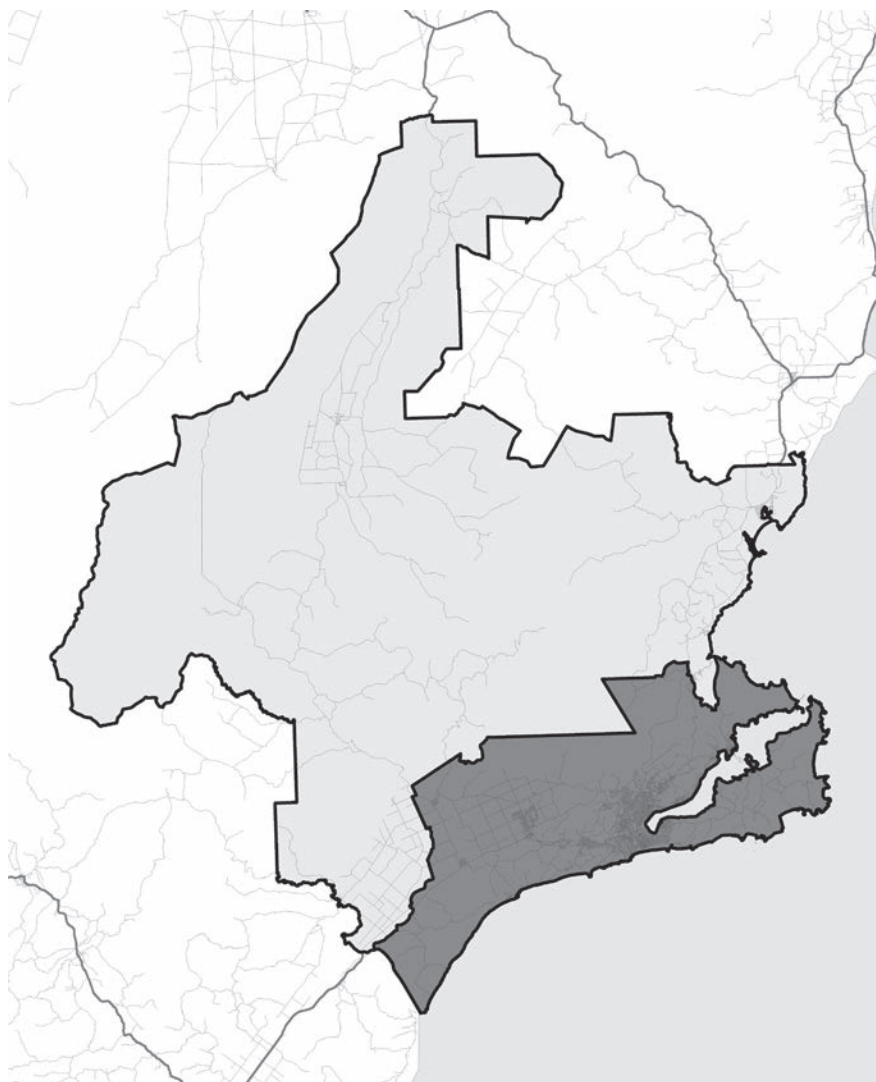
Map 14: Warrington Area of Benefit – Wastewater



Map 15: Stormwater Area of Benefit Map



Map 16: Transportation, Community Infrastructure and Reserves Area of Benefit

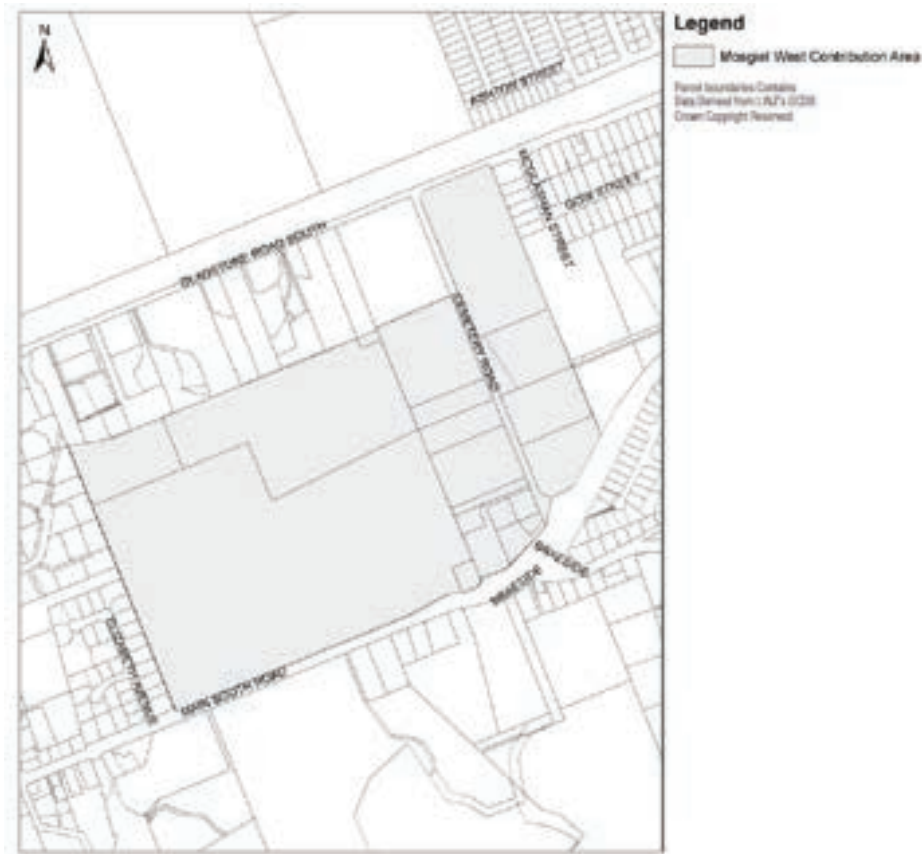


Mosgiel Plan Change Areas of Benefit

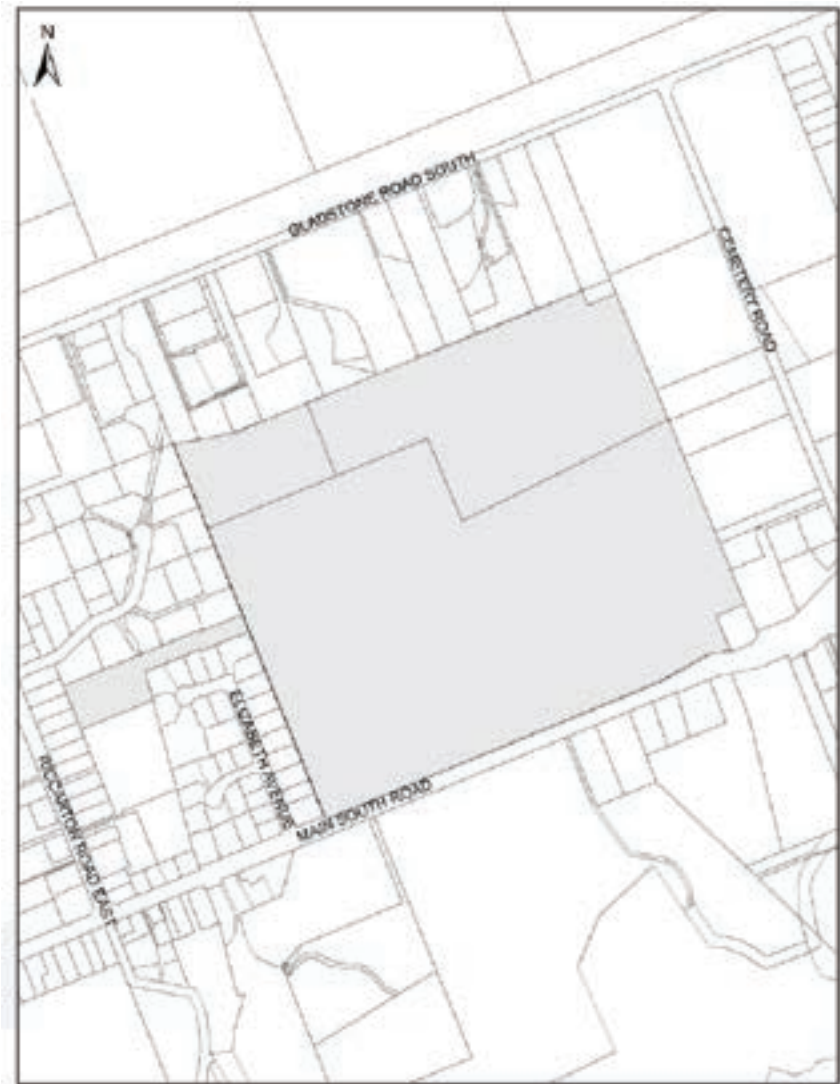
Map 1: Mosgiel East – Local Reserves, Transportation, Stormwater and Wastewater



Map 2: Mosgiel West – Local Reserves, Transportation, Stormwater and Wastewater



Map 3: Mosgiel West Riccarton Road Access Link Contribution Area



Map 4: Mosgiel East C Water Supply and Wastewater



Map 5: Mosgiel Variation 9B Water Supply and Wastewater



Significance and Engagement Policy

1 Introduction

1.1 Purpose

The Dunedin City Council will consider community views when making decisions. This Policy establishes a general approach for determining the significance of Council decisions and sets out when and how the Council will engage the community in its decision-making relative to the significance of the decision.

1.2 Objectives

The objectives of this Policy are:

- a) to establish a process for determining the significance of a decision
- b) to support public involvement in significant decision-making, which will ensure good decision-making
- c) to build positive relationships with stakeholders and the wider community, encouraging co-operation, respect and mutual understanding of other points of view
- d) to ensure that the Council meets all legislative requirements in terms of consultation and community engagement, including the requirements of section 76AA of the Local Government Act 2002 (LGA).

2 Significance

Significance means the importance of an issue, proposal, decision, or matter, as assessed by the Council, in terms of its likely impact on, and likely consequences for:

- a) Dunedin as a whole
- b) the parties and communities who are likely to be particularly affected or interested in the issue, proposal, decision or matter
- c) the financial and non-financial costs and implications, or the capacity of the Council to perform its role/functions.

2.1 Determining Significance

DCC staff and elected members will be responsible for assessing the significance of a potential decision, in accordance with legislation and this Policy.

When determining the significance of an issue, proposal, decision or other matter the criteria in section 2.2 will be considered.

2.2 Criteria for Significance

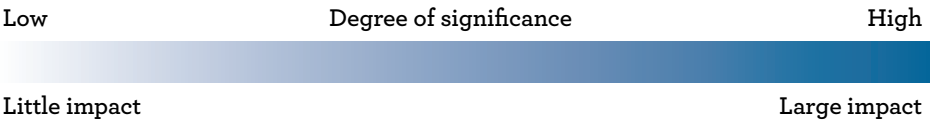
The Council has identified criteria to assess the degree of significance. The significance of an issue, proposal or decision lies somewhere on a continuum from low to high. Where the significance of a proposal or decision is unclear against one criterion, then the Council will treat that criterion as being more, rather than less, significant. If any of the following criteria are met, the proposal or decision may be ‘significant’. However, the criteria should be considered collectively to get to this point.

2.2.1 Importance to Dunedin

The extent to which the matter impacts on the DCC area, now and in the future.

Factors to be considered include:

- a) the effect on existing levels of service provided by the DCC for significant activities (including a decision to begin or cease a significant activity)
- b) the long-term social, economic, environmental and cultural impact of the decision on the needs of current and future generations
- c) the opportunity costs, the level of risk and how difficult it would be to reverse the effects of the decision.



2.2.2 Community interest

The extent to which individuals, organisations, groups and sectors within the community are particularly affected by, or are interested in, the matter.

Factors to be considered include:

- a) the number of individuals, organisations, groups and sectors within the community that are affected
- b) the extent of the impact on affected individuals, organisations, groups and sectors within the community
- c) the level of public interest, or the potential for the issue to generate interest or controversy
- d) the extent to which community opinion is divided on the matter.

Low	Degree of significance	High
Good Community Agreement		Divided Community Views

2.2.3 Consistency with existing policy and strategy

The extent to which the matter is consistent with the Council's Strategic Framework and policies (refer to Schedule 1).

Factors to be considered include:

- the extent to which the decision is consistent with the Council's community outcomes, Strategic Framework priorities and policies
- the extent to which the decision is consistent with previous Council decisions.

Low	Degree of significance	High
Consistent with other strategies and policies		Large inconsistencies with other strategies and policies

2.2.4 Impact on Council's finances, capacity and capability

The impact of the decision on the ability to achieve the objectives set out in the Council's Long Term Plan and Financial Strategy.

Factors to be considered include:

- transfers of strategic assets to or from the Council (refer to section 2.3)
- the financial cost of the decision, in the short, medium and long term
- the extent of the impact on rates and/or debt (including cumulative effects)
- the extent to which the decision is consistent with the Financial Strategy
- the impact on the Council's capacity/capability to meet legislative requirements.

Low	Degree of significance	High
Little impact		Large impact

2.3 Strategic assets

Some assets or groups of assets are considered strategically important to achieve and promote the current or future wellbeing of the community and the priorities of the Strategic Framework. These assets are identified in Schedule 2.

In general, the Council will, at a minimum, engage the community using the special consultative procedure (as described in section 3.3.5) on any significant changes to the Council's ownership or control of strategic assets and any decisions to construct, replace or sell strategic assets.

3 Engagement

Engagement provides an opportunity for the public to debate and discuss their views on a decision or proposal being considered by the DCC. The community views expressed through an engagement process will be considered and taken into account, along with other information, when decisions are made. Engagement may not necessarily result in consensus. However, engagement should allow for an exchange and examination of information and points of view between affected and interested people and decision-makers before a decision is made. Engagement ensures that decisions are informed and improved by the community's involvement.

3.1 Principles of engagement

The Council will take a principle-based approach to our community engagement activities.

- Genuine: We will engage honestly and we will respect and listen to the views provided by the community with an open mind and will give due consideration to them when making decisions.
- Timely: We will engage with the community as early as appropriate and ensure that engagement processes are an integral part of project planning. We will allow enough time for participants to contribute and for them to be able to raise unexpected issues.
- Purposeful: We will be clear about the purpose of engagement and the ability and scope of the engagement to influence decisions.

- **Inclusive and accessible:** We will engage in a way which encourages participation of all who are likely to be affected by, or are interested in, a decision.
- **Recognition of diversity:** We will use engagement methods which are appropriate to the issue and those we are seeking to engage, having regard to their culture, age, ability and time availability.
- **Informed:** We will provide clear, easy to understand and objective information relating to the engagement and ensure it is readily available so that participants can make informed contributions.
- **Responsive:** We will be transparent about how we record, consider and respond to participants' contributions, and provide clear information on how the community's feedback has been taken into account in decision making.
- **Engagement with Māori:** We will acknowledge the unique perspectives of Māori in the city. **Cost-effective:** We will engage in a cost-effective manner, and resource engagement in proportion to the significance of the decision. We will ensure the least possible cost to all involved in the engagement (including the costs to the communities / affected parties).

3.2 Determining when to engage

3.2.1 Statutory Compliance

The LGA and other legislation require the Council to consult with the community in a range of circumstances. The LGA has also sets out principles to guide all consultation and prescribes specific consultative procedures, which must be followed in certain circumstances (refer to section 3.3.5). At a minimum, the Council will adhere to all legislative requirements.

3.2.2 Significant proposals or decisions

The Council will determine the nature and form of the engagement in accordance with the significance of the particular decision. In general, the greater the significance of the decision, the more we will do to engage the community. A 'significant' decision will not automatically require the special consultative procedure (refer to section 3.3.5).

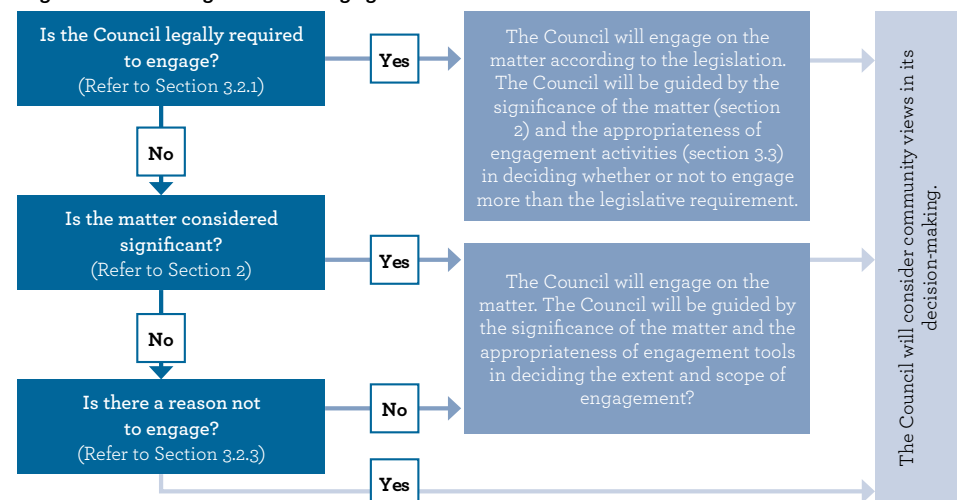
3.2.3 Reasons not to engage

The Council acknowledges there are times when it is not necessary, appropriate or possible to engage the community on a proposal or decision. The Council may also choose not to engage on a proposal or decision, but will only decide this in accordance with at least one of the criteria below:

- the proposal or decision is not of a nature or significance that requires engagement
- the Council already has a sound understanding of the views and preferences of the people likely to be affected by, or interested in, the proposal or decision
- there is a need for confidentiality or commercial sensitivity
- the costs of engagement outweigh the benefits of it
- the proposal or decision has already been addressed by the Council's strategies, policies or plans, which have recently been consulted on
- an immediate or quick response or decision is needed or it is not reasonably practicable to engage.

Whenever the Council does not formally engage, community views will still be considered before a decision is made and as much information will be provided to the public as possible. Figure 1 provides a summary of the factors the Council will consider when deciding when to engage.

Figure 1: Deciding when to engage



3.3 Engagement Activities

The Council will decide which engagement activities or processes to use based on the individuals, communities and sectors that are affected by, or interested in the proposal; and the extent of that interest/impact. In the first instance, DCC staff will be responsible for assessing the appropriateness of engagement activities for each proposal or decision at the project planning stage. Reports to the Council and its Committees will outline a proposed engagement plan, to be approved by the Council or Committee.

3.3.1 Spectrum of engagement activities

The Council recognises that differing levels of engagement activities may be required during the various stages of decision-making on an issue and for different stakeholders. Figure 2 is based on the International Association of Public Participation (IAP2) spectrum of engagement and sets out some engagement activities. It describes when these activities may be appropriate for particular kinds of decisions and when the community can expect to be involved in the decision-making. However, this list does not commit the Council to using specific tools or activities in any specific circumstance.

Figure 2: Types of Engagement Activities (IAP2 spectrum of engagement)

Level	Inform	Consult	Involve	Collaborate	Empower
Goal of engagement	To provide the public with a balanced and objective information to assist them in understanding the problem, alternatives, or solutions.	To obtain public feedback on analysis, alternatives or decisions.	To work directly with the public throughout the process to ensure that public concerns are constantly understood and considered.	To partner with the community and stakeholders in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place the final decision-making in the hands of the public.
Examples of issues, decisions or matters where this engagement might be appropriate	Temporary road closure District Plan monitoring reports Council reports	Long Term Plan consultation Dog Control Bylaw	Review of the Community Grants Policy Revitalisation of an area (e.g. Warehouse Precinct)	Development of a Strategy (e.g. Economic Development Strategy) Upgrade of playgrounds	Triennial council election
Engagement activities the Council might use	Public notice Letter drop Media release Discussion paper DCC website Radio advertising FYI story Social media	Exhibition Expo Public hearing Survey Special consultative procedure People's Panel Roadshow	Community Board meeting Hui/public meeting Working party Workshops Focus group	Multi stakeholder process Advisory group Round table meeting	Referendum Citizen juries Participatory budgeting
When the community can expect to be involved in the decision-making	The Council will advise the community when a decision has been made.	The Council will advise the community when a draft decision has been made and will provide the community with an opportunity to participate and respond before a final decision is made.	The Council will provide the community with opportunities to be involved throughout the decision-making process, before a final decision is made.	The Council will provide the community with opportunities to be involved throughout the decision-making process, including when the options are being considered before a final decision is made.	The Council will provide the community with the power to make the final decision.

3.3.2 Engagement concerning local issues

Some local issues will be considered highly significant for particular communities. In these cases, the Council will engage with affected communities directly. The Council will take a flexible approach on how it engages with the community on local issues according to the community's preferences for engagement. This approach will often involve DCC staff, Councillors and, where relevant, Community Boards.

3.3.3 Engagement linked to day-to-day council business

DCC staff, in consultation with the relevant Councillors and Community Boards, will identify and manage community engagement activities associated with the organisation's usual work and projects. The responsible department will establish the most appropriate engagement activities at the project planning stage. The department will then be responsible for providing information to the community on the issue and facilitating the community involvement.

3.3.4 Ongoing engagement activities

The Council recognises that engagement is not a one-off activity, and uses a number of initiatives regularly to engage with the community. Such activities enable early engagement on issues, and include:

- **Advisory and Stakeholder Groups** – The Council establishes advisory and stakeholder groups to engage with organisations, groups and sectors within the community. These advisory and stakeholder groups may be ongoing or established for a particular timeframe. All advisory and stakeholder groups will be established by a Council resolution, have specific terms of reference and regularly report to a relevant Council Committee.
- **Community Boards** – The Council partners with Community Boards, which provide advice on matters affecting their communities and advocate for the interests of their communities. Community Boards may also make submissions to the Council and other organisations on matters affecting their areas.
- **Partnerships** – The Council facilitates a range of partnerships and networks between all levels of government, business and community organisations, including informal engagement with staff and key stakeholders.

- **Place-based Approach** – The Council works with a number of specific communities and neighbourhoods to set priorities in their area, improve the co-ordination of services being delivered within their area and enable consideration of all issues relating to their area.
- **Online Engagement** – The Council uses digital tools for engaging with the community, such as the People's Panel, social media and the DCC's website.

3.3.5 Special Consultative Procedure

The Council will engage with the community using the special consultative procedure when required by legislation, and when it is the most effective engagement tool for a particular proposal or decision. The special consultative procedure is outlined in section 83 of the LGA, and is summarised below.

The Council will prepare and adopt a written statement of proposal, and if relevant, a summary of that proposal, which will:

- clearly identify what the proposal is and the reasons for it
- provide an analysis of feasible options.
- The Council will provide an opportunity for people to give feedback on the matter and will:
- ensure the summary and statement of proposal is widely available
- enable interaction between the community and the Council, or its representatives
- provide an opportunity for people to present their views to the Council
- provide at least one month for feedback.

4 Review

This Policy will be reviewed at least once every three years, and within 12 months following each triennial election.

Schedule 1: DCC Strategic Framework



Schedule 2: Strategic Dunedin City Council Assets

Strategic assets are those considered by the Council to be strategically important to achieve and promote the current or future wellbeing of the community and the priorities of the Strategic Framework. The Council may consider any other asset or group of assets as being ‘significant’ by using the criteria of significance in section 2.2. Some examples of strategic assets are:

Cemeteries
 Community Housing
 Dunedin Botanic Garden
 Dunedin Centre, Town Hall and Municipal Chambers
 Dunedin Chinese Garden
 Dunedin Public Art Gallery and Collections
 Dunedin Public Libraries and Collections
 Dunedin Railway Station
 Edgar Centre
 Forsyth Barr Stadium
 Fortune Theatre
 Hereweka Harbour Cone
 Landfill Facilities
 Logan Park
 Moana Pool
 Olveston House
 Regent Theatre
 Shares in Dunedin International Airport Company Limited
 Dunedin City Holdings Limited
 Stormwater Collection and Disposal System
 The Town Belt
 Toitū Otago Settlers Museum and Collections
 Transportation Network
 Wastewater Collection, Treatment and Disposal System
 Water Collection, Storage, Treatment and Distribution System

Notes

- Where a strategic asset is a network, or has many components, decisions can be made on individual components within the network without it being regarded as significant, unless that component substantially affects the level of service provided to the community.
- Decisions can be made to physically alter strategic assets that are required to prevent an immediate hazardous situation arising, or repair an asset due to damage from an emergency or unforeseen situation.
- As agreed by the Council, in the case of Council Controlled Organisations (CCOs), decisions relating to the management, acquisition or divestment of assets are taken by the independent board of the CCOs under the Statement of Intent.

Section 6 – Council Controlled Organisations



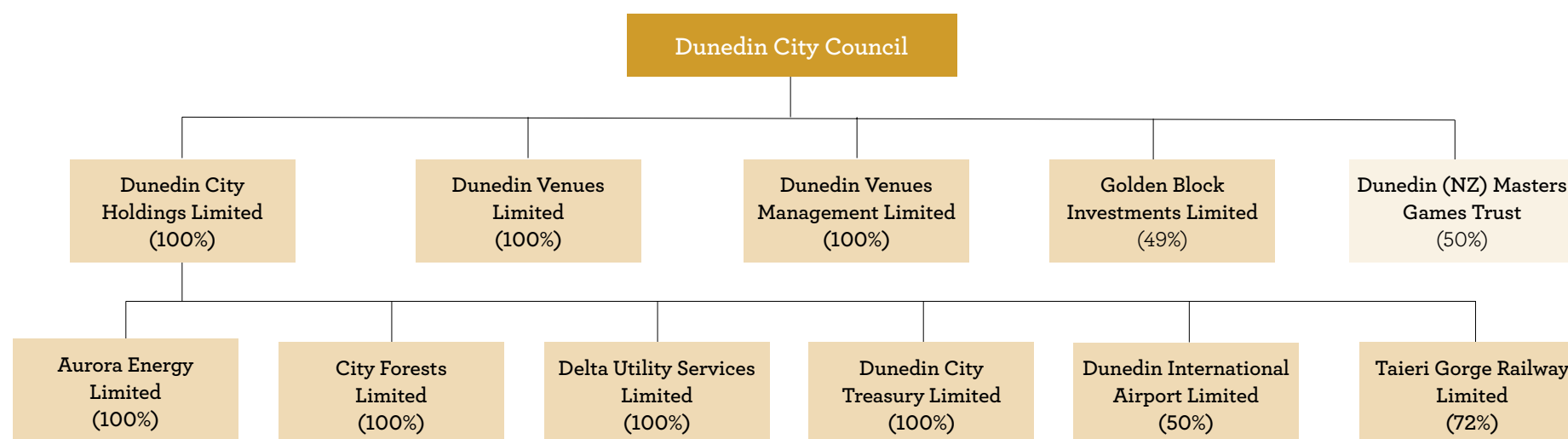
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Council Controlled Organisations – Summary of Background Information

In order to achieve specific objectives for Dunedin, the Council has established a number of Council Controlled Organisations (CCOs). These CCOs manage facilities, assets and/or deliver significant services on behalf of the Council and the wider Dunedin community. There are three kinds of CCOs – Council Controlled Trading Organisations (CCTOs); not-for-profit CCOs; and non-trading CCOs. Each of the trading CCOs prepares a “Statement of Intent” which sets out its mission, objectives and performance targets for each financial year.

The following diagram illustrates the current structure and ownership of the CCOs:



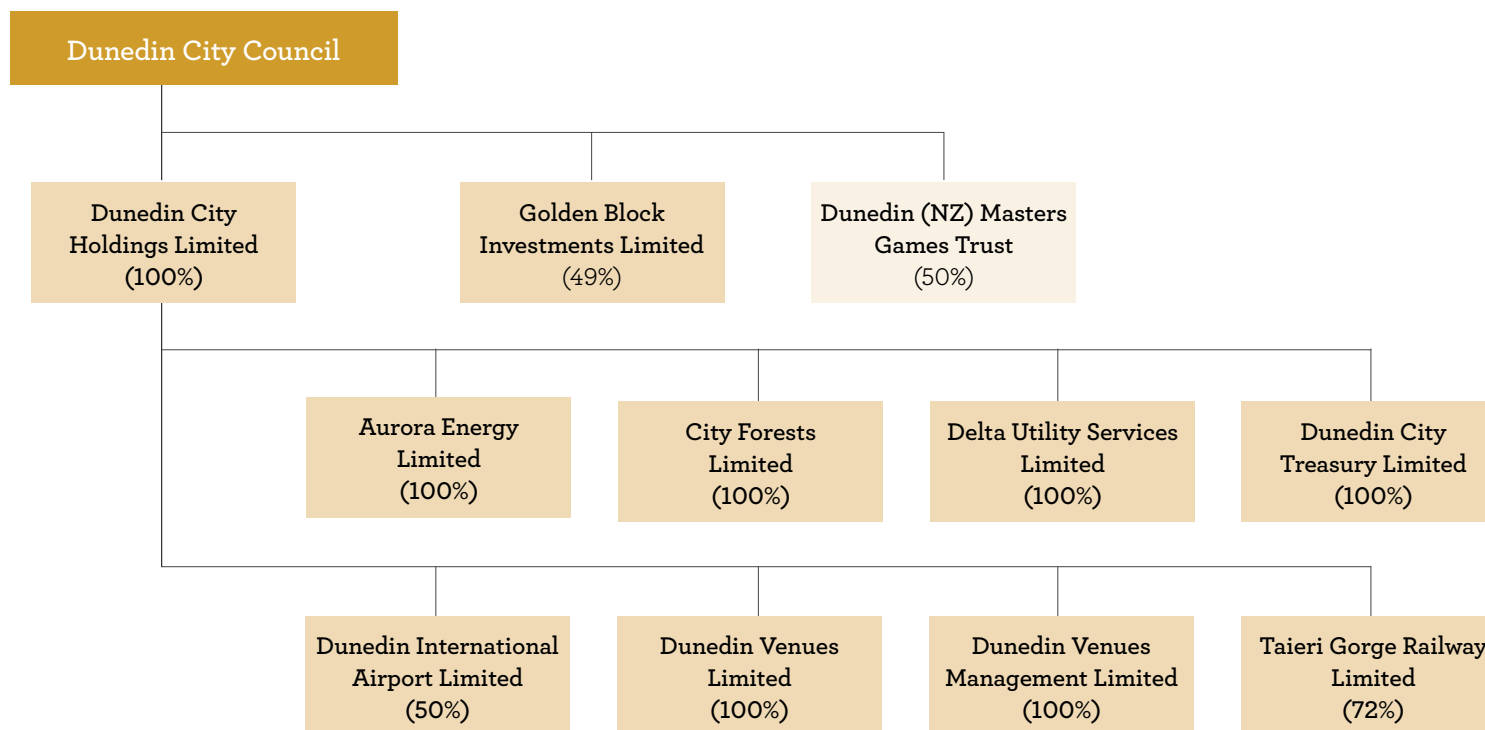
Note the Dunedin International Airport is an associate company of DCHL, not a CCTO.

The Council considered the governance, ownership and operations of Dunedin Venues Limited (DVL) and Dunedin Venues Management Limited (DVML) on 24 November 2014. It was agreed that the Council would consult on transferring ownership of DVL (owner of the Stadium) and DVML (operator of the Stadium) to Dunedin City Holdings Limited (DCHL) through the 2015/16-2024/25 Long Term Plan consultation¹. This change was confirmed by the Council in May 2015². The following diagram illustrates the structure and ownership of the CCOs, with DVL and DVML transferred to DCHL:

¹ Refer to “Forsyth Barr Stadium Review Report” and minutes from Extraordinary meeting of the Dunedin City Council, 24 November 2014.

² Refer to minutes from the Long Term Deliberations 18 -21 May 2015.

Council Controlled Trading Organisations



Dunedin City Holdings Limited and subsidiaries

Dunedin City Holdings Limited (DCHL) is the parent company of many of the Council Controlled Trading Organisations, and has the primary role of monitoring the operating performance of its subsidiary and associated companies to ensure each company provides the maximum advantages in all respects to the Council.

The current Statement of Intent for DCHL identifies specific objectives and performance targets for 2015/16.

The following table sets out the key financial targets for DCHL.

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
To DCC Interest and Dividends	\$ 5.9 m	\$ 5.9 m	\$ 6.2 m	\$6.7 m	\$7.2 m	\$7.8 m	\$8.3 m	\$8.3 m	\$8.4 m	\$8.5 m
To DVL Subvention Payment (Before Tax)	\$5.3 m	\$5.3 m	\$5.3 m	\$5.3 m	\$5.3 m	\$5.3 m	\$5.3 m	\$5.3 m	\$5.3 m	\$5.3 m

Each of DCHL's subsidiary companies prepares a Statement of Intent, which is considered by DCHL, which then makes recommendations for acceptance by the Council. It should be noted that each CCTO has financial social, and environmental performance measures.

The following table lists DCHL's subsidiary and associated companies, their main activities and links to their current Statement of Intent.

Company	Nature and scope of activities	Statement of Intent
Aurora Energy Limited	The company undertakes activities related to the development and ownership of electricity distribution assets and other infrastructural assets.	Aurora Energy Limited Statement of Intent 2015/16
City Forests Limited	The company forests are principally located in the Coastal Otago Region while the products produced from its activities are sold on local and international markets. The company's activities include expansion of opportunities in forest ownership and activities across the value chain.	City Forests Limited Statement of Intent 2015/16
Delta Utility Services LTD	The company's principal activities are the management, construction, operation and maintenance of infrastructural utility assets and the provision of contracting and related services.	Delta Utility Services LTD Statement of Intent 2015/16
Dunedin City Treasury Limited	The company provides the Dunedin City Council Group with treasury management services. The company identifies and manages financial risks and manages the liquidity of the Dunedin City Council Group to ensure that adequate funds are available to meet ongoing obligations. Financing costs are minimised and the return on surplus funds is maximised within acceptable levels of risk.	Dunedin City Treasury Limited Statement of Intent 2015/16
Dunedin International Airport Limited	The company operates the Dunedin International Airport for aviation users. The company is responsible for the design, provision and maintenance of runways, taxiways, turnouts and aprons, and for managing assets which may be used in the future, e.g., land held for airport expansion and environmental control purposes.	Dunedin International Airport Limited Statement of Intent 2015/16
Taieri Gorge Railway Limited	The company operates train services as a tourist, charter and community oriented enterprise. The company also operates a retail and booking office based at the Dunedin Railway Station.	Taieri Gorge Railway Ltd Statement of Intent 2015/16

Dunedin Venues Limited

Dunedin Venues Limited (DVL) is the owner of Forsyth Barr Stadium. DVL provides a modern stadium for use for public and private events. The current Statement of Intent for DVL identifies specific objectives and performance targets for 2015/16.

Dunedin Venues Management Limited

Dunedin Venues Management Limited (DVML) manages the Forsyth Barr Stadium, the Dunedin Centre (incorporating the Dunedin Town Hall) and the Porters Lounge (at the Dunedin Railway Station). DVML undertakes the following activities:

- Securing events
- Planning, hosting and delivering events to a high standard
- Managing the assets and facilities for which it is responsible
- Providing community access to the venues for which it is responsible.

The current Statement of Intent for DVML identifies specific objectives and performance targets for 2015/16.

Council Controlled Organisations (not for profit)

Not-for-profit organisations are also considered Council Controlled Organisations if the Council and other local authorities have the power to appoint 50% of the trustees to the Board.

Tourism Dunedin Trust

The Tourism Dunedin Trust was disestablished on 30 June 2014, and the functions of Tourism Dunedin were incorporated into the Council's new economic and city marketing agency – Enterprise Dunedin³.

Council Controlled Organisations granted an exemption under section 7 of the Local Government Act 2002

The Local Government Act 2002 section 7(3) provides for the Council, by resolution, to exempt small organisations that are not Council Controlled Trading Organisations from the reporting and other requirements of the Local Government Act 2002.

Non-trading companies

On 14 March 2012, the Council granted an exemption under section 7 of the Local Government Act 2002 to each of the non-trading companies listed below:

- Tourism Dunedin Limited
- Dunedin Events Limited
- Dunedin Visitor Centre Limited

These companies are shelf companies registered only for the purpose of securing the names and therefore the exemption to complete the various administrative requirements of the Local Government Act 2002 is a prudent management of resources.


Small organisation

Dunedin (New Zealand) Masters Games Trust

On 10 August 2011, the Council granted an exemption under section 7 of the Local Government Act 2002 after consideration of the size of the organisation and the nature and scope of the Trust activities. This exemption was reconfirmed on 3 November 2014⁴.

³ Refer to "City Marketing Report" and minutes from the non-public part of the Dunedin City Council meeting, 15 May 2013

⁴ Refer to "Dunedin (New Zealand) Masters Games Trust CCO Exemption Report" and minutes the Dunedin City Council meeting, 3 November 2014



Section 7 – General

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Fees and Charges

	2013/14 \$	2014/15 \$	2015/16 \$
Administration Services			
First three hours free, thereafter charged per half hour	38.00 per half hour	38.00 per half hour	38.00 per half hour
Photocopy first 20 pages black and white free, thereafter charged per page	0.20 per page	0.20 per page	0.20 per page
Alcohol Licensing			
Fees are set by the Sale and Supply of Alcohol Regulations 2013.			
Licence application – very low risk	368.00	368.00	368.00
Licence application – low risk	609.50	609.50	609.50
Licence application – medium risk	816.50	816.50	816.50
Licence application – high risk	1,023.50	1,023.50	1,023.50
Licence application – very high risk	1,207.50	1,207.50	1,207.50
Licence annual fee – very low risk	172.50	172.50	172.50
Licence annual fee – low risk	391.00	391.00	391.00
Licence annual fee – medium risk	632.50	632.50	632.50
Licence annual fee – high risk	1,035.00	1,035.00	1,035.00
Licence annual fee – very high risk	1,437.50	1,437.50	1,437.50
Temporary Authority on/off licences	296.70	296.70	296.70
Special Licence – small event with one to two events on licence	63.25	63.25	63.25
Special Licence – small events with three to 12 events on the licence or one to three medium size events on one licence	207.00	207.00	207.00
Special Licence – all other occasions including large events	575.00	575.00	575.00
Permanent Club Charter Fee	632.50	632.50	632.50
Manager's Certificate application/renewal	316.25	316.25	316.25

	2013/14 \$	2014/15 \$	2015/16 \$
Extract from Record or Register	57.50	57.50	57.50
Temporary Licence during repairs, etc. (Section 29(1)(j))	296.70	296.70	296.70
Gambling – Class 4 Venue Application			
Territorial Authority Consent application	56.00	56.00	56.00
Animal Services			
Dog Registration Fees			
Non-working Dogs	90.00	90.00	93.00
Working Dogs (1st dog)	46.00	46.00	47.00
Working Dogs (2nd dog)	22.00	22.00	23.00
Working Dogs (3rd and subsequent dogs)	22.00	22.00	23.00
Selected Owner	50.00	50.00	52.00
Special Aid Dog	17.00	17.00	18.00
Dangerous Dogs	132.00	135.00	139.50
Late Fee Penalty			
Non-working Dogs	45.00	45.00	46.50
Working Dogs (1st dog)	23.00	23.00	23.50
Working Dogs (2nd dog)	11.00	11.00	11.50
Working Dogs (3rd and subsequent dogs)	11.00	11.00	11.50
Dangerous Dogs		68.00	70.00
Special Aid Dog	9.00	9.00	9.00
Other Fees			
Rebate for Neutering/Spaying	6.00	6.00	6.00
Permit to keep more than one dog	77.00	77.00	79.00
Selected Owner Site Visit	39.00	39.00	40.00
Microchip Implanting	39.00	39.00	40.00
Replacement Tag	6.00	6.00	6.00

	2013/14 \$	2014/15 \$	2015/16 \$
Adoption fee		140.00	144.00
Poo Bags (Bundle of 25)			2.20
Dog Bark Collar fee			31.00
Dog Euthanised fee			77.00
Withdrawal of Infringement Fee			31.00
Dog Impounding Charges			
First Impounding	111.00	111.00	114.00
Second Impounding	149.00	149.00	153.00
Third and Subsequent Impounding	187.00	187.00	193.00
After Hours Impounding	149.00	149.00	153.00
Boarding fee per day	15.00	15.00	20.00
Advertisement	6.00	6.00	6.00
Notification	4.00	4.00	4.00
Stock Impounding Charges			
First Impounding	53.00	53.00	55.00
Second Impounding	106.00	106.00	109.00
Third Impounding	159.00	159.00	164.00
Sheep, Goats and Pigs			
First Impounding	11.00	11.00	11.00
Second Impounding	21.00	21.00	22.00
Third Impounding	33.00	33.00	34.00
Daily Sustenance Charge			
Horses, Cattle, Deer	8.00	8.00	8.00
Sheep and Goats	3.00	3.00	3.00
Pigs	4.00	4.00	4.00
Droving Charges—Vehicles per km			
(Minimum charge of \$5.65)	2.00	2.00	2.00

	2013/14 \$	2014/15 \$	2015/16 \$
Staff cost (per hour)	75.00	75.00	77.00
Penal rates charged for Statutory Holidays and Overtime			
Stock Control on State Highways			
Hourly rate (including standby allowance)	75.00	75.00	77.00
Vehicle charge per km	2.00	2.00	2.00
Infringement Offences and Fees set by Statute: Dog Control Act 1996, Control of Dog Bylaw 2004			
Wilful obstruction of Dog Control Officer or ranger (section 18)	750.00	750.00	750.00
Failure or refusal to supply information or wilfully providing false particulars (section 19(2))	750.00	750.00	750.00
Failure to supply information or wilfully providing false particulars about dog (section 19A(2))	750.00	750.00	750.00
Failure to comply with any bylaw authorised by (section 20(5))	300.00	300.00	300.00
Failure to comply with effects of disqualification authorised by (section 28(5))	750.00	750.00	750.00
Failure to comply with effects of classification of dog as dangerous dog (section 32(2))	300.00	300.00	300.00
Fraudulent sale or transfer of dangerous dog (section 32(4))	500.00	500.00	500.00
Failure to comply with effects of classification of dog as menacing dog (section 33E(2))	300.00	300.00	300.00
Failure to implant microchip transponder in dog (section 36A(6))	300.00	300.00	300.00
False statement relating to registration (section 41)	750.00	750.00	750.00
Failure to register dog (section 42)	300.00	300.00	300.00

	2013/14 \$	2014/15 \$	2015/16 \$
Fraudulent procurement or attempt to procure replacement registration label or disc (section 46(4))	500.00	500.00	500.00
Failure to advise change of dog ownership (section 48 (3))	100.00	100.00	100.00
Failure to advise change of address (section 49(4))	100.00	100.00	100.00
Removal, swapping or counterfeiting of registration label or disc (section 51(1))	500.00	500.00	500.00
Failure to keep dog controlled or confined (section 52A)	200.00	200.00	200.00
Failure to keep dog under control (section 53(1))	200.00	200.00	200.00
Failure to provide proper care and attention, to supply proper and sufficient food, water, and shelter, and to provide adequate exercise (section 54(2))	300.00	300.00	300.00
Failure to carry leash in public (section 54A)	100.00	100.00	100.00
Allowing dog known to be dangerous to be at large unmuzzled or unleashed (section 62(4))	300.00	300.00	300.00
Aquatic Services			
* Concessions apply to holders of a current community services card, Supergold card or tertiary student ID.			
** A child is defined as anyone who has not left secondary school			
Moana Pool			
Casual Rates			
Adult Swim	6.00	6.00	6.20
Concession* Swim	3.60	3.60	3.70
Child** Swim	3.00	3.00	3.10
Family Swim	13.00	13.00	13.40

	2013/14 \$	2014/15 \$	2015/16 \$
Child - Club	2.00	2.00	2.10
Toddler Time	3.50	4.00	4.00
School Swim	1.50	1.50	1.50
Spectator	0.50	0.50	0.50
Showers - casual pool entry rates apply			
Gym (includes swim)			
Adult	12.00	12.00	12.40
Concession*	7.20	7.20	7.40
Child (14 years plus)	6.00	6.00	6.20
Group Fitness Classes (includes swim)			
Adult		6.00	6.20
Concession*		5.00	5.20
Child (14 years plus)		5.00	5.20
Water Slide and Swim			
Family (a family is either 2x adults and 2x children or 1x adult and 4x children)	28.00	28.00	28.80
Adult (slide only)	4.80	4.80	4.90
Child (slide only)	3.00	3.00	3.10
Concession (slide only)	4.00	4.00	4.10
Multi-visit passes*			
Adult			
Swim (12)	60.00	60.00	62.00
Swim (30)	144.00	144.00	148.80
Group Fitness (12)		60.00	60.00
Concession			
Swim (12)	36.00	36.00	37.00
Swim (30)	86.00	86.00	88.80

	2013/14 \$	2014/15 \$	2015/16 \$
Group Fitness (12)		50.00	51.00
<i>Child</i>			
Swim (12)	30.00	30.00	31.00
Swim (30)	72.00	72.00	74.40
Group Fitness (12) (14 years plus)		50.00	51.00
Membership			
<i>Adult (swim and gym)</i>			
Monthly Membership	78.00	78.00	80.30
3 Month Membership	220.00	220.00	226.60
6 Month Membership	414.00	414.00	426.40
12 Month Membership	720.00	720.00	741.60
3 Month Membership Special		132.00	136.00
<i>Concession (swim and gym)</i>			
3 Month Membership* (Special available periodically)	132.00	132.00	136.00
6 Month Membership*	248.00	248.00	255.40
9 mth Membership Student (Available at start of academic year only)	320.00	320.00	329.60
12 Month Membership*	432.00	432.00	445.00
<i>Child (swim and gym) (14 yrs plus)</i>			
3 Month Membership	110.00	110.00	113.30
6 Month Membership	207.00	207.00	213.20
12 Month Membership	360.00	360.00	370.80
<i>Adult (swim only)</i>			
6 Month Membership	230.00	230.00	236.90
12 Month Membership	400.00	400.00	412.00
Squad 12 Month Swim Membership plus Gym add on	450.00	450.00	463.50

	2013/14 \$	2014/15 \$	2015/16 \$
<i>Concession* (swim only)</i>			
6 Month Membership	138.00	138.00	142.10
9 Month Membership		190.00	195.70
12 Month Membership	240.00	240.00	247.20
Squad 12 Month Swim Membership plus Gym add on	330.00	330.00	339.90
<i>Child (swim only)</i>			
6 Month Membership	115.00	115.00	118.50
12 Month Membership	200.00	200.00	206.00
Squad 12 Month Swim Membership plus Gym add on	280.00	280.00	288.40
Usage and Hire fees			
<i>Swim Apparel and Equipment Hire</i>			
Swim Togs (hire) plus	6.00	6.00	6.00
Refundable Deposit	20.00	20.00	20.00
Towel (hire) plus	6.00	6.00	6.00
Refundable Deposit	20.00	20.00	20.00
Gym Towel (hire) plus	2.00	2.00	2.00
Refundable Deposit	10.00	10.00	10.00
Arm Bands (hire) plus	2.00	2.00	2.00
Refundable Deposit	20.00	20.00	20.00
Kayak	2.00	2.00	2.00
Kayak and Spray Skirt (hire) plus	6.00	6.00	6.00
Refundable Deposit	20.00	20.00	20.00
Kayaks – group hire (plus pool entry)	15.00	15.00	15.00
Spray Skirt – group hire (plus pool entry)	15.00	15.00	15.00

	2013/14 \$	2014/15 \$	2015/16 \$
Lane Usage Fees (per hour)			
(Lane usage fee for user groups during peak times at Moana Pool Mon – Fri 6am – 7.30am and 3.30pm – 7.30pm)			
Lane hire per hour for each lane (up to 6 lanes)	2.00	2.00	2.10
Lane hire per hour for each lane over a total of 6 lanes	10.00	10.00	10.30
Group activity – lanes barriers removed (use of half pool per hour)	10.00	10.00	10.30
Pool Hire (per Hour)			
50m pool (includes pool entry)	256.00	256.00	264.00
25m pools (includes pool entry)	128.00	128.00	132.00
Per 25m lane (plus pool entry)	16.00	16.00	16.50
Old Dive Pool (plus pool entry)	36.00	36.00	37.10
Dive/lap pool (includes pool entry)	96.00	96.00	98.90
Learners pool (plus pool entry)	50.00	50.00	51.50
Spectators (per person)	0.50	0.50	0.50
Meeting Room (Pool side)			
Per hour	21.00	21.00	21.60
All day hire	105.00	105.00	108.20
Projector hire	50.00	50.00	51.50
Meeting Room (Corner)			
Per hour	35.00	35.00	36.10
All day hire	175.00	175.00	180.30
Projector hire	50.00	50.00	51.50
BBQ hire			
BBQ and gas for 2 hours	15.50	10.00	10.30

	2013/14 \$	2014/15 \$	2015/16 \$
Gym Group booking (with Instructor)			
Private Group (per hour) per person	7.20	7.20	7.40
(plus instructor fee per hour) 2 hour minimum	26.00	26.00	26.80
Group Fitness Group booking (includes instructor)			
Private Group Fitness Class (school)	75.00	75.00	77.30
Private Group Fitness Class (private)	85.00	85.00	87.60
Lifeguard Hire			
Per hour (2 hour minimum)	26.00	26.00	26.80
Group Booking Rates (Swim Only)			
<i>High Schools</i>			
Child entry per head	1.50	1.50	1.50
Adult entry per head	3.60	3.60	3.70
Spectators	Free		
<i>Primary and Intermediate Schools, and School Holiday Programmes</i>			
Child entry per head	1.50	1.50	1.50
Adult entry and spectators	Free	Free	Free
Group Booking Rates (Swim and Slide)			
<i>High Schools</i>			
Child entry per head	4.50	4.50	4.60
Adult entry per head	7.60	7.60	7.80
Spectators	Free	Free	
<i>Primary and Intermediate Schools, and School Holiday Programmes</i>			
Child entry per head	4.50	4.50	4.60
Adult entry and spectators	Free	Free	Free
Birthday Party Bookings			
Meeting Room (per hour)	16.00	16.00	16.50
Child swim only (per head)	1.50	1.50	1.50

	2013/14 \$	2014/15 \$	2015/16 \$
Adult swim only (per head)	3.60	3.60	3.70
Child swim plus slide (per head)	4.50	4.50	4.60
Adult swim plus slide (per head)	7.60	7.60	7.80
Spectators	Free	Free	Free
Birthday Child	Free	Free	Free
Swimsation			
<i>Swimsation Lessons</i>			
Babies – (\$6.50 per lesson x 10 weeks)	65.00	65.00	65.00
Pre-schoolers – (\$11.50 per lesson x 10 weeks)	115.00	115.00	115.00
School age children – (\$11.50 per lesson x 10 weeks)	115.00	115.00	115.00
Private Lessons (30 minutes duration)	32.00	32.00	32.00
Spike Squad (10 lesson block)	75.00	80.00	80.00
<i>Swimsation Lessons for Schools</i>			
30 minute lesson 1:10 ratio – per child	3.50	3.50	3.50
30 minute lesson 1:8 ratio – per child	4.40	4.40	4.40
30 minute lesson 1:6 ratio – per child	5.80	5.80	5.80
20 minute lesson 1:6 ratio – per child	3.90	3.90	3.90
School – Special Needs (10 week block)	122.00	122.00	122.00
Home School Groups (10 week block)	110.00	110.00	110.00
Mosgiel Pre-school & School age children (10 week block)		95.00	95.00
Mosgiel Pool			
Adult	3.60	3.60	3.70
Concession	3.10	3.10	3.20
Child	2.60	2.60	2.70
Pre-school swim	1.00	1.00	1.00
Schools per pupil	1.00	1.00	1.00

	2013/14 \$	2014/15 \$	2015/16 \$
<i>Season Tickets</i>			
Adult	140.00	140.00	144.20
Concession	95.00	95.00	97.90
Child	90.00	90.00	92.70
Family	230.00	230.00	236.90
Each extra child	17.00	17.00	17.50
<i>Multi-visit Passes*</i>			
Adult 12 swim	33.00	33.00	34.00
Concession 12 swim	28.00	28.00	28.80
Child 12 swim	22.50	22.50	23.20
Pre-school 12 swim	11.50	11.50	11.80
Pool Hire (per hour, includes lifeguard)	86.00	86.00	88.60
Port Chalmers			
Adult	3.60	3.60	3.70
Concession	3.10	3.10	3.20
Child	2.60	2.60	2.70
Pre-school	1.00	1.00	1.00
Schools per pupil	1.00	1.00	1.00
<i>Season Tickets</i>			
Adult	115.00	115.00	118.50
Concession	62.00	62.00	63.90
Child	62.00	62.00	63.90
Family	170.00	170.00	175.10
Each extra child	16.00	16.00	16.50
<i>Multi-visit Passes*</i>			
Adult 12 swim	33.00	33.00	34.00
Concession 12 swim	28.00	28.00	28.80

	2013/14 \$	2014/15 \$	2015/16 \$
Child 12 swim	22.50	22.50	23.20
Pre-school 12 swim	11.50	11.50	11.80
Pool Hire (per hour, includes 1 lifeguard)	86.00	86.00	88.60
<i>St Clair Hot Salt Water Pool</i>			
Adult	5.70	6.00	6.20
Concession	3.10	3.60	3.70
Child	2.60	3.00	3.10
Pre-school	1.00	1.00	1.00
Family	11.50	13.00	13.40
<i>Multi-visit Passes*</i>			
Adult 12 swim	57.00	60.00	62.00
Concession 12 swim	31.00	36.00	37.00
Child 12 swim	26.00	30.00	31.00
Pre-school 12 swim	11.50	11.50	11.80
<i>Season Tickets</i>			
Adult	180.00	200.00	206.00
Concession	90.00	110.00	113.30
Child	75.00	85.00	87.60
Family	360.00	400.00	412.00
Each extra child	20.00	30.00	30.90
Pool hire with pool after hours (negotiable)	110.00	110.00	113.30
<i>All Pool Passes (12 month)</i>			
Adult	460.00	460.00	473.80
Concession	276.00	276.00	284.30
Child	230.00	230.00	236.90

	2013/14 \$	2014/15 \$	2015/16 \$
Archives Reference Services			
The first half-hour of the Archivist's time is free, thereafter \$50.00 per hour. Full details are provided in the DCC Reference Service Policy available from DCC Archives.			
Building Services			
<i>Consent Lists</i>			
Per annum	313.00	313.00	313.00
Each (only available electronically)	32.00	32.00	32.00
External agencies – system generated weekly/monthly reports	52.00	52.00	52.00
Certificate of Title (C/T)	25.00	25.00	25.00
<i>Disbursements – Copies of Plans and Records</i>			
A3 and A4	1.00	1.00	1.00
A3 and A4 – Electronic Copy (hourly rate)		85.00	88.00
Note: Plans and records sent electronically will be charged at the hourly rate rather than per page for collation.			
<i>Request for Information/Property Searches</i>			
Hourly rate	85.00	85.00	88.00
Hourly rate charged for Commercial Property Information Requests plus \$1.00 per photocopy	85.00	85.00	88.00
Residential – Combined Building, Plumbing and Drainage Consents	85.00	85.00	88.00
Electronic Report – Building Consents and Code Compliance Certificates issued	20.00	23.00	23.00
Residential Building or Plumbing & Drainage plans plus \$1.00 per photocopy (Building plans - site & floor plans)	46.00	52.00	54.00

	2013/14 \$	2014/15 \$	2015/16 \$
Requests for Residential Plans by Tradesmen, Designers & Building Consultants, plus \$1.00 per photocopy	26.00	29.00	30.00
Copy of Consent Documents required for one specific consent plus \$1.00 per photocopy	26.00	29.00	30.00
Faxing/Postage (additional to minimum charge)	2.00	2.00	2.00
Property Reports/Documents for Filing on Council Records			
Submit Independent Building Report for filing on Council records	116.00	120.00	120.00
Submit As-Built plan for Schedule 1 Exempt Building work for filing on Council records	36.00	43.00	43.00
Private Foul and Stormwater Drain in Common			
Private Foul and Stormwater Drain in Common Application	134.00	154.00	159.00
Plus each Additional or Joining Party	56.00	75.00	79.00
Site Evaluation			
Guide to on-site wastewater disposal book	20.00	20.00	20.00
Sewer Connections – Foul and Stormwater			
Standard Connection fee 100mm diameter	380.00	380.00	449.00
Standard Connection fee 150mm diameter	560.00	560.00	660.00
Connection fee greater than 150mm diameter.	As quoted	As quoted	As quoted
The fee will be quoted by Water and Waste Services on application			
Seal Off	85.00	85.00	207.00
Allanton – New Wastewater Reticulated Services			
Capital Joining Fee Pressure Sewer System (New Developments – capital cost of network)	8,055.00	8,055.00	8,055.00
Installation fees*	*To be quoted	*To be quoted	*To be quoted

	2013/14 \$	2014/15 \$	2015/16 \$
*The installation costs will vary according to the market rate at the time of purchase of pump unit, chamber, control panel and ancillary equipment for that property. The fee will be quoted by Water and Waste Services on application.			
Note: The above costs do not include the cost of connecting from the house drain to the pump chamber, pump power costs or the annual residential drainage charge.			
After Hours Building and Drainage Inspections			
Inspection	201.00	231.00	238.00
Building Warrant of Fitness Fees (BWOFF)			
BWOFF Inspection fee and/or Audit fee then hourly rate thereafter	150.00	154.00	159.00
BWOFF Return fee	150.00	154.00	159.00
BWOFF Return fee and Form 12	170.00	170.00	175.00
Issue new or amended Compliance Schedule (hourly rate)	190.00	190.00	159.00
Copy of Compliance Schedule	25.00	28.00	30.00
Amusement Devices			
One device, for the first seven days or part thereof	11.50	11.50	11.50
Each additional device for first seven days or part thereof – same owner	2.30	2.30	2.30
For each device \$1.50 GST inclusive for a further seven days or part thereof	1.50	1.50	1.50
Building Compliance Certificate – Sale and Supply of Alcohol Act 2012			
Application for Building Compliance Certificates Sale and Supply of Alcohol Act fee	150.00	154.00	159.00
Inspections for Building Compliance Certificates (hourly rate)	150.00	154.00	159.00

	2013/14 \$	2014/15 \$	2015/16 \$
<i>Certificate of Acceptance</i>			
<i>Certificate of Acceptance - refer to deposit fees for appropriate category</i>			
<i>Certificate for Public Use</i>			
Certificate for Public Use Construction/ Occupation Application fee plus hourly rate thereafter	150.00	154.00	159.00
Certificate for Public Use Inspection Charge (hourly rate)	150.00	154.00	159.00
Certificate for Public Use amendments (hourly rate)	150.00	154.00	159.00
<i>Building Consent – General Charges</i>			
Hourly rate	150.00	154.00	159.00
Inspection fee	150.00	154.00	159.00
Amended plan deposit only plus hourly rate thereafter	150.00	154.00	159.00
Notice to Fix (NTF) preparation fee (hourly rate)	150.00	154.00	159.00
Building Consent Exemption Fee – Schedule 1(2) (hourly rate)	150.00	154.00	159.00
Building on land subject to natural hazards (S71 – S74) application fee plus LINZ Lodgement Fee plus hourly rate thereafter	150.00	154.00	159.00
Building on two or more allotments (S75-S83) application fee plus LINZ Lodgement Fee plus hourly rate thereafter	150.00	154.00	159.00
Application for a special exemption under section 6 Fencing of Swimming Pools Act	250.00	250.00	250.00
Annual Inspection fee for special exemptions under section 6 Fencing of Swimming Pools Act	150.00	154.00	159.00

	2013/14 \$	2014/15 \$	2015/16 \$
Swimming Pool Fence Monitoring Inspection (per inspection)	150.00	154.00	159.00
Extension of Time Application	33.00	33.00	33.00
Functions Relating to Dangerous, Earthquake Prone or Insanitary Buildings (hourly rate)	150.00	154.00	159.00
Change of Use Consideration – if no building work required – charged at hourly rate	150.00	154.00	159.00
Fast Track Code Compliance Certificates (hourly rate)	150.00	154.00	159.00
Pre-Application Meetings (hourly rate)	150.00	154.00	159.00
Front Counter Advice 15 minutes free then hourly rate thereafter	150.00	154.00	159.00
Grants, Waivers and Modification of the Building Code (hourly rate)	150.00	154.00	159.00
Minor Plan Variation fee (no additional processing and very simple changes)	80.00	80.00	80.00
Re-lodged/Split Building Consent application (no change in value of work) (hourly rate)	150.00	154.00	159.00
Alternative Solution Approval (hourly rate)	150.00	154.00	159.00
Heating Appliance fee	300.00	310.00	330.00
Relocate HWC fee	300.00	320.00	337.00
Minor Plumbing, Installation of new fitting	250.00	260.00	533.00
<i>Building Consent Application Deposits</i>			
Deposits are payable on application for building consent and are made up of a number of components including processing costs, an assumed number of inspections and provision for a code compliance certificate upon satisfactory completion of work.			
Where the time taken to process a building consent application exceeds the deposit paid additional time will be charged at the current hourly rate. Payment is required before the building consent is issued and released to the applicant or agent.			

	2013/14 \$	2014/15 \$	2015/16 \$
If the deposit paid at the time of application lodgement is not sufficient to cover the number of inspections undertaken, additional fees will be charged and may be interim billed during the project. Before the code compliance certificate is issued, charges for the total number of inspections will be checked. Any outstanding charges must be paid before the code compliance certificate is issued.			
Processing and inspections costs that are less than the deposit paid will be refunded when the code compliance certificate is issued.			
Note: Residential and Commercial building applications over \$700,000 are charged at the hourly rate plus administration and project information memorandum or project consideration fees. The above fees contain separate elements for administration and technical review.			
Levies			
Project values of \$20,000 and over are required to pay the BRANZ and MBIE Building Levies in addition to the deposit.			
A Building Consent Authority (BCA) Accreditation Levy is also payable on all building consent applications including amended and staged applications. The BCA Levy is included in the deposit.			
BCA Levy			
BCA Accreditation Levy per application (included in the deposit)		7.00	7.00
Building Consent Application Deposits - Residential			
<i>New Construction - Residential</i>			
Erect Single Level Dwelling	4,430.00	3,690.00	3,591.00
Erect Multiple Level Dwelling (including Basement)	4,750.00	4,810.00	4,946.00
Multi Unit Development (Single Level) per Unit	3,550.00	3,600.00	3,701.00
Multi Unit Development (>1 Level) per Unit	3,450.00	3,510.00	3,692.00
Erect Garage/Carport/Shed (non habitable)	1,600.00	1,620.00	1,348.00
Erect Habitable Garage/Sleepout	2,100.00	2,130.00	2,172.00

	2013/14 \$	2014/15 \$	2015/16 \$
Relocate Dwelling	2,530.00	2,550.00	2,614.00
<i>Additions and Alterations - Residential</i>			
Alter Dwelling less than \$20,000	1,285.00	1,340.00	1,698.00
Alter Dwelling \$20,000 to \$50,000	1,882.00	2,280.00	2,463.00
Alter Dwelling \$50,000 to \$100,000			2,622.00
Alter Dwelling over \$100,000			3,073.00
<i>Demolition - Residential</i>			
Demolish Residential Building (per building). Values \$20,000 and over will need to pay BRANZ and MBIE Building Levies.	540.00	550.00	566.00
Drainage Seal Off fee of \$207.00 may be required per each drain to be sealed off.			
<i>Other - Residential</i>			
Erect Deck	1,050.00	1,060.00	1,097.00
Install Sump	280.00	290.00	306.00
Foul/Stormwater Drainage (including Septic Tank)	510.00	520.00	458.00
Reclad Existing Building	610.00	620.00	646.00
Reroof	440.00	450.00	471.00
Minor alteration < \$5000.00 including installation of wet area shower	490.00	500.00	523.00
Remove Internal Wall	380.00	390.00	409.00
Swimming Pool Fences	250.00	260.00	275.00
Pole/Veranda Signs	250.00	260.00	275.00
Building Consent Application Deposits - Commercial			
<i>New Construction - Commercial</i>			
New Single Level Commercial Building	4,780.00	4,840.00	4,977.00
New Multi-Level Commercial Building	8,500.00	8,600.00	8,853.00

	2013/14 \$	2014/15 \$	2015/16 \$
<i>Additions and Alterations – Commercial</i>			
Alterations to Existing Building (Single Floor)	1,670.00	1,690.00	1,740.00
Alterations to Existing Building (Single Floor) including Plumbing and Drainage	2,650.00	2,680.00	2,758.00
Alterations to Existing Building (Multi Level)	2,350.00	2,370.00	2,441.00
Alterations to Existing Building (Multi Level) including Plumbing and Drainage	3,700.00	3,730.00	3,840.00
<i>Demolition – Commercial</i>			
Demolish Commercial Building (per building). Values \$20,000 and over will need to pay BRANZ and MBIE Building Levies.	540.00	550.00	566.00
Drainage Seal Off fee of \$207.00 may be required per each drain to be sealed off.			
<i>Other – Commercial</i>			
Retail Fitout	870.00	880.00	914.00
Retail Fitout plus Plumbing & Drainage	1,440.00	1,460.00	1,512.00
Minor Internal Alteration	520.00	530.00	554.00
Minor External Alteration	610.00	620.00	644.00
Fire Alarm/Sprinkler System	350.00	360.00	378.00
<i>Temporary Structures – Commercial</i>			
Marquee	400.00	410.00	426.00
<i>Building Infringement Offences and Fees set by Statute</i>			
Failing to comply with the requirement that building work must be carried out in accordance with a building consent (section 40)	750.00	1,000.00	1,000.00
Failing to apply for a certificate of acceptance for urgent building work as soon as practicable after completion of building work (section 42)	500.00	500.00	500.00

	2013/14 \$	2014/15 \$	2015/16 \$
Person who is not licensed building practitioner carrying out restricted building work without supervision of licensed building practitioner with appropriate licence (section 85(1))	750.00	750.00	750.00
Licensed building practitioner carrying out restricted building work without appropriate licence section (section 85 (2)(a))	500.00	500.00	500.00
Licensed building practitioner supervising restricted building work without appropriate licence (section 85(2)(b))	500.00	500.00	500.00
Failing to comply with the requirement to obtain a compliance schedule (section 101)	250.00	250.00	250.00
Failing to supply territorial authority with a building warrant of fitness (section 108(5) (aa))			250.00
Failing to display a building warrant of fitness required to be displayed (section 108(5)(a))	250.00	250.00	250.00
Displaying a false or misleading building warrant of fitness (section 108(5)(b))	1,000.00	1,000.00	1,000.00
Displaying a building warrant of fitness other than in accordance with section 108 (section 108(5)(c))	1,000.00	1,000.00	1,000.00
Using, or knowingly permitting the use of, a building for a use for which it is not safe or not sanitary (section 116B(1)(a))	1,500.00	1,500.00	1,500.00
Using, or knowingly permitting the use of, a building that has inadequate means of escape from fire (section 116B(1)(b))	2,000.00	2,000.00	2,000.00

	2013/14 \$	2014/15 \$	2015/16 \$
Failing to comply with a notice, within the time stated in the notice, requiring work to be carried out on a dangerous, earthquake-prone, or insanitary building (section 124)	1,000.00	1,000.00	1,000.00
Using or occupying a building, or permitting another person to do so, contrary to a territorial authority's hoarding, fence, or notice (section 128A(2))	2,000.00	2,000.00	2,000.00
Failing to comply with a notice to fix (section 168)	1,000.00	1,000.00	1,000.00
Person holding himself or herself out as being licensed to do or supervise building work or building inspection work while not being so licensed (section 314(1))	500.00	500.00	500.00
Failing to provide prescribed disclosure information (section 362D(4))			500.00
Failing to provide prescribed checklist (section 362D(4))			500.00
Failing to have a written contract as prescribed (section 362F(4))			500.00
Failing to provide prescribed information or documentation to specified persons (section 362T(4))			500.00
Using, or permitting use of building having no consent or code compliance certificate or certificate for public use for premises for public use (section 363)	1,500.00	1,500.00	1,500.00
Wilfully obstructing, hindering, or resisting a person executing powers conferred under the Act or its regulations (section 367)	500.00	500.00	500.00

	2013/14 \$	2014/15 \$	2015/16 \$
Wilfully removing or defacing a notice published under the Act or inciting another person to do so (section 368)	500.00	500.00	500.00
Cemeteries			
<i>Allanton, Andersons Bay, Dunedin City, Green Park, Portobello, Broad Bay, Macandrew Bay, Northern, Southern, Green Island, Port Chalmers, West Taieri, East Taieri and Waikouaiti</i>			
Burial Rights	1,903.40	1,941.47	2,000.00
Burial Rights (Green Park Natural Burial site only)		1,941.47	2,000.00
Burial Rights (Roman Catholic Sisters - Andersons Bay only)	1,421.70	1,450.13	1,494.00
Burial Rights - Children Under 10 Years (Green Park and East Taieri)	957.40	976.55	1,006.00
Interments	1,411.40	1,439.63	1,483.00
Interments - Children under 10 years (all cemeteries)	928.70	947.27	976.00
Service Fee	768.80	784.18	808.00
Exhumation	2,513.30	2,563.57	2,640.00
Exhumation - Children Under 10 Years (all cemeteries)	1,699.50	1,733.49	1,785.00
<i>Hindon, Otokia, Waitati, Middlemarch and Purakanui</i>			
<i>Adults</i>			
Burial Rights	643.70	656.57	676.00
Interments	1,411.40	1,439.63	1,483.00
Service Fee	643.70	656.57	676.00
Exhumation	2,513.30	2,563.57	2,640.00
All Cemeteries			
Monumental Permit	70.70	72.11	74.00

	2013/14 \$	2014/15 \$	2015/16 \$
Attach a plaque	15.40	15.71	16.00
Crematorium Fee	813.90	830.18	855.00
Saturday and Public Holidays	975.80	995.32	1,025.00
Children Under 10 years	143.50	146.37	151.00
Saturday and Public Holidays	195.80	199.72	206.00
Babies Under 48 Hours	26.70	27.23	28.00
Pathology Department Remains	510.50	520.71	536.00
Chapel Hire - Per Hour			
Weekdays	154.80	157.90	163.00
Saturdays and Public Holidays	225.50	230.01	237.00
Post-Cremation Services			
Ash Beam Purchase	225.50	230.01	237.00
Purchase of Family Ash Plot	455.10	464.20	478.00
Ash Beam purchase – Waikouaiti (includes Metal Flower Container)	295.20	301.10	310.00
Inter in Family Plot, Ash Beam, Family Ash Plot, or Soldiers Plot	143.50	146.37	151.00
Service fee for Ash Burials	195.80	199.72	206.00
Ash Disinterment fee	170.20	173.60	179.00
Scatter (General)	70.70	72.11	74.00
Placement of Plaque in Court of Reflections (150 x 100 mm)	81.00	82.62	85.00
Columbarium Wall			
Price per Niche	188.60	192.37	198.00
Placement of Ashes	159.90	163.10	168.00
Book of Remembrance			
Entry in Book of Remembrance (per time)	81.00	82.62	85.00

	2013/14 \$	2014/15 \$	2015/16 \$
Chinese Garden			
Adult Admission	9.00	9.00	9.00
Child (under 13 years with Adult)	Free	Free	Free
Student or Beneficiary	6.00	6.00	6.00
Adult Season Ticket	20.00	20.00	20.00
Adult Season Ticket renewal	17.00	17.00	17.00
Student or Beneficiary Season Ticket	15.00	15.00	15.00
Student or Beneficiary Season Ticket renewal	12.00	12.00	12.00
Guided Tour	20.00	20.00	20.00
Acoustiguide Audio Tour (handheld unit hire)	5.00	5.00	5.00
Hire of Garden facilities by negotiation depending on the individual requirement for the hirer.			
Citipark			
Car Park Building Fees (hourly) Monday to Friday between opening and 6pm			
Great King Street	2.00	2.00	2.50
Lower Moray Place	2.00	2.00	2.50
Wall Street	2.00	2.00	2.50
Early bird parking before 10am (hourly) Great King Street ONLY	1.00	1.00	1.00
Car Park Building Fees (hourly) Saturday between opening and 6pm			
Great King Street	1.00	1.00	1.00
Lower Moray Place	1.00	1.00	1.00
Wall Street	1.00	1.00	1.00
Car Park Building Fees (hourly) Monday to Saturday between 6pm and closing			
Great King Street	1.00	1.00	1.00
Lower Moray Place	1.00	1.00	1.00
Wall Street	1.00	1.00	1.00

	2013/14 \$	2014/15 \$	2015/16 \$
<i>Car Park Building Fees (hourly) Sunday & Public Holidays between opening and closing</i>			
Great King Street	Free	Free	Free
Lower Moray Place	Free	Free	Free
Wall Street	Free	Free	Free
<i>Car Park Buildings Leased Parking Fees (weekly)</i>			
Great King Street	39.00	39.00	39.00
Lower Moray Place.	42.00	42.00	39.00
Wall Street	55.00	55.00	55.00
Leased car park lost card replacement (car park building)	61.00	25.00	25.00
<i>Off-Street Car Parks Metered Parking Flat Fee (per day)</i>			
Thomas Burns	5.00	5.00	5.00
Railway North	5.00	5.00	5.00
St Andrew Street	3.00	3.00	3.00
<i>On-Street Meters (hourly) Monday to Saturday between the hours of 9am to 6pm</i>			
Main Street (30 minutes maximum stay)	1.50	1.50	1.50
Core Zone (one hour maximum stay)	3.00	3.00	3.00
Inner Zone (variable maximum stay)	2.00	2.00	2.00
Outer Zone (four hours maximum stay)	1.00	1.00	1.00
Outer Zone All Day Parking (per day)	5.00	5.00	5.00
<i>Off-Street Metered Car Parks (hourly) between the hours of 9am and 6pm</i>			
Railway Station North	2.00	2.00	2.00
Railway Station South	2.00	2.00	2.00
Dowling Street (four hours maximum)	2.00	2.00	2.00
Frederick Street (four hours maximum)	2.00	2.00	2.00
Filleul Street	2.00	2.00	2.00

	2013/14 \$	2014/15 \$	2015/16 \$
<i>Off-Street Metered Car Parks (hourly) between the hours of 9am and 6pm Saturday</i>			
Note: Casual hourly parking not available at St Andrew Street from 2011/12			
Railway Station North	1.00	1.00	1.00
Railway Station South	1.00	1.00	1.00
Dowling Street (four hours maximum)	1.00	1.00	1.00
Frederick Street (four hours maximum)	1.00	1.00	1.00
Filleul Street	1.00	1.00	1.00
<i>Off-Street Metered Car Parks – Sunday & Public Holidays</i>			
Railway Station North	Free	Free	Free
Railway Station South	Free	Free	Free
Dowling Street (four hours maximum)	Free	Free	Free
Frederick Street (four hours maximum)	Free	Free	Free
Filleul Street	Free	Free	Free
St Andrew Street	Free	Free	Free
<i>Off-Street Leased Parking Fees (weekly)</i>			
Dowling Street	35.00	35.00	35.00
Queens Gardens	35.00	35.00	35.00
Crawford Street (from 1/7/15)	32.00	32.00	35.00
Filleul Street	35.00	35.00	35.00
York Place	35.00	35.00	35.00
Thomas Burns	25.00	25.00	20.00
Station	25.00	25.00	20.00
Lorne Street	16.00	16.00	16.00

	2013/14 \$	2014/15 \$	2015/16 \$
City Planning			
Section 36(1) of the Resource Management Act 1991 enables the Council to charge a fixed deposit. Section 36(3) allows for additional fees to recover actual and reasonable costs in cases where the fixed deposit is inadequate. Application costs that exceed the deposit will be subject to additional charges at the rates and disbursements set out in the following schedules. For those applications that attract a fixed deposit, a receipt will be issued at the time of payment. A GST invoice will be issued at the completion of processing.			
Fees for Land Use Planning Activities			
<i>Non-Notified Land Use Consents</i>			
Category A	No charge	No charge	No charge
Category B (deposit)	530.00	500.00	500.00
Category C (deposit)	820.00	850.00	800.00
Category D (deposit)	1,200.00	1,200.00	1,300.00
<i>Notified Land Use Consents</i>			
Notified Land Use Consents (deposit)	6,000.00	6,500.00	7,000.00
Limited Notified Land Use Consents			
Limited Notified Land Use Consents (deposit)	3,000.00	3,500.00	4,000.00
Extension of time for land use consents. (Section 125(1)(b)) (deposit)	600.00	550.00	600.00
Change or cancellation of conditions of land use consents (Section 127(1)(b)) (deposit)	600.00	700.00	650.00
Objections to decisions of land use consents (Section 357) and fees (Section 357B)	No charge	No charge	No charge
Certificates of compliance (Section 139) (deposit)	670.00	700.00	700.00
Outline plan of works (Section 176A) (deposit)	1,200.00	1,000.00	1,100.00

	2013/14 \$	2014/15 \$	2015/16 \$
Existing use certificate (Section 139A) (deposit)	800.00	850.00	850.00
If the application is complex or significant, or specialist advice is needed, a higher deposit may be required before proceeding. Fees will be discussed with the applicant in advance.			
Categories of Fees for Non-Notified Land Use Consents			
<i>Category A:</i>			
Schedule 25.3 trees			
Temporary signs for one-off not-for-profit cultural events (determination by Resource Consent department)			
Murals			
Replacing roof on buildings that are located in a townscape or heritage precinct, or on a scheduled building			
Painting of buildings that are located in the townscape or heritage precincts, or a scheduled building			
Modifying windows above verandah height of buildings located in a townscape or heritage precinct, or a scheduled building, or replacing a door on a scheduled building			
Consents required for activities under Rule 16.6 (Interim Rule for Areas of Significant Conservation Value)			
Except for Schedule 25.3 trees, Category A provides only for non-notified applications			
<i>Category B:</i>			
Dwelling alterations and accessory buildings in a residential zone only breaching side/rear yard and/or height plane angle where written approval of adjoining neighbour(s) is provided on lodgement			
<i>Category C:</i>			
Rural or rural-residential zone accessory buildings, and Residential zone accessory buildings including carports and garages (except as covered by Categories B or D)			
Dwelling alterations including decks and pergolas resulting in minor breach of bulk and location performance standard where density of residential activity complies (except as covered by Category B)			

	2013/14 \$	2014/15 \$	2015/16 \$
New dwellings where density of residential activity complies (except as covered by Category D)			
Signs except for permanent hoardings			
<i>Category D:</i>			
Retaining walls and/or earthworks			
Structures, which includes new dwellings and accessory buildings located in a Landscape Management Area or an Urban Landscape Conservation Area			
New dwellings and dwelling alterations not covered by Categories A to C			
New buildings in a townscape/heritage precinct			
Alteration to buildings located in a townscape/heritage precinct or to scheduled buildings not covered by Category A			
Community support activities			
Permanent hoarding signs			
National Environmental Standard (Soil)			
All non-notified resource consent applications not provided for by other categories will be charged at the Category D rate (deposit and actual cost above the deposit)			
Fees for Subdivision Activities			
Non-notified subdivision consents (deposit)	1,750.00	1,700.00	1,700.00
Notified subdivision consents (deposit)	6,000.00	6,500.00	7,000.00
Limited notified subdivision consents (deposit)	3,000.00	3,000.00	3,500.00
Section 226 application including certification (deposit)	715.00	800.00	700.00
Sealing, certification fee for survey plans (except 224(c)) (per certificate) (deposit)	450.00	450.00	450.00
Compliance with subdivision consent conditions (Section 224(c)) (deposit)	520.00	520.00	450.00
Combined 223 and 224(c) application (deposit)	580.00	580.00	580.00

	2013/14 \$	2014/15 \$	2015/16 \$
Objections to decisions of subdivision consents (Section 357) and fees (Section 357B)	No charge	No charge	No charge
Extension of time for subdivision consents (Section 125(1)(b)) (deposit)	600.00	550.00	600.00
Change or cancellation of conditions of subdivision consents (Section 127(1) (deposit))	800.00	800.00	1,200.00
s240 Covenants (deposit)		500.00	500.00
s241 Amalgamation of Allotments (deposit)		200.00	200.00
Preparation of consent notices, certificates, bonds, partial or full release/discharge of bonds, revocation of easements (fixed fee, but any legal fees recovered at cost)	200.00	200.00	200.00
Certified copy of Council Resolution (fixed fee)	180.00	180.00	180.00
Section 221 application (deposit)	800.00	1,300.00	1,050.00
Section 243 application (deposit)	400.00	400.00	400.00
If the application is complex or significant, or specialist advice is needed, a higher deposit may be required before proceeding. Fees will be discussed with the applicant in advance			
Engineering, geotechnical, contamination and any other technical input will be an additional fee that recovers actual cost.			
Payment of Final Fee for Subdivision Applications			
The final fee should be paid promptly after being sent an invoice. If there are any outstanding interim invoices they will be required to be paid before the Section 224 Certificate will be released.			
Planning – Other Legislation			
Planning certificates for the sale of liquor (deposit)	280.00	280.00	240.00

	2013/14 \$	2014/15 \$	2015/16 \$
Cancellation of building line restriction (Section 327A Local Government Act 1974) (deposit)	280.00	280.00	240.00
Right of way (Section 348 Local Government Act 1974) (includes processing of application and sealing) (deposit)	700.00	600.00	600.00
Overseas Investment Commission Certificate (deposit)	290.00	290.00	290.00
Designations/Heritage Orders/Plan Changes			
For Designations/Heritage Orders/Plan Changes (privately initiated) following payment of the relevant deposit, the Council may, at its discretion, invoice for the additional charges at cost on a monthly basis and may stop work on the application until such time as the relevant invoice has been paid.			
Plan changes (privately initiated) (deposit and additional charges at cost)	10,000.00	10,000.00	20,000.00
Heritage order applications (deposit and additional charges at cost)	2,000.00	2,000.00	2,000.00
Notice of requirement for designations (Section 168) (deposit and additional charges at cost)	2,000.00	2,000.00	6,500.00
Minor modifications (Section 181 (2)) (deposit and additional charges at cost)	560.00	560.00	560.00
Notified modifications (Section 181 (3)) (deposit and additional charges at cost)	2,000.00	2,000.00	2,000.00
Uplifting designations	No charge	No charge	No charge
Purchase of District Plan (available online only, for free)	600.00	0.00	0.00
Additional Fees and Charges			
Processing of notified land use and subdivision applications and any additional charges applying to any other planning application listed above will be charged at the following rates:			

	2013/14 \$	2014/15 \$	2015/16 \$
Processing Costs			
Principal Advisor/Team Leader/Specialist input (senior level) from another council department (per hour)	153.00	159.00	160.00
Senior Planner and Specialist input (junior/intermediate level) from another Council department (per hour)	152.00	159.00	160.00
Planners (per hour)	136.00	143.00	145.00
Graduate Planners or Monitoring officer (per hour)	102.00	111.00	114.00
Development Contributions officer (per hour)			114.00
Administrative Officers (per hour)	87.00	89.00	89.00
External consultants	At Cost	At Cost	At Cost
Reports commissioned by the Council	At Cost	At Cost	At Cost
Disbursements			
Postage	At Cost	At Cost	At Cost
Photocopying (per A4 copy)	At Cost	At Cost	At Cost
Public notices	At Cost	At Cost	At Cost
Site signs	At Cost	At Cost	At Cost
Site inspections	At Cost	At Cost	At Cost
Vehicle usage (calculated on time basis (per min))	0.26	0.26	0.26
Refund or Cost Recovery Threshold			
There is a \$25 threshold either side of the final cost whereby if the amount to be refunded or recovered is less than \$25 it will be absorbed to cover the processing cost.			
Hearing Costs			
For all applications involving elected members attendance at hearings for commercial applicants (GST registered only)			
Hearing up to 3 hours (fixed fee)	678.00	678.00	678.00

	2013/14 \$	2014/15 \$	2015/16 \$
Hearings over 3 hours (per day)	1,355.00	1,355.00	1,355.00
Staff attendance at hearings – cost of staff attending hearing (charged at hourly rates above). For resource consents, only the processing planner will be charged.			
Request to Use Commissioner			
1. The applicant requesting a commissioner in accordance with Section 100A will be charged at the actual cost of the commissioner, even if submitters also make the same request. If submitters request a commissioner, and the applicant does not, then the submitters must pay for the additional costs associated with the commissioner, with the costs being equally shared between the submitters requesting it.			
2. Plan changes or Notice of Requirements which require the use of a commissioner will be charged at the actual cost of the commissioner.			
Pre-hearing Meetings			
Staff attendance at hearings – cost of staff attending hearing (charged at hourly rates above). For resource consents, only the processing planner will be charged.			
Consent Monitoring			
Resource Consent monitoring fees (fixed fee)	115.00 (single inspection)	118.00 (single inspection)	164.00 (Each inspection)
State of the Environment monitoring fee (fixed fee)	111.00	111.00	111.00
Monitoring of activities subject to requirements of the HSNO Act (fixed fee)	115.00	118.00	120.00
Fees set by the Resource Management (Infringement Offences) Regulations 1999 adopted in 2000/01			
Contravention of Section 9 (restrictions of use of land)	300.00	300.00	300.00
Contravention of an abatement notice (other than a notice under Section 322(1)(c))	750.00	750.00	750.00
Contravention of an excessive noise notice direction under Section 327	500.00	500.00	500.00

	2013/14 \$	2014/15 \$	2015/16 \$
Contravention of Section 22 (failure to provide certain information to an Enforcement Officer)	300.00	300.00	300.00
Terms of payment: Payment of additional fees are due within 20 working days of the invoice date or 20th of the month, whichever is the latest.			
Site Contamination Search			
Information search to meet requirement (method) of section 6(2) of the Resource Management (National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health) Regulations 2011			
Residential and rural (fixed fee per site)	110.00	113.00	145.00
Commercial and Industrial (fixed fee per site)	200.00	206.00	290.00
Development Contributions			
The Local Government Act provides for full cost recovery. Application costs that exceed the deposit will be subject to additional charges at the rates and disbursements set out in this schedule. For those applications that attract a fixed deposit, a receipt will be issued at the time of payment. A GST invoice will be issued at the completion of processing.			
Remissions, unusual developments and deferral of payment (deposit)			400.00
Objections (Full cost recovery for commissioners, council staff and other support) (deposit)			400.00
Commissioners are selected and appointed independently of Council and their full costs will be recovered.			
Community Art Gallery			
A \$100 bond is required by all tenants prior to picking up the key.			
Community Groups (non-commercial/display only) (per week)	146.00	146.00	146.00
Community Groups (non-commercial/sell products) (per week)	292.00	292.00	292.00

	2013/14 \$	2014/15 \$	2015/16 \$
Community Groups (non-commercial/display only) (per day)	21.00	21.00	21.00
Community Groups (non-commercial/sell products) (per day)	42.00	42.00	42.00
Commercial Organisations (display purposes only) (per week)	1,045.00	1,045.00	1,045.00
Commercial Organisations (Commercial Venture/Selling) (per week)	1,045.00 or 10% of gross revenue (whichever is the greater)	1,045.00 or 10% of gross revenue (whichever is the greater)	1,045.00 or 10% of gross revenue (whichever is the greater)
Community Housing			
Note: Increases take effect from 1 August each year. Community Housing is GST Exempt.			
Bedsit	104.50	104.50	104.50
Single (partitioned flat)	106.60	106.60	106.60
Single (separate flat)	110.70	110.70	110.70
Double (partitioned flat)	149.00	149.00	149.00
Double (separate flat)	154.20	154.20	154.20
1 Bedroom	162.50	162.50	162.50
2 Bedroom	190.40	190.40	190.40
Dunedin Centre			
This facility is managed by Dunedin Venues Management Limited. The Town Hall complex has re-opened and is available for hire. Conference rooms and auditoria are available by negotiation depending on the specific requirements of the hirer and nature of the event.			

	2013/14 \$	2014/15 \$	2015/16 \$
Hire of audio visual, sound, lighting and other equipment by negotiation depending on the specific requirements of the hirer and nature of the event.			
Hire of technical support for conferences, functions and live performance by negotiation depending on the specific requirements of the hirer and nature of the event.			
Provision of other services for conferences, functions and live performance including security, secretarial services and telecommunications by negotiation depending on the specific requirements of the hirer and nature of the event.			
Provision of food and beverage services by negotiation depending on the specific requirements of the hirer and nature of the event. The Dunedin Centre's contracted catering service is the sole provider of food and beverage services within the complex.			
Dunedin Public Art Gallery			
Admission	Free	Free	Free
Special Exhibition entry charges will vary depending on the exhibition			
Group tours by arrangement, cost negotiable			
Hire of conference and auditorium facilities by negotiation depending on the individual requirements of the hirer			
Photographic reproduction charges schedule available at the Art Gallery			
Economic Development			
Film Permit Fee			
Fee for a permit to conduct commercial film activity in public places	500.00 per day	500.00 per day	500.00 per day
	250.00 per half day	250.00 per half day	250.00 per half day
Environmental Health			
Licence/Audit Fees (Annual)			
Licensed Premises Transfer fee	83.00	83.00	86.00

	2013/14 \$	2014/15 \$	2015/16 \$
Food Premises			
Opening fee	231.00	231.00	238.00
Base Kitchens	117.00	114.00	124.00
Class 1			
A	365.00	365.00	376.00
B	529.00	529.00	545.00
C	695.00	695.00	716.00
D	860.00	860.00	886.00
Class 2			
A	404.00	404.00	416.00
B	569.00	569.00	586.00
C	733.00	733.00	755.00
D	899.00	899.00	926.00
Class 3			
A	498.00	498.00	513.00
B	663.00	663.00	683.00
C	827.00	827.00	852.00
D	992.00	992.00	1,022.00
Class 4			
A	698.00	698.00	719.00
B	863.00	863.00	889.00
C	1,027.00	1,027.00	1,058.00
D	1,192.00	1,192.00	1,128.00
Class 5			
A	956.00	956.00	985.00
B	1,121.00	1,121.00	1,155.00
C	1,286.00	1,286.00	1,325.00

	2013/14 \$	2014/15 \$	2015/16 \$
D	1,450.00	1,450.00	1,494.00
Food Control Plan Mentoring Fee		114.00	124.00
Premises Re-inspection Fee			
Additional re-inspections	111.00	114.00	124.00
Mobile Shops (Food)			
Low Risk		114.00	124.00
A	394.00	394.00	406.00
B	506.00	506.00	521.00
C	612.00	612.00	630.00
D	718.00	718.00	740.00
Food Stall (for profit)	30.00	30.00	31.00
Food Street Stalls (permanent) per day	30.00	30.00	31.00
One-off Food Stall Inspections (if required) per event fee			
1-10 Food stalls:	111.00 for the first 10 food stalls	111.00 for the first 10 food stalls	124.00 for the first 10 food stalls
11 or more food stalls: Fee for 1-10 food stalls plus	10.00 per each additional food stall	10.00 per each additional food stall	10.00 per each additional food stall
Markets (Food Stalls)			
1-10 Food stalls	No fee	No fee	No fee
11-20 Food stalls	204.00	204.00	210.00
21-40 Food Stalls	408.00	408.00	420.00
41-60 Food Stalls	612.00	612.00	630.00
61-80 Food Stalls	816.00	816.00	840.00
81 and above Food Stalls	969.00	969.00	998.00

	2013/14 \$	2014/15 \$	2015/16 \$
Processing Applications/Variations for Exemption of the Food Hygiene Regulations 1974			
Normal working hours (per hour)	114.00	114.00	124.00
Outside normal working hours (per hour)	146.00	146.00	159.00
Statutory Holidays (per hour)	188.00	188.00	204.00
Mileage (over 40km) outside Dunedin (per km)	2.00	2.00	2.00
Other Premises			
Camping Grounds	343.00	343.00	124.00
Hairdressers' Salons	176.00	176.00	181.00
Offensive Trades	418.00	114.00	124.00
Funeral Directors	249.00	249.00	124.00
Hawkers	147.00	114.00	124.00
Mobile Shops (Non-Food)	196.00	114.00	124.00
Beautician, Tattooists and Skin Piercing Bylaw Annual Licensing Fees			
Secondary Business Activity (eg jewellers/ beauty therapy services in conjunction with another activity)	54.00	54.00	56.00
Sole Business Activity (eg Beauty Therapist, Tattooist)	217.00	217.00	224.00
Other Charges			
Skateboard infringement fine	50.00	50.00	
Skateboarding seizure and storage fee			50.00
Noise consultancy and survey work fee (per hour)	154.00	154.00	0.00
Excessive noise equipment seizure fine	58.00	58.00	255.00
Seized equipment storage fee (per day)	26.00	26.00	30.00

	2013/14 \$	2014/15 \$	2015/16 \$
Monitoring under the Resource Management (Infringement Offences) Regulations 1999.			
Note: These fees are set by statute.			
Contravention of an excessive noise direction under section 327	500.00	500.00	500.00
Contravention of an abatement notice for an unreasonable noise under section 322(1)(c)	750.00	750.00	750.00
Information Services			
Land Information Memorandum			
Residential	300.00	310.00	317.00
Residential (non-urgent)	250.00	260.00	267.00
Commercial	330.00	340.00	347.00
Mapping Services			
GIS services available – cost on application.			
Libraries			
Non-residential membership (per family per year)	110.00	110.00	110.00
Membership card replacement (Adult)	4.00	4.00	4.00
Membership card replacement (Child)	2.00	2.00	2.00
Inter-loan (plus any additional charges over the standard fee)	5.00	5.00	5.00
Overdue (per item, per day, Adult)	0.30	0.30	0.50
Overdue Hot Picks (per item, per day, Adult or youth)	1.00	1.00	1.00
Holds charge (per item)	1.00	1.00	1.00
Holds Voucher Pack (6 Holds vouchers)	4.00	4.00	4.00
Photocopying (black and white, A4, per copy)	0.20	0.20	0.20
Photocopying (black and white, A3, per copy)	0.20	0.20	0.20
Photocopying (colour, A4, per copy)	1.00	1.00	1.00

	2013/14 \$	2014/15 \$	2015/16 \$
Photocopying (colour, A3, per copy)	2.00	2.00	2.00
City Library parking (per hour)	2.00	2.00	2.00
Research enquiries undertaken by staff (per hour)	56.00	56.00	56.00
4GB Flash Drive, per item	12.00	12.00	10.00
Tweet Bag, per item	4.00	4.00	4.00
Book Plates (set of 6)	5.00	5.00	5.00
Create and supply digital image, per image	25.00	25.00	25.00
Schedule of charges per hour available at the libraries. Database searching at cost plus staff time.			
Loss and damage charges vary depending on the item.			
Overdue/Account charge per lost item (Adult)	7.50	7.50	7.50
Overdue/Account charge per lost item (Child)	2.50	2.50	2.50
Processing fee per item	5.00	5.00	5.00
Item/Debt recovery charge (per referral)	15.00	15.00	15.00
Rentals			
DVDs (one week loan)	4.00	n/a	n/a
Recent DVDs (up to 1 year old)		4.00	n/a (see Hot Picks DVDs below)
Classic DVDs (over 1 year old)		2.00	2.00
Compact Discs (two week loan)	2.00	n/a	n/a
Current Compact Discs (up to 1 year old)		2.00	n/a (see Hot Picks CDs below)
Hot Picks			
Hot Picks Books (two week loan)	5.00	5.00	5.00
Hot Picks DVDs (one week loan)	5.00	n/a	4.00

	2013/14 \$	2014/15 \$	2015/16 \$
Hot Picks CDs (two week loan)	n/a	n/a	2.00
Hot Picks Voucher Pack (6 Hot Picks vouchers)	25.00	25.00	25.00
Hot Picks Magazines (one week loan)	2.50	2.50	2.50
Bindery			
Book guard paperback	6.70+	n/a	n/a
Book covering		\$3.70+	n/a
Paperback minor mend*	20.00+	n/a	n/a
Hardback rebind*	65.00+	n/a	n/a
Thesis binding*	60.00+	n/a	n/a
Periodical full binding*	75.00+	n/a	n/a
Minutes full binding*	60.00+	60.00+	n/a
Book preservation enclosures*	50.00+	n/a	n/a
*Subject to individual quotation.			
Downes Room, Mosgiel Library			
(Available for meetings, etc) Charges vary from \$15.00 for first hour, \$10.00 thereafter, up to \$60.00.			
Dunningham Suite, City Library			
(Available for meetings, etc) Charges vary from:			
Small Meeting Room (half day)	75.00	75.00	75.00
Small Meeting Room (full day)	125.00	125.00	125.00
Full Suite (half day)	175.00	175.00	175.00
Full Suite (full day)	275.00	275.00	275.00
Kitchen (half day)	30.00	30.00	30.00
Security Guard Service (After 8pm Monday – Friday, before 11am and after 4pm Saturday/Sunday) per hour	40.00	40.00	40.00
Data projector (half day)	50.00	50.00	50.00

	2013/14 \$	2014/15 \$	2015/16 \$
DVD player per day	10.00	10.00	10.00
Wedding Booking (includes full day for event, plus 2 half days for set up and clean up. Does not include security guard service)	750.00	750.00	750.00
Parking Enforcement			
<i>Parking Permit Charges (minimum charge 1/2 day)</i>			
Permit (1 day) except Octagon and George Street (Octagon – Albany Street)	25.00	20.00	20.00
Permit (1 day) Octagon and George Street (Octagon – Albany Street)	37.00	30.00	30.00
Permit (6 days) except Octagon and George Street (Octagon – Albany Street)	124.00	96.00	96.00
Permit (6 days) Octagon and George Street (Octagon – Albany Street)	184.00	144.00	144.00
Permit (month) except Octagon and George Street (Octagon – Albany Street)	492.00	400.00	400.00
Permit (month) Octagon and George Street (Octagon – Albany Street)	732.00	600.00	600.00
Authorised Vehicle Permit (annually)	18.00	26.00	26.00
Residents' Parking			
Residents' Parking Permit (annually)	164.00	180.00	180.00
Pro Rata Fees (Month of Application)			
October	192.00	210.00	210.00
November	178.00	195.00	195.00
December	164.00	180.00	180.00
January	150.70	165.00	165.00
February	137.00	150.00	150.00
March	123.30	135.00	135.00
April	109.60	120.00	120.00

	2013/14 \$	2014/15 \$	2015/16 \$
May	95.60	105.00	105.00
June	82.20	90.00	90.00
July	68.50	75.00	75.00
August	54.80	60.00	60.00
September	41.10	45.00	45.00
Abandoned Vehicle (Fees recovered from owner)			
Impound fee	460.00	460.00	460.00
Storage (daily)	6.00	6.00	6.00
Unwanted Vehicle Removal	42.00	42.00	42.00
Commercial Use of Footpaths (Permits)			
Table with up to a maximum of four chairs (annually)	135.00	182.50	182.50
Signs, Screens, or any other object per item (annually)	33.00	36.50	36.50
Display of Goods (annually)	33.00	92.00	92.00
Impounding of sign or any other object (per item)	64.00	64.00	64.00
Construction Parking Areas			
<i>Installation and Reinstatement of Area:</i>			
6m length	550.00	550.00	550.00
12m length	650.00	650.00	650.00
18m length	750.00	750.00	750.00
Investigation and administration	54.00	60.00	60.00
Relocation of pay and display machines.	400.00	900.00	900.00
Monthly Hire:			
<i>Monthly Hire, All zones except "Residential Zones" as defined in the Dunedin City District Plan:</i>			
6m length	198.00	250.00	250.00

	2013/14 \$	2014/15 \$	2015/16 \$
12m length	396.00	500.00	500.00
18m length	594.00	750.00	750.00
<i>Monthly Hire, All “Residential Zones” as defined in the Dunedin City District Plan:</i>			
6m length	99.00	125.00	125.00
12m length	198.00	250.00	250.00
18m length	297.00	375.00	375.00
Skips and Containers (Permits)			
<i>Skips</i>			
All zones except “Residential Zones” as defined in the Dunedin City District Plan: (daily)	48.00	40.00	40.00
All “Residential Zones” as defined in the Dunedin City District Plan: (daily)	38.00	30.00	30.00
Monthly Charge (all zones)	590.00	600.00	600.00
<i>Containers</i>			
20 foot container (daily)	54.00	40.00	40.00
40 foot container (daily)	107.00	80.00	80.00
Towage – set by Statute – Transport (towage fees) Notice 2004			
Where the vehicle gross weight does not exceed 3500 kgs – between hours of 0700 and 1800 Monday to Friday (other than public holiday)	53.67	53.67	53.67
Where the vehicle gross weight does not exceed 3500 kgs – between hours of 1800 and 0700 Monday to Friday, Saturday, Sunday and Public Holidays	71.56	71.56	71.56
Where the vehicle gross weight exceeds 3500 kgs – between hours of 0700 and 1800 Monday to Friday (other than public holiday)	132.89	132.89	132.89

	2013/14 \$	2014/15 \$	2015/16 \$
Where the vehicle gross weight exceeds 3500 kgs – between hours of 1800 and 0700 Monday to Friday, Saturday, Sunday and Public Holidays	204.44	204.44	204.44
Infringement Fees – set by Statute – Land Transport Act 1998			
*A \$2 discount will apply to all \$12 parking tickets if they are paid within 28 days of the date of issue.			
Parked in a Pay and Display area displaying an invalid receipt	12.00* – 57.00	12.00* – 57.00	12.00 – 57.00
Parked in a Pay and Display area in excess of maximum time	12.00* – 57.00	12.00* – 57.00	12.00 – 57.00
Displaying an expired receipt	12.00* – 57.00	12.00* – 57.00	12.00 – 57.00
Parked in breach of a time limit	12.00* – 57.00	12.00* – 57.00	12.00 – 57.00
Failing to display a parking receipt	40.00	40.00	40.00
Failing to display a valid parking receipt	40.00	40.00	40.00
Parked within an intersection	60.00	60.00	60.00
Parked within 6m of an intersection	60.00	60.00	60.00
Parked on or within 6m of a pedestrian crossing	60.00	60.00	60.00
Parked in a no stopping area	40.00	40.00	40.00
Parked on a broken yellow line	60.00	60.00	60.00
Parked on a bus stop or taxi stand	60.00	60.00	60.00
Parked over or within 1m of a vehicle entrance	40.00	40.00	40.00
Parked on or within 500 mm of a fire hydrant	40.00	40.00	40.00
Double parked	60.00	60.00	60.00
Incorrect kerb parking	40.00	40.00	40.00
Parked on a footpath	40.00	40.00	40.00

	2013/14 \$	2014/15 \$	2015/16 \$
Parked a trailer on a road in excess of seven days	40.00	40.00	40.00
Inconsiderate parking	60.00	60.00	60.00
Parked on a loading zone	40.00	40.00	40.00
Parked on a roadside grass plot, shrubs or flower bed	40.00	40.00	40.00
Parked on a clearway	60.00	60.00	60.00
Parked unlawfully in a Pickup and Drop off area	40.00	40.00	40.00
Parked in a reserved area without authority	40.00	40.00	40.00
Parked in an area reserved for authorised residents vehicles only	40.00	40.00	40.00
Parked in an area reserved for motorcycles only	40.00	40.00	40.00
Parked in an area reserved for mobility card holders only	150.00	150.00	150.00
Parked facing the wrong direction	40.00	40.00	40.00
Bus parked unattended on a Bus Stop	60.00	60.00	60.00
Parked on a Cycle Lane	60.00	60.00	60.00
Failing to display a red marker light on a GSV	40.00	40.00	40.00
Failing to display current evidence of vehicle inspection (WOF) (light)	200.00	200.00	200.00
Failing to display current evidence of vehicle inspection (COF) (commercial or heavy)	600.00	600.00	600.00
Operated an unregistered motor vehicle	200.00	200.00	200.00
Operated an unlicensed motor vehicle	200.00	200.00	200.00
Registration Plates not affixed in prescribed manner	200.00	200.00	200.00
Displayed other than authorised registration plate	200.00	200.00	200.00

	2013/14 \$	2014/15 \$	2015/16 \$
Displayed other than authorised registration plate (Body Corporate)	1,000.00	1,000.00	1,000.00
Displayed other than authorised motor vehicle license	200.00	200.00	200.00
Displayed other than authorised motor vehicle license (Body Corporate)	1,000.00	1,000.00	1,000.00
Displayed item likely to be mistaken for a Registration Plate	200.00	200.00	200.00
Displayed item likely to be mistaken for a Registration Plate (Body Corporate)	1,000.00	1,000.00	1,000.00
Displayed item likely to be mistaken for a motor vehicle license	200.00	200.00	200.00
Displayed item likely to be mistaken for a motor vehicle license (Body Corporate)	1,000.00	1,000.00	1,000.00
Obscured or indistinguishable registration plate	200.00	200.00	200.00
Obscured or indistinguishable registration plate (Body Corporate)	1,000.00	1,000.00	1,000.00
Obscured or indistinguishable license label	200.00	200.00	200.00
Obscured or indistinguishable license label (Body Corporate)	1,000.00	1,000.00	1,000.00
Used a vehicle with exemption from continuous licensing	200.00	200.00	200.00
Used a vehicle with exemption from continuous licensing (Body Corporate)	1,000.00	1,000.00	1,000.00
Parks and Reserves Facilities			
Chingford Stables			
Facility use	22.60	22.60	23.00
Functions – includes security patrol	248.10	248.10	256.00

	2013/14 \$	2014/15 \$	2015/16 \$
Public	61.50	61.50	63.00
Non-profit organisations	29.70	29.70	31.00
Stalls			
Single not for profit stalls (per day or part thereof)	29.70	29.70	31.00
Single for profit stalls (per day or part thereof)	55.40	55.40	57.00
Whole or significant part of the Reserve (per day)	81.00	81.00	83.00
Marina			
Deborah Bay Marina - Berth (annual fee)	1,279.20	1,279.20	1,318.00
Event Use			
Enclosed grounds (per day)	468.40	468.40	482.00
Unenclosed ground (per day)	431.50	431.50	444.00
Property – Leasehold Consents (Investment Property Portfolio)			
Standard consent	250.00	250.00	250.00
Consent in principle and endorsement	250.00	250.00	250.00
Urgent consent (consent required in less than 5 working days)	500.00	500.00	500.00
Sportsgrounds			
Sportsgrounds – Winter Codes (Rugby, Rugby League, Hockey, Soccer)			
<i>Unenclosed Fields</i>			
With facilities (per season)	1,526.20	1,556.72	1,603.00
Without facilities (per season)	852.80	869.86	896.00
Touch Marked field with facilities (per season)	422.30	430.75	444.00
With facilities (per day)	129.20	131.78	136.00
Without facilities (per day)	71.80	73.24	75.00
Casual Touch Sevens (per ground) per day	33.80	34.48	36.00

	2013/14 \$	2014/15 \$	2015/16 \$
Training use only for schools	Free	Free	Free
Union Street Pavilion Facilities only (per change room per hour)	17.00	17.34	18.00
<i>Enclosed Fields</i>			
Tahuna Park 1, Caledonian, University Oval 1 (per ground per day with facilities)	255.20	260.30	268.00
Tahuna Park 2 (per ground per day with facilities)	129.20	131.78	136.00
Sportsgrounds – Summer Codes (Cricket, Athletics, Softball, Marching)			
<i>Dunedin Cricket</i>			
First class pitch per season	2,628.10	2,680.66	2,761.00
Other pitch per season	2,125.90	2,168.42	2,233.00
Artificial wicket per season	656.00	669.12	689.00
Primary, intermediate and secondary schools	Free	Free	Free
Senior pitch unenclosed per day	218.30	222.67	229.00
Artificial wicket per day	42.00	42.84	44.00
<i>Otago Cricket</i>			
Hire of change rooms	27.68 (for the first two hours - minimum charge)	28.23 (for the first two hours - minimum charge)	29.00 (for the first two hours - minimum charge)
	14.35 per hour after that	14.64 per hour after that	15.00 per hour after that
Hire of international practice strips (per hour/ per strip)	53.30	54.37	56.00
Hire of international practice strips (full day hire/per strip)	163.00	166.26	171.00

	2013/14 \$	2014/15 \$	2015/16 \$
<i>Softball</i>			
Field without marking per season	854.90	872.00	898.00
Field without marking per day	57.40	58.55	60.00
<i>Athletics</i>			
Marked 400m grass track (per season)	687.80	701.56	723.00
Unmarked 1 hectare area (per season)	854.90	872.00	898.00
Unmarked 1 hectare area (per day)	43.10	43.96	45.00
<i>Archery</i>			
Use per hectare (per season)	854.90	872.00	898.00
<i>Marching</i>			
Unmarked 1 hectare area (per day)	57.40	58.55	60.00
<i>Out of Season Work</i>			
Out of season play including marking out, erecting and removing goal posts (per field)	535.10	545.80	562.00
<i>Pre and Post season games all codes</i>			
With facilities	140.40	143.21	147.00
Without facilities	76.90	78.44	81.00
<i>Athletics Caledonian Track and Ground</i>			
Enclosed ground competition use (per hour)	155.80	158.92	164.00
Enclosed ground practice use (per hour)	92.30	94.15	97.00
Enclosed ground competition use (primary, intermediate and secondary schools or junior club rate)	74.80	76.30	79.00
Enclosed ground practice use (primary, intermediate and secondary schools or junior club rate)	47.20	48.14	50.00
<i>Gymnasium</i>			
Competition per hour	58.40	59.57	61.00

	2013/14 \$	2014/15 \$	2015/16 \$
Practice per hour	36.90	37.64	39.00
Child's rate	8.20	8.36	9.00
Change and showers only per hour	17.40	17.75	18.00
Kitchen and committee rooms per hour	17.40	17.75	18.00
After hours call out fee	42.00	42.84	44.00
Toitū Otago Settlers Museum			
Admission	Free	Free	Free
Archives	12.00	12.00	12.00
Special Exhibition entry charges will vary depending on the exhibition. Group tours by arrangement, cost negotiable. Hire of conference and auditorium facilities by negotiation depending on the individual requirement for the hirer. Photographic reproduction charges schedule available at Toitū Otago Settlers Museum.			
Transportation			
The fee to process a road stopping proposal (the applicant must also pay the actual costs involved in the stopping or the value of the land, whichever is the greater)	794.00	820.00	845.00
Encroachments on road reserve (per annum)			
New application establishment administration fee		50.00	52.00
Site development	7.5% of adjacent unimproved rated value	7.5% of adjacent unimproved rated value	7.5% of adjacent unimproved rated value
	\$/m ²	\$/m ²	\$/m ²
Residential – Single garage <25m ²	110.00	113.00	116.00
Residential – Double garage <50m ²	220.00	226.00	233.00

	2013/14 \$	2014/15 \$	2015/16 \$
Commercial Use	Negotiated based upon 2011/12 valuation plus 3%	Negotiated based upon 2013/14 valuation plus 3%	Negotiated based upon 2014/15 valuation plus 3%
Consent application fee for non-standard sign and other uses	191.00	195.00	201.00
Fill points for private fuel lines on road reserve (per annum)	185.00	50.00	52.00
Overhead/Underground pedestrian road crossings	Varies*	Varies*	Varies*
*Crossings are on a 'lease' basis with payment being on a 'fixed term' basis or subject to a yearly review.			
Corridor Access Requests (CAR)			
Corridor Access fee (incorporating the completion and maintenance inspections)	287.50	287.50	287.50
Re-inspection fee (Non-Conforming works)	115.00	115.00	115.00
Penalty fee for No/Unapproved CAR	575.00	575.00	575.00
Openings less than 0.25m ²	No fee*	No fee*	No fee*
Footpath (shallow transverse crossings)	No fee*	No fee*	No fee*
*Providing an application is submitted			
Waste Management – Solid Waste Charges			
Landfill Charges – For all DCC landfills and transfer stations			
<i>Small Vehicle Charges</i>			
Refuse bag – per bag, (max size 60 litres)	2.10	3.00	3.00
Multiple bags will be charged at \$3 each. The maximum charge would be the appropriate vehicle rate.			
Car – small load	n/a	13.00	13.00
Car – large load	18.00	28.00	28.00

	2013/14 \$	2014/15 \$	2015/16 \$
Woolpack per pack or part pack	n/a	13.00	13.00
Wheelie bin per bin or part bin	n/a	13.00	13.00
Station wagon – small load	n/a	20.00	20.00
Station wagon – large load	32.00	45.00	45.00
Cars and single axle trailers, vans and utes – small load	n/a	30.00	30.00
Cars and single axle trailers, vans and utes – large load	46.00	56.00	56.00
Clay Cover (clay)	10.00	10.00	10.00
Note: Clay cover charges are subject to seasonal variation in line with day light saving time i.e. is taken free of charge during the warmer months. Cover is not accepted at Middlemarch Transfer Station			
Cleanfill	18.00	18.00	18.00
Note: Cleanfill is not accepted at Middlemarch Transfer Station			
Demolition	25.00	30.00	30.00
Note: Demolition is not accepted at Middlemarch Transfer Station			
Car tyres – each	4.00	5.00	5.00
Vehicle bodies	75.00	80.00	80.00
Vegetation			
Car – small load	n/a	9.00	9.00
Car – large load	12.00	20.00	20.00
Woolpack per pack or part pack	n/a	9.00	9.00
Wheelie bin per bin or part bin	n/a	9.00	9.00
Station wagon – small load	n/a	13.00	13.00
Station wagon – large load	20.00	31.00	31.00
Cars and single axle trailers, vans and utes – small load	n/a	18.00	18.00

	2013/14 \$	2014/15 \$	2015/16 \$
Cars and single axle trailers, vans and utes – large load	30.00	39.00	39.00
Large Vehicle Charges			
<i>Charges by weight at the Green Island Landfill (Weighbridge) per tonne</i>			
General solid waste per tonne (minimum \$65.00)	130.00	130.00	135.00
Green waste per tonne (100% vegetation) (minimum charge \$40.00)		80.00	85.00
Mixed load per tonne (more than 60% vegetation) (minimum charge \$55.00)	80.00	110.00	110.00
Tyres per tonne	335.00	335.00	335.00
<i>Charges by volume at landfills without a weighbridge</i>			
General solid waste per cubic metre (minimum \$75.00)	65.00	75.00	75.00
Vegetation (minimum \$65.00) per cubic metre	65.00	65.00	65.00
Special/hazardous waste			
Sludges and liquids (solids content at least 20%) – per tonne (minimum charge \$100)	200.00	200.00	200.00
Sludges and liquids (solids content less than 20%) per tonne (minimum charge \$125)	244.00	250.00	250.00
Clean fill per tonne (dry) (minimum charge \$15)	12.00	15.00	15.00
Clean fill per tonne (minimum charge \$35.00)	33.00	35.00	35.00
Cover per tonne (minimum charge \$5.00)	5.00	5.00	5.00
Demolition waste per tonne (no timber or organic material) (minimum charge \$35)	33.00	35.00	35.00
Foundry sands per tonne (minimum charge \$35)	33.00	35.00	35.00
Contaminated soil – per tonne (low level) (minimum charge \$35)	33.00	35.00	35.00

	2013/14 \$	2014/15 \$	2015/16 \$
Tyres (per tonne)	335.00	335.00	335.00
Oil (per litre)	1.00	1.00	1.00
Vehicle bodies (each)	75.00	80.00	80.00
Household chemicals (inclusive of Car small load fee)	13.00	13.00	13.00
Gas bottles	10.00	10.00	10.00
Definitions:			
Cover: Cover is clay, sand and soil, which is free of contaminants and other deleterious matter.			
Cleanfill: Cleanfill is a natural material such as clay, soil and rock and other such materials as concrete, brick or products which are free of combustible or organic materials and are therefore not subject to biological or chemical breakdown.			
Demolition: Demolition is concrete, bricks, roading material, concrete pipes and earthenware pipes. The maximum size of demolition material is one metre in any direction. Material is to be clean, no asbestos, no rubbish, no individual steel pieces included and contain less than 10% organic material (eg vegetation, wood) by volume. Reinforcing steel protruding from concrete must be less than 500 mm in length.			
Other Charges			
<i>e-Waste at the Recycling Centre</i>			
TVs	As per recovery costs	As per recovery costs	As per recovery costs
Computer monitors			
Desktop computers, laptops, laptop batteries and peripherals (keyboard/mouse/external hard drives)			
Printers, Faxes and Photocopiers – at Recycling Centre			
UPS Networking equipment			

	2013/14 \$	2014/15 \$	2015/16 \$
<i>Special Waste</i>			
Special waste mixing pit – per hour (nearest hour)	160.00	160.00	160.00
<i>After Hours Opening Fee</i>			
Opening fee	420.00	420.00	420.00
Booth operation costs – per hour (plus any additional machine fees)	85.00	85.00	85.00
Refuse Collection			
All Council-provided refuse collection services are ‘polluter pays’ with the authorised bags being available at a number of outlets throughout the city including supermarkets and dairies. The authorised bags are also available from Council Customer Service Agencies.			
65 Litre bags	2.20	2.20	2.30
40 Litre bags	1.90	1.90	2.00
Wastewater – Trade Waste Charges			
The new charging model moves from three sets of unit rates for Trade Waste charging (one for each wastewater treatment plant catchment) to a single set of citywide unit rates. The new model introduces application fees based on customer category type.			
City Wide Unit Rates			
Volume per cubic metre	0.08	0.09	0.07
BOD5 per kg	0.08	0.08	0.07
NFR/TSS per kg	0.19	0.19	0.17
Compliance Monitoring, Re-Inspection and Consent Breaches			
Staff per hour	103.00	103.00	105.00
Laboratory	Variable Cost	Variable Cost	Variable Cost
Mileage per km	–		
Tankered Waste Charges per tonne	20.00	20.50	21.00

	2013/14 \$	2014/15 \$	2015/16 \$
Consent Application fee Category A	927.00	950.00	969.00
Consent Application fee Category B	309.00	315.00	321.00
Annual fee	154.50	158.00	161.00
Wastewater			
Network Contributions for a Sewer Connection			
Where there has been no prior contribution to the existing network there will be a standard Network Contribution fee for all of the Dunedin City Council areas	5,000.00	5,000.00	5,000.00
Water			
Installation of New Services			
Charges for the installation of new services are determined on a case-by-case basis and are provided as a fixed price quote to applicants. Alternatively, customers can elect to undertake this work themselves at their own risk by engaging a Council Approved Water Supply Connection Installer. That installer will do all work apart from making the connection to the live water main, which will be undertaken by Council staff. A fee for making the connection will be charged.			
Network Contributions			
Where there has been no prior contribution to the existing network there will be a standard Network Contribution fee for all of the Dunedin City Council areas	5,000.00	5,000.00	5,000.00
New 20mm diameter domestic water connection	Quoted	Quoted	Quoted
Commercial or extraordinary water connection	Quoted	Quoted	Quoted
Disconnection of water supply	85.00	100.00	207.00
Annual supply charge (meter rental)			
20mm nominal diameter	187.00	187.00	140.00

	2013/14 \$	2014/15 \$	2015/16 \$
25mm nominal diameter	201.00	201.00	179.00
30mm nominal diameter	218.00	218.00	199.00
40mm nominal diameter	245.00	245.00	225.00
50mm nominal diameter	504.00	504.00	456.00
80mm nominal diameter	807.00	807.00	564.00
100mm nominal diameter	822.00	822.00	595.00
150mm nominal diameter	1,076.00	1,076.00	855.00
300mm nominal diameter	1,302.00	1,302.00	1,110.00
Hydrant Standpipe	560.00	570.00	552.00
Re-connection fee	350.00	350.00	371.00
Special Reading fee	50.00	50.00	50.00
<i>Backflow Prevention Programme</i>			
Backflow Preventer Test fee			88.00
Rescheduled Backflow Preventer Test fee			52.00
Backflow programme - Incomplete Application fees (hourly rate)			39.00
<i>Central Water Scheme Tariff for water sold by meter</i>			
Treated water per cubic metre	1.40	1.43	1.43
Frost Plug Installation (per plug)	40.00	40.00	40.00
Bulk Raw Water Tariff to: Merton, Hindon, and individual farm supplies (per cubic metre)	0.10	0.11	0.11
Rural Water Schemes have differing capital and connection charges —please contact the Water and Waste Services Department for further information.			

Council Grants

Information about council grants that was previously provided in this section of the annual plan/long term plan will now be provided on the Council website at this web address: <http://www.dunedin.govt.nz/services/dcc-funding>.

Council's community, recreation, arts and environment funding is now distributed in line with the Council Grants Policy 2015 (<http://www.dunedin.govt.nz/whats-on/community-grants>). The process brings together a number of formerly separate Council funding streams, with an emphasis to align grants to Council strategies.

Community grant application process changes

All applications for funding, for the 2015/16 financial year, will be considered as part of a new process which opened for applications in late April, closed in late May, with decision making in early July 2015 by the Grants Subcommittee.

There are two contestable funding pools, City Service Grants, and City and Project Grants attached to the new process. Contributions made to regular grant recipients from the past have been used to determine the size of these pools. There is also \$50,000 of additional funding in 2015/16, for new applicants or increases to existing grants. The size of these pools is determined as part of the annual/long term plan consultations each year.

For those organisations that rent properties from the Council's Property Department there is another process in the policy called Property Arrangements. More information can be obtained from the Grants Policy 2015 on the criteria for these and other grants.

The Grants Subcommittee will consider the alignment to Council's strategies and any other financial support received from Council when making funding decisions.

Grants Committee 2015/16 Funding Pools	
City Service Grants	\$455,700
City Project Grants	\$170,300
Property Arrangement Grants	\$1,697,800
Proposed additional funding for new or increased Grants	\$50,000
Total	\$2,373,800

Grant and assistance schemes available for the community

The Council offers a wide variety of grant and assistance schemes for the community.

- **Arts Funding** - This fund consists of two rounds per annum.
- **Biodiversity Fund** - The funding rounds are publicly advertised at the start of April and September
- **Community Funding and Grants** - To help organisations that are benefiting the wider community, we make funds available twice a year through the Community Grants Scheme.
- **Creative Communities Funding** - The Creative Communities Scheme supports and encourages local communities to create and present diverse opportunities for access-ing and participating in arts.
- **Electricity Fund** - The fund is to help people living within the DCC rateable area with a grant towards an electricity account.
- **Events Funding** - This is described later in this section
- **Healthy Homes Funding** - The Energy Efficiency and Conservation Authority (EECA) is a Central Government fund providing a subsidy for all New Zealand home owners and tenants with Community Services Cards (CSC) that meet the criteria.
- **Heritage Fund** - There are a number of ways we can assist the owners of heritage buildings.
- **Landfill Grants** - DCC reimbursement grant of up to \$400 to assist with landfill use charges at DCC landfill sites only.
- **Rates Relief** - This grant scheme is for not-for-profit groups that serve the social, educational, recreational, cultural and environmental wellbeing and development of the community.
- **Warm Dunedin** - The Warm Dunedin programme has assisted more than 600 households to increase household warmth, health and comfort by providing a rates advance to help with the upfront costs of installing insulation and/or clean heating.

Events Funding

The Dunedin City Council is committed to supporting a vibrant events environment in Dunedin that will continue to build a sense of community, enhance the city's unique identity and add to its cultural wealth. It also aims to optimise the contribution of festivals and events to the city's economic development. It is important to ensure that our event funds are allocated fairly and transparently, based on clearly defined criteria. The Dunedin Festival and Events Strategy 2009 – 2019 was developed to facilitate this process.

This strategy classifies events into three categories:

Premier – A festival or event that attracts a large audience and participation generates significant economic wealth and contributes to the positive international and national profile of the city. A premier festival or event will attract at least 5,000 visitor nights and/or will generate \$1.0m or more through direct visitor expenditure, and will generate high levels of positive media awareness. Premier events will be supported by Tourism Dunedin and each will be linked with relevant international marketing campaigns. A premier event may be a one-off event or may re-occur on an annual or biennial basis.

Major – A festival or event that attracts a substantial audience and participation and contributes to the positive regional and sometimes national profile of the city. A major festival or event will attract an audience of at least 5,000 people including a reasonable number of visitors, mostly from the Southern region (Otago and Southland). Major events usually occur on an annual basis although not necessarily so.

Local – A festival or event that is staged for local people as a celebration of an occasion or for some reason that is significant to the wider community. Audience participation will vary and admissions will usually be free, although where a local event is also a fundraiser this may not be so.

Eligibility for Events Funding

Festivals and events that are eligible for funding include but are not restricted to: not-for-profit organisations including clubs and societies; local, regional and national sports, arts, culture and recreation organisations; and charitable trusts.

Funding Allocations

Funding for events is allocated and available for one, two or three years as follows:

Category		Budget	2014/15	2015/16	Applications for Funding
Local Events Funding up to \$5,000 per annum for any one festival or event	Total funding pool for local events: (50% of total funding pool allocated to small community events) (50% of total funding pool allocated small commercial events)		\$50,000	\$50,000	Two funding rounds per year. Applications close 31 March for events held after 1 June, and 30 September for events held after 1 December http://www.dunedin.govt.nz/events/events-funding
Major events Funding up to \$50,000 per annum for any one festival/event	Total funding pool for Major/Premier events:		\$400,000	\$465,000	Applications for this fund should be completed with reference to the Dunedin Festivals and Events Strategy 2009 – 2019 http://www.dunedin.govt.nz/events/events-funding
Premier Events Funding of over \$50,000 per annum for any one festival/event					

Civic/Council Events Funding

The Council has a budget of \$267,900 in 2015/16 for civic events.

To the reader

Independent auditor's report on Dunedin City Council's 2015-25 Long-Term Plan

I am the Auditor-General's appointed auditor for Dunedin City Council (the Council). Section 94 of the Local Government Act 2002 (the Act) requires an audit report on the Council's Long-Term Plan (the plan). I have carried out this audit using the staff and resources of Audit New Zealand. We completed the audit on 29 June 2015.

Opinion

In my opinion:

- the plan provides a reasonable basis for:
 - long-term, integrated decision-making and coordination of the Council's resources; and
 - accountability of the Council to the community;
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on Section 3, pages 57 to 62 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 and accurately reflect the information drawn from the Council's audited information.

Uncertainty about achieving the total savings in the Long Term Plan

Without modifying our opinion, we draw your attention to the fact that the Council needs to find approximately \$101 million of savings and efficiencies throughout the 10 year period of the long term plan to meet its aim of keeping rate increases within 3% and to complete its planned renewal programme.

On pages 3 to 7 of Section 1 of the Long Term Plan, the Council discusses the major issues it faces over the life of the plan and how it plans to address them.

Within this discussion, the Council outlines that the level of rates it has forecast in the Long Term Plan exceed its desired 3% limit on rates increases, in seven out of 10 years of the plan. There is a gap of \$74 million of savings required from 2016/17 to enable forecast rates to be reduced to come within the Council's desired 3% limit. This is set out in Table 1 on page 4 of Section 1 of the Long Term Plan.

The Council also outlines the significant level of renewals required over the next 30 years and the need to catch up on an estimated \$60 million backlog of renewals in the water and waste area. This includes assets that have exceeded their useful lives and are/or are not capable of delivering suitable service levels. The Council has forecast extra spending over the next 30 years, but there is a still a gap (\$88 million) between the Council's proposed funding levels (\$612 million) and the theoretical cost of the renewals needed (\$700 million). The Council notes that it expects that, through a combination of refining cost assumptions and delivering projects for less money, it can close the 16% gap between theoretical and actual cost to allow the backlog of renewals to be caught up by 2039/40. This gap totals \$27 million over the 10 years of the Long Term Plan.

The Council is committed to consulting the community if the 3% rates target cannot be met without reducing services or where it considers "exceptional circumstances" require a rate greater than 3%.

We draw your attention to these matters because, if the Council is not able to realise such savings, it may well adversely impact on rates, levels of service, and debt projections.

In drawing your attention to these uncertainties, we are not commenting on the merits of the content that they reflect. We consider the disclosures in the Long Term Plan to be adequate.

This opinion does not provide assurance that the forecasts in the plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee complete accuracy of the information in the plan.

Basis of Opinion

We carried out our work in accordance with the Auditor-General's Auditing Standards, relevant international standards and the ethical requirements in those standards.¹

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate audit procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our audit procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;

¹ The International Standard on Assurance Engagements (New Zealand) 3000 (Revised): *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and The International Standard on Assurance Engagements 3400: *The Examination of Prospective Financial Information*.

- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face over the next 30 years;
- the information in the plan is based on materially complete and reliable asset and activity information;
- the Council's key plans and policies have been consistently applied in the development of the forecast information;
- the assumptions set out within the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted and complies with generally accepted accounting practice in New Zealand;
- the rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the plan;
- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and
- the relationship between the levels of service, performance measures and forecast financial information has been adequately explained within the plan.

We did not evaluate the security and controls over the electronic publication of the plan.

Responsibilities of the Council and auditor

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures and other actions relating to the preparation of the plan;
- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the preparation of a plan that is free from material misstatement.

I am responsible for expressing an independent opinion on aspects of the plan, as required by sections 94 and 259C of the Act. I do not express an opinion on the merits of the plan's policy content.

Independence

We have followed the independence requirements of the Auditor-General, which incorporate those of the External Reporting Board. Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council or any of its subsidiaries.

A handwritten signature in dark ink, appearing to read 'Ian Lothian', with a stylized, cursive script.

Ian Lothian
Audit New Zealand
On behalf of the Auditor-General, Dunedin, New Zealand