

ECONOMIC DEVELOPMENT - OPERATING BUDGET 2024/25

Department: Civic

EXECUTIVE SUMMARY

- 1 This report provides an overview of the operating expenditure budgets for the Annual Plan 2024/25 for the Economic Development Group, as shown at Attachment A. A draft funding impact statement is shown at Attachment B. The following activities are provided for:
 - Economic development
 - Marketing Dunedin
 - Dunedin i-site visitors' centre
- 2 A schedule of proposed fees and charges for the 2024/25 year is also presented at Attachment C.

RECOMMENDATIONS

That the Council:

- a) **Adopts** for the purposes of developing the Annual Plan 2024/25 and consulting with the community:
 - i) The draft 2024/25 operating budget for the Economic Development Group as shown/amended at Attachment A.
 - ii) The draft 2024/25 fees and charges schedules for the Economic Development Group as shown/amended at Attachment C.

OPERATING BUDGETS

Revenue

Rates

- 3 Rates revenue has increased in the Economic Development Group by \$240k, 4.5%.

External Revenue

- 4 External Revenue has increased by \$40k, 6.9% due to an increase in expected merchandise sales.

Grants and Subsidies Revenue

- 5 Grants and subsidies operating revenue has decreased by \$77k, 100%. A subsidy from NZTA NZTA Waka Kotahi of \$77k relating to the central city upgrade is not required in the 2024/25 year.

- 6 Grants and subsidies capital revenue has decreased by \$200k, 100%. In 2023/24 Council received a one-off capital grant towards the Dunedin Visitor Centre i-site refresh.

EXPENDITURE

Personnel costs

- 7 Personnel costs have increased by \$325k, 13.5%. This includes a general salary increase, and one additional FTE position transferred from another department of Council.

Consumables and general costs

- 8 Consumables and general costs have decreased by \$152k, 13.2% due to removal of the central city marketing budget.

FEES AND CHARGES

- 9 Fees and charges for activities in the Economic Development Group remain unchanged from 2023/24.

Signatories

Authoriser:	Leanne Mash - General Manager Business and Community Engagement
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Attachments

	Title	Page
↓A	Economic Development Income Statement	291
↓B	Economic Development FIS	292
↓C	Draft Fees and Charges 2024/25 Economic Development	293

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"/>	<input type="checkbox"/>
Economic Development Strategy	✓	<input type="checkbox"/>	<input type="checkbox"/>
Environment Strategy	<input type="checkbox"/>	<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"/>	<input type="checkbox"/>
Spatial Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Integrated Transport Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Parks and Recreation Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other strategic projects/policies/plans	✓	<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 adoption of Te Taki Haruru – Māori Strategic Framework signals Council's commitment to mana whenua and to its obligations under the Treaty of Waitangi. Mana whenua and Māori will have the opportunity to engage in the Annual Plan 2024/25 consultation process.

Sustainability

The Annual Plan 2024/25 is not proposing any changes to that provided for in the 10 year plan. Major issues and implications for sustainability are discussed in the 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 draft budgets for the Economic Development Group for inclusion in the Annual Plan 2024/25.

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 are discussed in this report. The draft budgets will be included in the Annual Plan 2024/25 and will be consulted on.

Engagement – external

There has been no external engagement in developing the draft budgets 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 budgets.

Risks: Legal / Health and Safety etc.

There are no identified risks.

Conflict of Interest

There are no known conflicts of interest.

Community Boards

Community Boards will have an opportunity to engage with the Annual Plan 2024/25 consultation process.

Economic development
Income Statement
for the Year Ended 30 June 2025

Actual		Budget	Draft Budget	Inc (Dec)	Budget Inc
2022/23		2023/24	2024/25		(Dec)
\$000		\$000	\$000	\$000	%
Revenue					
5,346	Rates revenue	5,375	5,615	240	4.5%
-	- Rates penalties	-	-	-	-
381	External revenue	581	621	40	6.9%
2,527	Grants and subsidies operating	77	-	(77)	(100.0%)
-	- Grants and subsidies capital	200	-	(200)	(100.0%)
-	- Development contributions	-	-	-	-
-	- Vested assets	-	-	-	-
2	Internal revenue	3	2	(1)	(33.3%)
8,256	Total revenue	6,236	6,238	2	0.0%
Expenditure					
2,343	Personnel costs	2,405	2,730	325	13.5%
2,371	Operations & maintenance	1,151	1,143	(8)	(0.7%)
7	Occupancy costs	11	2	(9)	(81.8%)
1,095	Consumables & general	1,152	1,000	(152)	(13.2%)
784	Grants & subsidies	140	140	-	-
1,150	Internal charges	1,165	1,200	35	3.0%
15	Depreciation & amortisation	12	23	11	91.7%
-	- Interest	-	-	-	-
7,765	Total expenditure	6,036	6,238	202	3.3%
491	Net surplus/(deficit)	200	-	(200)	(100.0%)
Expenditure by Activity					
6,580	Economic development	4,595	4,776	181	3.9%
1,185	Dunedin i_Site Visitor Centre	1,441	1,462	21	1.5%
7,765	Total expenditure	6,036	6,238	202	3.3%

Dunedin City Council
Funding Impact Statement
for the Year Ended 30 June 2024 for Economic development

	2023/24 Annual Plan \$000	2024/25 Long-term plan \$000	2024/25 Annual Plan \$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	4,875	5,259	5,615
Targeted rates	500	500	-
Subsidies and grants for operating purposes	77	-	-
Fees and charges	581	453	621
Internal charges and overheads recovered	3	3	2
Interest and dividends from investments	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	6,036	6,215	6,238
Applications of operating funding			
Payments to staff and suppliers	4,860	4,970	5,015
Finance costs	-	8	-
Internal charges and overheads applied	1,165	1,204	1,200
Other operating funding applications	-	-	-
Total application of operating funding (B)	6,025	6,182	6,215
Surplus/(deficit) of operating funding (A-B)	11	33	23
Sources of capital funding			
Subsidies and grants for renewals expenditure	-	-	-
Subsidies and grants for capital expenditure	200	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	289	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	489	-	-
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	500	5	60
Increase/(decrease) in reserves	-	-	-
Increase/(decrease) in investment (DCHL)	-	-	-
Increase/(decrease) of other investments	-	28	(37)
Total application of capital funding (D)	500	33	23
Surplus/(deficit) of capital funding (C-D)	(11)	(33)	(23)
Funding balance ((A-B)+(C-D))	-	-	-

	2023/24 fees	2024/25 proposed fees	\$ change	% change
Economic Development				
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%
Fee for a permit to conduct commercial film activity in public places (per half day)	\$287.50	\$287.50	\$0.00	0%