

REVENUE AND FINANCING POLICY - 9 YEAR PLAN 2025-34

Department: Civic

EXECUTIVE SUMMARY

- 1 A Revenue and Financing Policy is required by the Local Government Act 2002. It sets out how Council's operating and capital expenditure will be funded, and the sources of those funds.
- 2 This report seeks Council approval for the draft Revenue and Financing Policy (the draft Policy), to be used in the preparation of the 9 year plan 2025-34. A copy of the draft Policy is at Attachment A.
- 3 A report on the level of compliance between draft budgets and the draft Policy will be presented to the 28 January 2025 Council meeting. If required, further changes to the draft Policy may be proposed in the January 2025 report.

RECOMMENDATIONS

That the Council:

- a) **Approves** the Revenue and Financing Policy, with any amendment, to be used in the preparation of the 9 year plan 2025-34.
- b) **Notes** that report of the level of compliance with the Revenue and Financing Policy will be presented to the 28 January 2025 Council meeting.

BACKGROUND

- 4 Section 102 of the Local Government Act 2002 (the Act) requires all councils to prepare and adopt a Revenue and Financing Policy. The policy must set out:
 - How operating and capital expenditure will be funded; and
 - The sources of those funds.
- 5 Section 103 (2) of the Act sets out the funding sources that are available, and they are as follows:
 - General rates including:
 - Choice of valuation system;
 - Differential rating; and
 - Uniform annual general rates.
 - Targeted rates;

- Lump sum contributions;
 - Fees and charges;
 - Interest and dividends from investments;
 - Borrowing;
 - Proceeds from the sale of assets;
 - Development contributions;
 - Financial contributions under the Resource Management Act 1991;
 - Grants and subsidies;
 - Regional fuel taxes under the Land Transport Management Act 2003; and
 - Any other source.
- 6 The Revenue and Financing Policy must show how the local authority has complied with section 101(3) of the Act, which provides that Council must consider the following for each activity:
- Community outcomes 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 over which the benefits are expected to occur;
 - The extent to which the actions or inactions of particular individuals or a group contribute to the need to undertake the activity;
 - The cost and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and
 - The overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural wellbeing of the community.

DISCUSSION

- 7 A review has been undertaken of the current Revenue and Financing Policy (10 year plan 2021-31) for each activity of Council, to consider all matters identified in section 101(3) of the Act, (as described in paragraph 5 above) and determine if any changes are appropriate.
- 8 The draft Policy is presented using the draft groups of activities. Should the groups be amended, the Policy can easily be updated.
- 9 The matters identified in section 101(3) of the Act are discussed below.

Community outcomes to which the activity primarily contributes

- 10 Local Authorities must have specified community outcomes under the Act. Section 5 of the Act defines Community outcomes as:

“Community outcomes means the outcomes that a local authority aims to achieve in order to promote the social, economic, environmental, and cultural well-being of its district or region in the present and for the future.”

- 11 A report is on the agenda recommending that the community outcomes to be used in the development of the 9 year plan are those used in the current 10 year plan 2021-31. This report has used the recommended outcomes, but if these should be amended, this Revenue and Financing Policy will be updated to reflect any change.
- 12 The draft Policy at Attachment A shows the recommended community outcomes that each of the activities contribute to.

The distribution of benefits between the community as a whole, and any identifiable part of the community, and/or individuals

- 13 This consideration is often referred to as the public/private good split or the user pays principle. An activity may generate public benefits, private benefits, or a mixture of both. Public benefits are those that benefit the whole community. Private benefits are those that benefit identifiable parts of a community and / or individuals.
- 14 Examples of funding sources for the types of benefits are shown in table 1.

Table 1 – types of benefit

Types of benefit	Examples of Funding Sources
Public benefit	General Rates
Private benefit	Targeted rates Fees and Charges Development Contributions

- 15 The draft Policy has considered the benefits generated by each activity of Council.

The period over which the benefits are expected to occur

- 16 If assets have a long service life, consideration should be given to the time period over which they are funded. If future generations will benefit from the provision of the assets, then it may be considered appropriate that they contribute to the funding of those assets.

The extent to which the actions or inactions of particular individuals or a group contribute to the need to undertake the activity

- 17 This principle is also known as the exacerbator pays principle, for example, enforcement work is undertaken because of the actions or inactions of individuals such as non-compliance with consent conditions, unregulated building activity etc.

The cost and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities

- 18 If consideration is being given to funding an activity differently from other activities, e.g., establishing a new and separate targeted rate, then it is prudent to also consider matters such as the scale of the activity and the costs of administering a separate funding mechanism.

The overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural wellbeing of the community

- 19 The overall impact of the combined policies are to be considered, including affordability, barriers to the accessibility of some services, and alignment with Council's strategic direction.

Summary of review

- 20 The table below shows the current Revenue and Financing Policy (re-grouped to align with the new activity structure) and the draft Policy for each activity of Council. Explanations and proposed changes are discussed in the notes below.

Table 2 – current and draft Revenue and Financing Policy's

Activity	2021 – 31 Policy		Draft 2025 - 34 Policy		
	Rates Revenue %	Other Revenue %	Rates Revenue %	Other Revenue %	Notes
City Properties					
Community Housing	10%	90%	10%	90%	Note 1
Community Property	45%	55%	90%	10%	Note 2
Holding Property					
Operational Property					
Property Management					
Investment Property			0%	100%	Note 3
Parking Operations	0%	100%	0%	100%	
Community Recreation					
Aquatic Services	55%	45%	65%	35%	Note 4
Botanic Garden	98%	2%	98%	2%	
Cemeteries (parks and burials)	50%	50%	50%	50%	
Crematorium	0%	100%	0%	100%	
Parks and Reserves	96%	4%	96%	4%	
Creative and cultural vibrancy					
Creative partnerships (Ara Toi)	100%	0%	90%	10%	Note 5
Gallery, Garden and Museum	Separate policies		85%	15%	Note 6
Libraries and City of Literature	98%	2%	98%	2%	
Olveston	33%	67%	33%	67%	
Otago Museum levy	100%	0%	100%	0%	

Activity	2021 – 31 Policy		Draft 2025 - 34 Policy		
	Rates Revenue %	Other Revenue %	Rates Revenue %	Other Revenue %	Notes
Governance and Support Services					
Civic and governance support	100%	0%	100%	0%	Note 7
Corporate Support Services	90%	10%			
Warm Dunedin	100%	0%			
Regulatory Services					
Animal Services	10%	90%	10%	90%	
Alcohol Licensing	10%	90%	25%	75%	Note 8
Building Services	25%	75%	25%	75%	
Environmental Health	65%	35%	65%	35%	
Parking Enforcement	2%	98%	2%	98%	
Resource Consents	60%	40%	55%	45%	Note 9
Resilient City					
Community partnerships	95%	5%	95%	5%	
City Development	100%	0%	100%	0%	
City Growth (new)	No separate policy		100%	0%	Note 10
Civil Defence (new)	No separate policy		100%	0%	Note 10
Housing Policy (new)	No separate policy		100%	0%	Note 10
South Dunedin Future	No separate policy		80%	20%	Note 11
Zero Carbon	No separate policy		100%	0%	Note 10
Three Waters					
Water Supply	80%	20%	80%	20%	
Wastewater	98%	2%	98%	2%	
Stormwater	99%	1%	99%	1%	
Transport					
Transport	62%	38%	62%	38%	
Treaty Partnerships					
Māori Partnerships	No separate policy		100%	0%	Note 12
Vibrant Economy					
City Marketing	No separate policy		100%	0%	Note 13
Economic Development	90%	95%	95%	5%	Note 14
Events	No separate policy		95%	5%	Note 15
Visitors Centre	60%	40%	60%	40%	

Activity	2021 – 31 Policy		Draft 2025 - 34 Policy		
	Rates Revenue %	Other Revenue %	Rates Revenue %	Other Revenue %	Notes
Waste Minimisation					
Landfills	0%	100%	10%	90%	Note 16
Refuse, Recycling, Litter	75%	25%	98%	2%	Note 17
Waste Strategy (minimisation)	0%	100%	0%	100%	
Waste Support Services	No separate policy		100%	0%	Note 18

City Property

Note 1 – Community Housing

- 21 A revaluation of the housing portfolio undertaken in 2021 resulted in an increase in depreciation that could not be funded by rental income. This meant that the current Revenue Policy for this activity has not been complied with over the past three years.
- 22 A separate report on Community Housing rental will be presented to the January 2025 Council meeting. That report will discuss what an acceptable level of rental income might be for the 2025/26 year, based on draft budgets.
- 23 For the purposes of preparing a draft budget, it is recommended that no change be made to the draft Policy at this time. As advised, a report will be presented to the January Council meeting that will show the level of compliance between draft budgets and the draft Policy. If necessary, any amendment proposed for the community housing draft Policy may be presented as part of that report.

Note 2 – Community, Operational, Management and Holding Property

- 24 The revenue policy in the 10 year plan 2021-31 grouped community property, property investment, operational property, management and holdings together in one activity. It is recommended that Investment Property be separated, as the nature of this activity compared to the other activities in this grouping supports having its own policy for transparency purposes.
- 25 **Community property** owned and managed by Council includes arts and culture facilities, sporting facilities, and community halls. Some of the facilities are managed by community groups, e.g., community hall committees, and others by Trusts such as the Edgar Stadium, but the maintenance of those facilities is undertaken by Council. Parts of some of the buildings are rented out for commercial activities, e.g., the railway station.
- 26 **Property operational, management and holding** – these properties are owned and occupied by the DCC for operational purposes such as the Civic Centre, libraries, art gallery and Toitū. Parts of some of these buildings are rented out to commercial activities. This activity also includes work undertaken for the management and planning for all property portfolios, and it includes property held for strategic purposes.
- 27 It is proposed that the draft Policy for this activity is 90% general rates, and 10% other revenue.

Note 3 – Investment Property

- 28 This is a portfolio of commercial properties held for investment purposes. As this portfolio generates surplus income to offset general rates, it is recommended that the draft Policy for this activity is 100% other revenue.

Community Recreation

Note 4 – Aquatic Services

- 29 The 2024/25 operating budget for the aquatics activity is \$14.2 million. Of this \$4.7 million (33%) is funded by fees and 67% of the cost of this activity is funded by rates.
- 30 In 2024/25, the fees increased by around 10%, representing the increase in costs between the 2023/24 and 2024/25 years. The current revenue policy notes that any fees should not be set so high as to create a barrier to entry.
- 31 To comply with the current Revenue Policy that 45% of the costs be funded by fees and charges, aquatics fees would need to have increased by 46% in 2024/25, and not the 10% actually provided for.
- 32 On the assumption that the 2025/26 draft budgets will be in line with the 2024/25 budgets, an increase of 36% in fees and charges would be needed to comply with the current revenue policy. This would provide an estimated \$1.7 million increase in fee income. This level of increase would be considered significant in terms of the Council's Significance and Engagement Policy, and formal consultation would be required as part of the 9 year plan.
- 33 The table below shows, for a sample of charges, what the fees would be with a 36% increase that would achieve the current revenue policy. It also shows what fees would be with a 10% and 5% increase.

Fee or charge (incl. GST)	2024/25 Fees	Fees @36%	\$ change	Fees @10%	\$ change	Fees @5%	\$ change
Adult Swim	\$8.40	\$11.42	\$3.02	\$9.24	\$0.84	\$8.82	\$0.42
Concession Swim	\$4.80	\$6.53	\$1.73	\$5.28	\$0.48	\$5.04	\$0.24
Child Swim	\$3.90	\$5.30	\$1.40	\$4.29	\$0.39	\$4.10	\$0.20
Family Swim	\$18.00	\$24.48	\$6.48	\$19.80	\$1.80	\$18.90	\$0.90
Family Swim and Slide	\$37.90	\$51.54	\$13.64	\$41.69	\$3.79	\$39.80	\$1.90
Adult Swim and Slide	\$14.90	\$20.26	\$5.36	\$16.39	\$1.49	\$15.65	\$0.75
Concession Swim and Slide	\$10.30	\$14.01	\$3.71	\$11.33	\$1.03	\$10.82	\$0.52

Child Swim and Slide	\$8.30	\$11.29	\$2.99	\$9.13	\$0.83	\$8.72	\$0.42
Revenue Policy		55% rates 45% fees		64% rates 36% fees		65% rates 35% fees	

- 34 It is recommended that the current Revenue Policy be amended to recover 65% of costs from rates and 35% from fees, for the purposes of preparing the draft budgets for the 2025/26 year. If required, following completion of the draft budgets, this draft Policy may be reconsidered at the January 2025 Council meeting.

Creative and cultural vibrancy

Note 5 – Creative Partnerships

- 35 The Creative Partnership activity receives funding from Creative NZ (other revenue). This funding is added to the Council's grant pool which is used to provide grant funding to organisations in the creative arts sector. It is recommended that the revenue policy be amended to recognise this external revenue.

Note 6 – Gallery, Garden and Museum

- 36 The Dunedin Public Art Gallery, Lan Yuan Chinese Garden and Toitū Settlers Museum have had their own revenue policies, but because the management of these facilities has changed, and services are now shared between the three venues, one revenue policy is appropriate. Other revenue for these facilities includes admissions revenue (Lan Yuan Chinese Garden), shop sales, and functions and facilities hire. It is recommended that the revenue policy be 85% general rates, 15% other revenue for these activities.

Governance and Support Services

Note 7 – Governance and Support Services

- 37 This activity includes internal services such as business information systems, governance support, communications and marketing, and customer services. Support services costs that directly contribute to other activities within Council are internally charged to those activities, e.g., communications work undertaken on dog control would be charged to the Animal Services activity. It is recommended that a single revenue policy be adopted for this group of activities. It is recommended that for the costs not internally charged to other activities, the policy be 100% general rates.

Regulatory Services

Note 8 – Alcohol Licensing

- 38 This alcohol licensing activity includes an education component, the provision of City Safety Officers, and funding for safety around the bus hub area.
- 39 Alcohol licensing fees are set by legislation. The remaining activities are paid for from general rates.

- 40 It is recommended that the revenue policy be updated to reflect the actual recovery of costs from alcohol licensing fees set by legislation, and to also take account of the City Safety Officers and bus hub safety activities. It is recommended that the policy be 25% rates revenue and 75% from fees and charges.

Note 9 – Resource consent fees

- 41 Under the Resource Management Act, council may only recover actual and reasonable costs directly from consent applicants. It is proposed that charges be introduced for pre-application meetings. For large applications, pre-application meetings can take many hours, with currently no recovery of costs from the applicant. Initial consultations are not charged for and would continue to be funded by rates.
- 42 If approved, it is recommended that the revenue policy be amended to 55% rates, and 45% fees and charges, to reflect the additional fees recoverable.

Resilient City

Note 10 – City Growth, Civil Defence, Housing Policy, Zero Carbon

- 43 This group of activities includes recognising “City growth”, “Housing Policy” and “Zero Carbon” as individual activities within the new Resilient City group.
- 44 These activities generate public benefits. It is therefore recommended that the revenue policy provides for these activities to be funded by general rates.

Note 11 – South Dunedin Future

- 45 The South Dunedin Future programme has established governance and management arrangements with the Otago Regional Council (ORC). ORC contributes funding towards the cost of running the programme. This agreement is in place until December 2026, but at this time it is unknown what may be in place after this date. It is recommended that the draft Policy for the period through to December 2026 is 80% rates funded, and 20% other revenue, to recognise the ORC contribution.

Treaty Partnership

Note 12 – Treaty Partnership

- 46 This activity is to ensure that we uphold our obligations under Te Tiriti o Waitangi, aligning with the principles of partnership, participation, and protection. It is recommended that the draft Policy provides that the recovery of costs not internally charged to other activities be funded by general rates.

Vibrant Economy

Note 13 – City Marketing

- 47 This activity relates to marketing work undertaken by Enterprise Dunedin including Destination Dunedin, and both nationally and internationally. It is recommended that the revenue policy provides for this activity to be funded by general rates.

Note 14 – Economic Development

- 48 The revenue policy for economic development makes provision for funding to be received from film permit fees and reimbursement of costs associated with CODE. It is recommended that the Revenue Policy be amended to 95% general rates, and 5% other income, as there is no certainty of the level of external funding that may be received in the future.

Note 15 - Events

- 49 Events are primarily funded from general rates however fees may be charged to stall holders at events held. It is proposed that this activity be funded 95% general rates, and 5% other income.

Waste Minimisation**Note 16 – Landfills**

- 50 The landfills activity has changed since the development of the current Revenue Policy. This activity now incorporates environmental monitoring costs for Smooth Hill. These costs are not funded from the Green Island landfill fees and charges.
- 51 The work on Smooth Hill provides benefits to the community as whole. It is therefore recommended that the Revenue Policy is amended to incorporate rates funding to cover this work. It is recommended that the revenue policy be 10% rates funded and 90% other income.

Note 17 – Refuse, Recycling, Litter

- 52 It is recommended that the revenue policy be amended to take account of the new kerbside collection service the commenced from 1 July 2024. It is recommended that the policy be 98% rates and 2% other revenue.

Note 18 – Waste Support Services

- 53 This recommended new policy covers the management and planning of all the waste minimisation group activities, which is funded by general rates. It is therefore recommended that the revenue policy be 100% rates funded.

OPTIONS

- 54 Council is required to have a Revenue and Financing Policy as part of the 9 year plan. Options have not been presented but Council is able to modify the draft Revenue and Financing Policy.

NEXT STEPS

- 55 A report will be prepared for the January 2025 Council meeting, setting out how the draft operating budgets comply with the approved Revenue Policy.
- 56 If any amendments to the draft Policy are required following the completion of the draft budgets, these will also be presented to the January 2025 Council meeting.
- 57 The approved Revenue and Financing Policy will form part of the supporting documentation for the 9 year plan consultation.

Signatories

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Authoriser:	Carolyn Allan - Chief Financial Officer

Attachments

	Title	Page
A	Draft Revenue and Financing Policy - 9 year plan 2025-34	

SUMMARY OF CONSIDERATIONS

Fit with purpose of Local Government

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

Fit with strategic framework

	Contributes	Detracts	Not applicable
Social Wellbeing Strategy	✓	<input type="checkbox"/>	<input type="checkbox"/>
Economic Development Strategy	✓	<input type="checkbox"/>	<input type="checkbox"/>
Environment Strategy	✓	<input type="checkbox"/>	<input type="checkbox"/>
Arts and Culture Strategy	✓	<input type="checkbox"/>	<input type="checkbox"/>
3 Waters Strategy	✓	<input type="checkbox"/>	<input type="checkbox"/>
Future Development Strategy	✓	<input type="checkbox"/>	<input type="checkbox"/>
Integrated Transport Strategy	✓	<input type="checkbox"/>	<input type="checkbox"/>
Parks and Recreation Strategy	✓	<input type="checkbox"/>	<input type="checkbox"/>
Other strategic projects/policies/plans	✓	<input type="checkbox"/>	<input type="checkbox"/>

The 9 year plan contributes to the objectives and priorities of the strategic framework as it describes the Council's activities, the community outcomes, and provides a long term focus for decision making and coordination of the Council's resources, as well as a basis for community accountability. The Revenue and Financing Policy is a key component of the development of the 9 year plan.

Māori Impact Statement

The adoption of the Māori Strategic Framework signals Council's commitment to mana whenua and to its obligations under the Treaty of Waitangi. Mana whenua and Māori have an opportunity to engage with the 9 year plan consultation process.

Sustainability

The Revenue and Financing Policy considers the overall impact of its funding requirements on the current and future social, economic, environmental and cultural wellbeing of the community, when setting the policy

LTP/Annual Plan / Financial Strategy /Infrastructure Strategy

The Revenue and Financing Policy does not impact on levels of service provided but provides for how the activities of Council are funded.

Financial considerations

The financial impacts are discussed in the report.

Significance

Proposed changes to the Revenue and Financing Policy are not considered significant in terms of the Council's Significance and Engagement Policy. The Policy will be included in the supporting documentation for consultation on the 10 year plan.

Engagement – external

There has been no external engagement in the development of the Revenue and Financing Policy.

SUMMARY OF CONSIDERATIONS***Engagement - internal***

Staff and managers from across Council have been consulted in the review of the Revenue and Financing Policy.

Risks: Legal / Health and Safety etc.

There are no identified risks.

Conflict of Interest

There are no known conflicts of interest.

Community Boards

The Revenue and Financing Policy will be of interest to Community Boards.

Revenue and financing policy | Kaupapa here whiwhika, tahua

Purpose

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 that 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.

Scope

The Council adopts a Revenue and Financing Policy prior to the adoption of every Long Term Plan and may amend sections of it in subsequent Annual Plans. A review of the Revenue and Financing Policy is undertaken as part of the development of each Long Term Plan.

Under the LGA this is a two-step process:

The first step, in accordance with LGA Section 101(3) (a), is to consider each of the following in relation to each of the Council's activities:

- a) the community outcomes to which the activity primarily contributes
- b) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals
- c) the period in or over which those benefits are expected to occur
- d) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity
- e) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

The second step, in accordance with LGA Section 101(3) (b), requires the Council to consider the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural wellbeing of the community.

Policy

1. Policy details

- a) The Dunedin City Council's policy to fund operating expenditure is based on the extent to which the provision of a service by the Council is a public or private good

- b) Debt may be used to fund capital expenditure, along with funded depreciation, capital grant revenue and development contributions.

2. Options for funding Council activities

- 2.1. The Council uses the following sources of funding:

General rates

- 2.2. 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 indicates that this is the most appropriate way to fund an activity.
- 2.3. 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. Capital value is comprised of land value and the value of improvements on the land. The Council will not be using a Uniform Annual General Charge.

Targeted rates

- 2.4. 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 activity. Dunedin City Council uses the following targeted rates:
 - a) Community Services (funding part of the Parks and Reserves and Botanic Garden activities)
 - b) Kerbside recycling collection service
 - c) Drainage (combined targeted rate for sewage disposal and stormwater)
 - d) Commercial drainage – capital value
 - e) Water – Ordinary
 - f) Water – Volume
 - g) Water – Quantity of Water (rating units with water meter or extraordinary water supply)
 - h) Fire Protection (water supply for fire protection)
 - i) Allanton Drainage
 - j) Blanket Bay Drainage
 - k) Curles Point Drainage
 - l) Warm Dunedin
 - m) Private Street Lighting

Fees and charges

- 2.5. Fees and charges are direct charges to identifiable people or groups who use certain Council services such as dog control, swimming pools and building inspection. In these instances,

identifiable people benefit from those services, and they are required to pay all or part of the cost of that service. Fees and charges are reviewed annually to reflect increased costs of service provision and/or maintain the cost recovery principles underlying the setting of fees.

Development contributions

- 2.6. Development contributions may be recovered from those persons undertaking development, the contribution being a fair, equitable and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term.

Grants and subsidies

- 2.7. Grants and subsidies are received from external agencies to support certain activities, such as Waka Kotahi New Zealand Transport Agency, which provides subsidies for roading services.

Rents, interest and dividends

- 2.8. The Council receives revenue from property rentals, interest, and dividends to help offset the general rate requirement.

Summary of funding options

	Operating Expenditure	Capital Expenditure
General Rates	✓	✓
Targeted Rates	✓	✓
Fees and charges	✓	✓
Waka Kotahi NZTA income	✓	✓
Rent, interest and dividends	✓	✓
Debt	✓	✓
Proceeds from asset sales		✓
Development Contributions		✓
Grants and other subsidies	✓	✓

3. New reticulated utility services (water, wastewater or stormwater) policy

- 3.1. In 2010, the Council approved the “New Reticulated Utility Services (Water, Wastewater or Stormwater) Policy” funding policy. The key components of this policy are as follows:
- 3.2. 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.
- 3.3. 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.
- 3.4. If a new system is installed by the Council in terms of 3.2 and 3.3 above, 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.
- 3.5. 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 who directly benefit from receiving the new service, based on the following:
- 3.6. For all existing properties (excluding vacant sections), 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.

- 3.7. For all future properties 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.

4. Revenue and financing policy – funding schedule

- 4.1. Table 1 outlines how it is proposed to fund each activity of the Council.

Table 1: Revenue and financing policy

Activity	2025 - 34 Policy	
	Rates Revenue %	Other Revenue %
City Properties		
Community Housing	10%	90%
Community Property	90%	10%
Holding Property		
Operational Property		
Property Management		
Investment Property	0%	100%
Parking Operations	0%	100%
Community Recreation		
Aquatic Services	66%	34%
Botanic Garden	98%	2%
Cemeteries (parks and burials)	50%	50%
Crematorium	0%	100%
Parks and Reserves	96%	4%
Creative and cultural vibrancy		
Creative partnerships (Ara Toi)	90%	10%
Gallery, Garden and Museum	85%	15%
Libraries and City of Literature	98%	2%
Olveston	33%	67%
Otago Museum levy	100%	0%

Activity	2025 - 34 Policy	
	Rates Revenue %	Other Revenue %
Governance and Support Services		
Civic and governance support	100%	0%
Corporate Support Services		
Warm Dunedin		
Regulatory Services		
Animal Services	10%	90%
Alcohol Licensing	25%	75%
Building Services	25%	75%
Environmental Health	65%	35%
Parking Enforcement	2%	98%
Resource Consents	55%	45%
Resilient City		
Community partnerships	95%	5%
City Development	100%	0%
City Growth (new)	100%	0%
Civil Defence (new)	100%	0%
Housing Policy (new)	100%	0%
South Dunedin Future	75%	25%
Zero Carbon	100%	0%
Three Waters		
Water Supply	80%	20%
Wastewater	98%	2%
Stormwater	99%	1%
Transport		
Transport	62%	38%
Treaty Partnerships		
Māori Partnerships	100%	0%
Vibrant Economy		
City Marketing	100%	0%

Activity	2025 - 34 Policy	
	Rates Revenue %	Other Revenue %
Economic Development	95%	5%
Events	95%	5%
Visitors Centre	60%	40%
Waste Minimisation		
Landfills	10%	90%
Refuse, Recycling, Litter	98%	2%
Waste Strategy (minimisation)	0%	100%
Waste Support Services	100%	0%

Revenue and Financing Policy – Analysis by activity

Activity	Community outcomes	Who benefits	Period of benefit	Actions or inactions	Separate funding	Funding sources	Rationale
City Properties							
Community Housing	A supportive city with caring communities and a great quality of life.	Tenants of the community housing benefit from the provision of affordable housing.	The Council has committed to undertake this activity for the long term.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable.	90% fees and charges 10% general rates	A user pays policy needs to be balanced against affordability for lower income tenants in the properties, ensuring that they can continue to access affordable housing.
Community, operational, holding properties, and management	A supportive city with caring communities and a great quality of life. A compact city with a vibrant CBD and thriving suburban and rural centres.	The whole community benefits from buildings that provide council services for the community, e.g., civic building, library buildings, galleries. Those using the facilities (e.g., Edgar Stadium, community halls) benefit. Commercial users of some of the buildings (e.g., railway station), receive a direct benefit.	The Council has committed to undertake this activity for the long term.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable	90% general rates. 10% rental income	Operational property provides a public good and is therefore primarily funded by the capital value based general rate. Those using community facilities are identifiable, however, entry fees are payable to those running the facilities on behalf of council. Maintenance costs are therefore funded by general rates. Parts of some of the buildings are rented out for commercial activities, and therefore attract fees and charges.

Activity	Community outcomes	Who benefits	Period of benefit	Actions or inactions	Separate funding	Funding sources	Rationale
Investment property	<p>A supportive city with caring communities and a great quality of life.</p> <p>A compact city with a vibrant CBD and thriving suburban and rural centres.</p>	<p>Lessees of the investment properties benefit from this activity.</p> <p>The whole community benefits from the return on investment properties which are leased out at commercial rates</p>	The Council has committed to undertake this activity for the long term.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable	100% external revenue.	Tenants of the investment properties are charged rentals.
Parking Operations	<p>A connected city with a safe, accessible and low-carbon transport system.</p> <p>A compact city with a vibrant CBD and thriving suburban and rural centres.</p>	Those using the parking services benefit directly from the provision of parking.	The Council has made the commitment to undertake this activity in the long term.	Individual car owners seeking parking in the city close to businesses and retailers.	Not applicable.	100% fees and charges	Users of the services provided are readily identifiable and pay through parking meters and pay stations.
Community Recreation							
Aquatic Services	<p>An active city with quality and accessible recreational spaces and opportunities.</p> <p>A supportive city with caring communities and a great quality of life.</p>	Users benefit from personal fitness and competition but there is also a community benefit in providing accessible and affordable facilities.	The Council has committed to undertake this activity for the long term.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable	<p>65% general rates.</p> <p>35% fees and charges.</p>	<p>A user charge is a transparent way to charge for the service.</p> <p>As the service also delivers community benefits, general rate funding is an appropriate funding source.</p> <p>User charges should not be set so high as to create a barrier to entry.</p>

Activity	Community outcomes	Who benefits	Period of benefit	Actions or inactions	Separate funding	Funding sources	Rationale
Dunedin Botanic Garden	<p>An active city with quality and accessible recreational spaces and opportunities.</p> <p>A supportive city with caring communities and a great quality of life.</p> <p>A sustainable city with healthy and treasured natural environments.</p>	<p>Visitors to the Garden benefit.</p> <p>The whole community benefits because the Botanic Garden adds to the environment and amenity values of Dunedin.</p> <p>Those leasing space for commercial purposes benefit.</p>	The Council has committed to undertake this activity for the long term.	No actions or inactions have contributed to the need to undertake this activity.	There would be practical difficulties with charging visitors to the garden.	98% community services rate. 2% fees and charges.	<p>As this activity is largely public good, it is primarily funded by the capital value based community services rate.</p> <p>Fees are charged for leased space at the garden.</p>
Cemeteries (Parks and Burials)	A supportive city with caring communities and a great quality of life.	<p>Provision of well-maintained cemeteries is important to the whole community.</p> <p>Families using burial services are identifiable for charging purposes.</p>	The Council has statutory and public health responsibilities to provide the service on an ongoing basis. The Council also maintains closed cemeteries.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable.	50% fees and charges. 50% general rates.	Fees are charged for burial services. Because of the benefits to the community as a whole it is also appropriate to provide some general rate funding.
Crematorium	A supportive city with caring communities and a great quality of life.	The provision of a sensitive crematorium /chapel service is important to the whole community.	The Council currently provides this service for the private sector.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable.	100% fees and charges.	Fees are charged for the use of cremation facilities.

Activity	Community outcomes	Who benefits	Period of benefit	Actions or inactions	Separate funding	Funding sources	Rationale
Parks and Reserves	<p>An active city with quality and accessible recreational spaces and opportunities.</p> <p>A supportive city with caring communities and a great quality of life.</p> <p>A sustainable city with healthy and treasured natural environments.</p>	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 committed to undertake this activity for the long term.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable.	<p>96% general and community services rates.</p> <p>4% fees and charges.</p>	<p>This activity is largely public good with limited scope for user charges and is therefore primarily funded by the capital value based general rate.</p> <p>Fees are charged for booked use of sports fields and facilities.</p>
Creative and cultural vibrancy							
Creative Partnerships (Ara Toi)	<p>A creative city with a rich and diverse arts and culture scene.</p> <p>A successful city with a diverse, innovative and productive economy.</p> <p>A supportive city with caring communities and a great quality of life.</p>	The wider community benefits through advice given to the arts and cultural sector.	The Council has made a commitment to undertake this activity for the long term.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable.	<p>90% general rates.</p> <p>10% grants funding from third parties for distribution to organisations in the creative arts sector.</p>	This activity is public good and includes providing advice. It will be funded by the capital value based general rate.
Gallery, Garden and Museum	<p>A creative city with a rich and diverse arts and culture scene.</p> <p>A successful city with a diverse, innovative and productive economy.</p> <p>A supportive city with caring communities and a great quality of life.</p>	<p>Visitors to the gallery, garden and museum benefit from this activity.</p> <p>The community benefits through these roles as tourist attractions.</p>	The Council has made a commitment to undertake this activity for the long term.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable.	<p>85% general rates.</p> <p>15% fees and charges/ other external charges.</p>	This activity is largely public good. While charging an entry fee is possible, in 2014, Council confirmed a decision to not to charge at cultural institutions, but noting that entry fees to special exhibitions, sale of retail items or for hiring the venue etc., are permitted.

Activity	Community outcomes	Who benefits	Period of benefit	Actions or inactions	Separate funding	Funding sources	Rationale
Libraries and City of Literature	<p>A creative city with a rich and diverse arts and culture scene.</p> <p>A successful city with a diverse, innovative and productive economy.</p> <p>A supportive city with caring communities and a great quality of life.</p>	Borrowers and visitors who browse, read and research.	The Council has made a commitment to undertake this activity for the long term.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable.	<p>98% general rates</p> <p>2% fees and charges</p>	<p>This activity is largely public good with limited scope for user charges. It will be funded primarily by the capital value based general rate.</p> <p>Fees apply to “Hotpicks” and damages.</p>
Olveston	<p>A creative city with a rich and diverse arts and culture scene.</p> <p>A successful city with a diverse, innovative and productive economy.</p>	<p>Visitors to Olveston benefit.</p> <p>There is also a wider economic benefit to the Community through the heritage home as a tourist attraction.</p>	The Council has made a commitment to undertake this activity for the long term.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable.	<p>33% general rates</p> <p>67% fees and charges</p>	<p>An entry fee and some charges apply. As the service delivers community benefits, general rate funding is also an appropriate funding source.</p> <p>User charges should not be set so high as to create a barrier to entry.</p>
Otago Museum Levy	A creative city with a rich and diverse arts and culture scene.	<p>The museum benefits from receipt of the levy, the work it does is for the benefit of the wider community.</p> <p>The community benefits through the custodial role the Museum fulfils and its role as a tourist attraction.</p>	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.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable.	100% general rates	This activity involves paying a levy to the Museum on behalf of the community and will therefore be funded by the capital value based general rate.

Activity	Community outcomes	Who benefits	Period of benefit	Actions or inactions	Separate funding	Funding sources	Rationale
Governance and Support Services							
Civic and governance, Corporate Support, and Warm Dunedin	Indirect contribution to all community outcomes. A supportive city with caring communities and a great quality of life.	Effective support of Council activities, making available information such as GIS data, Land Information data and Council's archives, benefits the whole community. Owners who chose to upgrade the insulation and heating in their homes through the Warm Dunedin programme.	For Warm Dunedin, this activity will cease when existing loans are repaid. No new loans are being made. For the other activities, indefinitely. The Council's functions are provided for the by Local Government Act 2002.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable.	Warm Dunedin - 100% contribution by user via targeted rates. Other activities - 100% general rates.	Warm Dunedin - Individual applications were made by residents to access funding to improve insulation and heating in their homes. This is repaid via a targeted rate on their property. Funding the remainder of service provision through the capital value based general rates spreads the funding across the entire community.
Regulatory Services							
Animal Services	A supportive city with caring communities and a great quality of life. A sustainable city with healthy and treasured natural environments.	Dog owners, as well as the community at large in terms of educational programmes 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.	Not applicable.	10% general rates 90% fees and charges	The activity is funded from dog registration fees with a small of proportion funded by the capital value based general rate. It is important to ensure that fees are not set so high as to act as a disincentive to registration and compliance.

Activity	Community outcomes	Who benefits	Period of benefit	Actions or inactions	Separate funding	Funding sources	Rationale
Alcohol Licensing	A supportive city with caring communities and a great quality of life.	Individual licensees benefit as a license allows them to trade. There are public health benefits in 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 a charge for application received to serve alcohol. Penalties apply for licence infringements.	Not applicable.	25% general rate. 75% fees and charges, noting license fees are set by statute.	The Council has a statutory responsibility to provide this service. To the extent that costs are not covered by set licence fees, Council must meet the balance of the cost through general rates.
Building Services	A supportive city with caring communities and a great quality of life. A successful city with a diverse, innovative and productive economy. A sustainable city with healthy and treasured natural environments.	Applicants for building consents. 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.	Not applicable.	25% general rates 75% fees and charges	Building Consent Authority (BCA) work is funded by consent fees. Affordability is considered to ensure that costs do not act as a disincentive to compliance. Non BCA work is funded by general rates as a public service.
Enviro Health	A supportive city with caring communities and a great quality of life. A sustainable city with healthy and treasured natural environments.	Individual licensees benefit as holding a license allows them to trade. There are public health and safety benefits from licensing food premises, regulating industries (e.g. tattooists, beauticians, funeral homes, hairdressers) and responding to complaints in respect to noise and rubbish.	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.	Not applicable.	65% general rates 35% fees and charges.	There is a significant community benefit from these activities from a health and safety perspective currently and in the longer term. User charges are applied to licensing and regulation activities, and the exacerbator pays principle applies for infringements.

Activity	Community outcomes	Who benefits	Period of benefit	Actions or inactions	Separate funding	Funding sources	Rationale
Parking Services - Enforcement	<p>A connected city with a safe, accessible and low-carbon transport system.</p> <p>A compact city with a vibrant CBD and thriving suburban and rural centres.</p>	Members of the community expect a well organised and policed parking system which will allow them to park once they arrive at their destination	The Council has made the commitment to undertake this activity in the long term.	<p>Individual car owners seeking parking in the city close to businesses and retailers.</p> <p>Those abandoning vehicles.</p>	Not applicable.	<p>2% general rates</p> <p>98% fees and charges</p>	<p>Those breaching parking regulations are identifiable, and are charged an enforcement fee that is set by statute.</p> <p>General rates are used for dealing with abandoned vehicles when necessary.</p>
Resource Consents	<p>A compact city with a vibrant CBD and thriving suburban and rural centres.</p> <p>A successful city with a diverse, innovative and productive economy.</p> <p>A sustainable city with healthy and treasured natural environments</p>	<p>Applicants for resource consents benefit.</p> <p>The community benefits from monitoring and complaints investigations, to ensure that environmental and amenities standards are maintained.</p>	The Council has made a commitment to undertake this activity for the long term.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable	<p>55% general rates</p> <p>45% fees and charges.</p>	<p>Funding from fees and charges reflects the Council's decision for resource consent processing to be undertaken on a cost recovery basis.</p> <p>Compliance monitoring and complaint investigation is largely public good and is funded from the capital value based general rate.</p>
Resilient City							
Community partnerships	<p>A supportive city with caring communities and a great quality of life.</p> <p>A creative city with a rich and diverse arts and culture scene.</p>	<p>The community benefits through the provision of information, advice and assistance on matters relating to the community.</p> <p>Community groups that receive advice and assistance are identifiable.</p>	The Council has made a commitment to undertake this activity for the long term.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable	<p>95% general rates</p> <p>5% grants funding.</p>	<p>This activity is largely public good with limited scope for user charges and will therefore be funded primarily by the capital value based general rate.</p> <p>Council receives grant funding that contributes towards the cost of its Task Force Green activity.</p>

Activity	Community outcomes	Who benefits	Period of benefit	Actions or inactions	Separate funding	Funding sources	Rationale
City development	<p>A compact city with a vibrant CBD and thriving suburban and rural centres.</p> <p>A connected city with a safe, accessible and low-carbon transport system.</p> <p>A supportive city with caring communities and a great quality of life.</p> <p>A sustainable city with healthy and treasured natural environments</p>	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	<p>No actions or inactions have contributed to the need to undertake this activity.</p> <p>Note that costs for private plan changes are recovered.</p>	Not applicable.	100% general rates	This activity is public good with no scope for user charges and will therefore be funded by the capital value based general rate.
City growth	Contributes to all community outcomes.	The whole community benefits from planning for growth in the city.	The Council has made a commitment to undertake the activity for the long term	No actions or inactions have contributed to the need to undertake this activity.	Not applicable.	100% general rates	This activity is public good with no scope for user charges and will therefore be funded by the capital value based general rate.
Civil defence	A supportive city with caring communities and a great quality of life.	The whole community benefits from civil defence readiness and response in times of an emergency.	The Council is required to undertake this activity for the long term.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable	100% general rates.	Funding from capital value based general rates spreads the funding cross the entire community.
Housing Policy	A supportive city with caring communities and a great quality of life.	The whole community benefits from delivery of the Ōtepoti Dunedin Housing Plan.	The Council has made a commitment to undertake this activity for the long term.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable	100% general rates	This activity is public good, with no scope for user charges, and therefore will be funded by the capital value based general rate.

Activity	Community outcomes	Who benefits	Period of benefit	Actions or inactions	Separate funding	Funding sources	Rationale
South Dunedin Future	A supportive city with caring communities and a great quality of life	The whole community benefits from identifying options and planning for long term climate change adaptation.	The Council has made a commitment to undertake the activity for the long term	No actions or inactions have contributed to the need to undertake this activity.	Not applicable.	80% general rates 20% other income.	This activity is public good with no scope for user charges and will therefore be funded by the capital value based general rate. The Otago Regional Council contributes to this joint project.
Zero Carbon	Contributes to all community outcomes.	The whole community benefits from work undertaken to meet the zero carbon 2030 target.	The Council has made a commitment to undertake the activity for the long term	No actions or inactions have contributed to the need to undertake this activity.	Not applicable.	100% general rates	This activity is public good with no scope for user charges and will therefore be funded by the capital value based general rate.
Three Waters							
Water supply	<p>A healthy city with reliable and quality water, wastewater and stormwater systems.</p> <p>A sustainable city with healthy and treasured natural environments.</p> <p>A supportive city with caring communities and a great quality of life.</p>	<p>Users within the network area connected to the system.</p> <p>There are community wide public health benefits from the supply of treated water, and benefits in the availability of water to fight fires.</p>	The Council has committed to undertake this activity for the long term.	No actions or inactions have contributed to the need to undertake this activity.	<p>Commercial & extraordinary supply customers pay for supply.</p> <p>Development contributions fund growth portion of capital spend.</p> <p>Debt funds some capital expenditure.</p>	<p>80% targeted rates, non metered properties.</p> <p>20% water sales (supply measured by water meters).</p> <p>Currently meters are not installed for all customers.</p>	<p>This activity has a limited scope for user charges, and so it will be funded by targeted rates.</p> <p>There is a high degree of private benefit, but charging a fee is not possible, as meters are not installed for all customers.</p>

Activity	Community outcomes	Who benefits	Period of benefit	Actions or inactions	Separate funding	Funding sources	Rationale
Wastewater	<p>A healthy city with reliable and quality water, wastewater and stormwater systems.</p> <p>A sustainable city with healthy and treasured natural environments.</p> <p>A supportive city with caring communities and a great quality of life.</p>	<p>Users within the network area connected to the system.</p> <p>There are community wide public health benefits from the provision of safe and effective wastewater services, and benefits in protecting the environment from pollution.</p>	The Council has committed to undertake this activity for the long term.	Industries producing high volumes of noxious wastewater are charged through trade waste charges.	<p>Trade waste charges for industries.</p> <p>Development contributions to fund growth portion of capital expenditure.</p> <p>Debt to fund some capital expenditure.</p>	<p>98% targeted rates</p> <p>2% trade waste, connection fees and other charges.</p>	<p>This activity has a limited scope for user charges, and so it will be funded by targeted rates.</p> <p>There is a high degree of private benefit but charging all users a fee (except industries), is not possible.</p>
Stormwater	<p>A healthy city with reliable and quality water, wastewater and stormwater systems.</p> <p>A sustainable city with healthy and treasured natural environments.</p> <p>A supportive city with caring communities and a great quality of life.</p>	<p>Individuals the network area connected to the system, protection of private property.</p> <p>There are community wide public health benefits from the stormwater system, and benefits in the protection of city infrastructure.</p>	The Council has committed to undertake this activity for the long term.	No actions or inactions have contributed to the need to undertake this activity.	<p>Development contributions to fund growth portion of capital expenditure.</p> <p>Debt to fund some capital expenditure.</p>	<p>99% targeted rates</p> <p>1% external charges for connection fees.</p>	<p>This activity has a limited scope for user charges, and so it will be funded by targeted rates.</p> <p>There is a high degree of private benefit, but charging a fee is not possible.</p>

Activity	Community outcomes	Who benefits	Period of benefit	Actions or inactions	Separate funding	Funding sources	Rationale
Transport							
Transport	<p>A connected city with a safe, accessible and low carbon transport system.</p> <p>A supportive city with caring communities and a great quality of life.</p> <p>A successful city with a diverse, innovative and productive economy.</p> <p>A compact city with a vibrant CBD and thriving suburban and rural centres.</p> <p>An active city with quality and accessible recreational spaces and opportunities</p> <p>A sustainable city with healthy and treasured natural environments.</p>	The whole community benefits. All people use some form of transport.	<p>Planning for future transportation needs is an ongoing task as our society evolves.</p> <p>The Roading network will be maintained indefinitely.</p>	No actions or inactions have contributed to the need to undertake this activity.	<p>Waka Kotahi NZTA subsidy.</p> <p>Development contributions to fund growth portion of capital expenditure.</p> <p>Debt to fund some capital expenditure.</p>	<p>62% general rates.</p> <p>38 % external funding.</p>	<p>This activity is a public good activity and will be funded by the capital value based general rate.</p> <p>Capital expenditure for some projects attract subsidy from Waka Kotahi NZTA.</p>
Treaty Partnerships							
Māori Partnerships	Contributes to all community outcomes.	The whole community benefits from the work undertaken by the Māori Partnerships team, to ensure the Treaty of Waitangi is appropriately embedded in all that we do.	The Council has made a commitment to undertake this activity for the long term.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable	100% general rates.	Engagement and liaison with the Māori community on operational and partnership matters provides a public benefit, and therefore will be funded by the capital value based general rate.

Activity	Community outcomes	Who benefits	Period of benefit	Actions or inactions	Separate funding	Funding sources	Rationale
Vibrant Economy							
City Marketing	A successful city with a diverse, innovative and productive economy. A creative city with a rich and diverse arts and culture scene. A supportive city with caring communities and a great quality of life.	The city and the community benefits from work encouraging tourism and promotion of Dunedin.	The Council has made a commitment to undertake this activity for the long term.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable	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 rate.
Economic development	A successful city with a diverse, innovative and productive economy. A creative city with a rich and diverse arts and culture scene. A supportive city with caring communities and a great quality of life.	Businesses that contact the service benefit. The city and the community benefits from the economic growth and development activities undertaken.	The Council has made a commitment to undertake this activity for the long term.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable.	95% general rates. 5% 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 rate. Note: availability of external funding such as film permit fees varies from year to year.
Events	A supportive city with caring communities and a great quality of life.	The whole community benefits from community events held. Stall holders at DCC run events benefit from holding the event.	This activity is ongoing.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable	95% general rates 5% fees and charges	This activity is largely public good with limited scope for user charges. It will therefore be funded primarily by the capital value based general rate. Fees may be charged to stall holders at events held.

Activity	Community outcomes	Who benefits	Period of benefit	Actions or inactions	Separate funding	Funding sources	Rationale
Visitors Centre	A successful city with a diverse, innovative and productive economy.	Businesses that receive bookings through I-Site directly benefit from the service provided. The whole city benefits through visitor spending in the city on accommodation, attractions, and associated retail spending.	The Council has made a commitment to undertake this activity for the long term.	No actions or inactions have contributed to the need to undertake this activity.	Not applicable.	60% general rates. 40% fees and charges	There is benefit to the city in terms of encouraging visitor spending within the city, therefore a proportion of the activity is funded by general rates. Commissions from sale of tours, accommodation etc., are received for some services provided by this activity.
Waste management group							
Landfills (Including Transfer Stations and closed landfills)	A sustainable city with healthy and treasured natural environments. A supportive city with caring communities and a great quality of life.	Users of the landfills and transfer stations. There are public health and environmental benefits through the safe and appropriate disposal of rubbish, ongoing maintenance at closed landfills.	The Council has committed to undertake this activity for an ongoing period. Closed landfills are managed, monitored, and surveyed in excess of 20 years.	The users of landfills and transfer stations create the need for Council to provide these facilities. Closed landfills require after-care management.	Not applicable.	10% general rates 90% fees and charges.	Users are identifiable and so fees are charged to landfill and transfer station users. Fees paid are used to provide for aftercare on closed landfills. Monitoring of the Smooth Hill site is funded by general rates.

Activity	Community outcomes	Who benefits	Period of benefit	Actions or inactions	Separate funding	Funding sources	Rationale
Refuse, Recycling and Litter	A sustainable city with healthy and treasured natural environments. A supportive city with caring communities and a great quality of life.	Domestic and commercial users of collections services. The community receives public health benefits through the minimisation of waste going to Landfill, and ensuring streets are kept clean with the provision of public street litter bins and clean up days.	Indefinitely.	Individuals and businesses create waste. The Waste Minimisation Act 2008 requires territorial authorities to minimise waste in their district.	Not applicable.	98% rates, being general rates for litter bins and clean up days, and targeted rates for recycling (kerbside) collection. 2% fees for the sale of recycled materials.	Users of the refuse and recycling services are readily identifiable, and so user charges and targeted rates pay for the costs of disposal. Public good services for litter bins and clean up days justify funding through capital value based general rates.
Waste Strategy	A sustainable city with healthy and treasured natural environments. A supportive city with caring communities and a great quality of life.	The community benefits from the Council's commitment to waste minimisation and providing education to the public.	Indefinitely.	The Waste Minimisation Act 2008 requires territorial authorities to minimise waste in their district.	Not applicable.	100% grant funding from the Ministry for the Environment's Waste Levy.	This activity is fully funded by the Ministry for the Environment through its waste levy.
Waste Support Services	A sustainable city with healthy and treasured natural environments. A supportive city with caring communities and a great quality of life.	The community benefits from the Council's commitment to waste management	Indefinitely	Individuals and businesses create waste. The Waste Minimisation Act 2008 requires territorial authorities to minimise waste in their district.	Not applicable	100% general rates funding.	The support provided to deliver the waste management services provides a public good, and is therefore funded through capital value based general rates.

