

## ANNUAL PLAN BUDGET UPDATE - ECONOMIC DEVELOPMENT

Department: Enterprise Dunedin

### EXECUTIVE SUMMARY

- 1 This report provides an overview of the operating expenditure (opex) budget for the 2023/24 Annual Plan year for the Economic Development Group as shown at Attachment A. A draft funding impact statement (FIS) is shown at Attachment B. The following activities are provided for:
  - Economic Development
  - Dunedin Visitors Centre – i-Site
  - Marketing Dunedin
- 2 A schedule of proposed fees and charges for the 2023/24 year is also presented at Attachment C.

### RECOMMENDATIONS

That the Council:

- a) **Approves** the draft 2023/24 operating budget for the Economic Development Group as shown/amended at Attachment A.
- b) **Approves** the draft 2023/24 fees and charges schedules for the Economic Development Group as shown/amended at Attachment C.

### OPERATING BUDGETS

#### Revenue

##### *Rates*

- 3 Rates have increased overall by \$133k, 2.5%.

##### *External Revenue*

- 4 External revenue has increased by \$283k, 95.0% due to increased Visitors Centre revenue reflecting the return of international visitors.

#### Expenditure

**Personnel costs**

- 5 Personnel costs have increased overall by \$167k, 7.1% due to Visitor Centre staffing returning to full establishment with the return of international visitors.

**Consumables and general**

- 6 Consumables and general costs have increased by \$149k, 17.5% mainly due to stock purchases and bank commissions at the Visitor Centre.

**FEES AND CHARGES**

- 7 Fees and charges for activities in the Economic Development Group remain unchanged from 2022/23.

**Signatories**

Author:	John Christie - Manager Enterprise Dunedin
Authoriser:	Sandy Graham - Chief Executive Officer

**Attachments**

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<a href="#">↗C</a>	Economic Development Fees Schedule	103

## 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Economic Development Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Environment Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Arts and Culture Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 Waters Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Spatial Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Integrated Transport Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Parks and Recreation Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other strategic projects/policies/plans	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Economic Development Group activities primarily contribute to the objectives and priorities of the above strategies.

### ***Māori Impact Statement***

Council budgets impact broadly across all Dunedin communities including Māori. The Council is committed to developing ongoing relationships with Māori communities, particularly with mana whenua. Strategic projects that have significance to Māori have been identified from across the organisation and these projects will work collaboratively with the Māori Partnerships Manager to ensure beneficial outcomes for Māori are achieved.

### ***Sustainability***

The Annual Plan is not proposing any changes to that provided for in the 10 year plan. Major issues and implications for sustainability are discussed and considered in the 50 year Infrastructure Strategy and financial resilience is discussed in the Financial Strategy of the current 10 year plan 2021-31.

### ***LTP/Annual Plan / Financial Strategy /Infrastructure Strategy***

This report provides a draft budget for the Economic Development Group for inclusion in the draft 2023/24 Annual Plan.

### ***Financial considerations***

Financial considerations are detailed in the report.

### ***Significance***

The 10 year plan 2021-31 budgets were considered significant in terms of the Council's Significance and Engagement Policy, and were consulted on. Variations to those budgets as discussed in this report are not considered significant in terms of the policy.

### ***Engagement – external***

There has been no external engagement in updating the draft budget for the Economic Development Group.

## SUMMARY OF CONSIDERATIONS

### ***Engagement - internal***

Staff and managers from across council have been involved in the development of the draft budget.

### ***Risks: Legal / Health and Safety etc.***

There are no identified risks.

### ***Conflict of Interest***

There are no known conflicts of interest.

### ***Community Boards***

Projects identified in Community Board Plans were considered in the development of the budgets for the 10 year plan, and Community Boards were consulted at this time. Community Boards will have an opportunity to present on the draft 2023/24 Annual Plan.

## Economic Development Income Statement for the Year Ended 30 June 2024

Actual	Budget	Draft Budget	Inc (Dec)	Budget Inc (Dec)
2021-22	2022-23	2023-24		
\$000	\$000	\$000	\$000	%
<b>Revenue</b>				
5,402 Rates revenue	5,346	5,479	133	2.5%
- Rates penalties	-	-	-	-
133 External revenue	298	581	283	95.0%
2,750 Grants and subsidies operating	33	-	(33)	-100.0%
- Grants and subsidies capital	-	-	-	-
- Development contributions	-	-	-	-
- Vested assets	-	-	-	-
65 Internal revenue	3	3	-	0.0%
<b>8,350 Total revenue</b>	<b>5,680</b>	<b>6,063</b>	<b>383</b>	<b>6.7%</b>
<b>Expenditure</b>				
2,225 Personnel costs	2,365	2,532	167	7.1%
1,774 Operations & maintenance	1,147	1,153	6	0.5%
51 Occupancy costs	17	11	(6)	-35.3%
860 Consumables & general	852	1,001	149	17.5%
1,652 Grants & subsidies	90	140	50	55.6%
1,203 Internal charges	1,177	1,165	(12)	-1.0%
24 Depreciation & amortisation	32	61	29	90.6%
- Interest	-	-	-	-
<b>7,789 Total expenditure</b>	<b>5,680</b>	<b>6,063</b>	<b>383</b>	<b>6.7%</b>
<b>561 Net surplus/(deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Economic Development Funding Impact Statement for the Year Ended 30 June 2024

	Draft Budget 2023/24 \$000
<b>Sources of operating funding</b>	
General rates, uniform annual general charges, rates penalties	4,979
Targeted rates	500
Subsidies and grants for operating purposes	-
Fees and charges	581
Internal charges and overheads recovered	3
Interest and dividends from investments	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-
<b>Total operating funding (A)</b>	<b>6,063</b>
<b>Applications of operating funding</b>	
Payments to staff and suppliers	4,837
Finance costs	-
Internal charges and overheads applied	1,165
Other operating funding applications	-
<b>Total application of operating funding (B)</b>	<b>6,002</b>
<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>61</b>
<b>Sources of capital funding</b>	
Subsidies and grants for renewals expenditure	-
Subsidies and grants for other capital expenditure	-
Development and financial contributions	-
Increase/(decrease) in debt	439
Gross proceeds from sale of assets	-
Lump sum contributions	-
Other dedicated capital funding	-
<b>Total sources of capital funding (C)</b>	<b>439</b>
<b>Application of capital funding</b>	
Capital expenditure	
- to meet additional demand	-
- to improve the level of service	-
- to replace existing assets	500
Increase/(decrease) in reserves	-
Increase/(decrease) in investment (DCHL)	-
Increase/(decrease) of other investments	-
<b>Total application of capital funding (D)</b>	<b>500</b>
<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>(61)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>

Group - Economic Development

	2022/23 fees (GST Inclusive)	2023/24 proposed (GST Inclusive)	\$ change	% change
Economic Development				
Film Permit Fee				
Fee for a permit to conduct commercial film activity in public places (per day)	\$575.00	\$575.00	\$0.00	0.00%
Fee for a permit to conduct commercial film activity in public places (per half day)	\$287.50	\$287.50	\$0.00	0.00%