

GOVERNANCE AND SUPPORT SERVICES - OPERATING BUDGET 2024/25

Department: Civic and Finance

EXECUTIVE SUMMARY

- 1 This report provides an overview of the operating expenditure (opex) budgets for the Annual Plan 2024/25 for the Governance and Support Services Group, as shown at Attachment A. A draft funding impact statement (FIS) is shown at Attachment B. Activities within this group include:
 - Business services (IT)
 - Civic and administration
 - Civil defence
 - Corporate leadership
 - Council communications and marketing
 - Customer services agency
 - Māori Partnerships
 - South Dunedin Future
 - Zero Carbon
- 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 Governance and Support Services Group as shown/amended at Attachment A.
 - ii) The draft 2024/25 fees and charges schedules for the Governance and Support Services Group as shown/amended at Attachment C.

OPERATING BUDGETS

Revenue

External Revenue

- 3 External revenue has increased overall in the Governance and Support Services Group by \$334k, 1.57% due in part to increased revenue from the Waipori Fund. Offsetting this increase is a reduction in recoveries from DCHL.

Grants & Subsidies

- 4 Grants and subsidies have increased in the Governance and Support Services Group by \$2.559 million. Government funding for the 3 Waters Strategic Work Programme has been replaced by Better off Funding. Better off Funding has been provided for various projects across Council. The operating grant is being managed corporately and allocated to individual activities through internal revenue.

Internal Revenue

- 5 Internal revenue has increased overall in the Governance and Support Services Group by \$2.012 million, 7% due in part to Better off funding allocations within the group.
- 6 Other internal recoveries, including BIS and corporate charges have increased in line with the Local Government Cost Index.

EXPENDITURE

Personnel costs

- 7 Personnel costs have decreased by \$490k, 2.6%. The budget includes a general salary increase, partially offset by a reduction in staff numbers.

Operations and maintenance

- 8 Operations and maintenance costs have increased by \$701k, 13% due to:
- CCM - increased costs for web analytics and security, \$76k.
 - BIS - increased Microsoft and upgrade costs to move to Windows 11, \$250k.
 - Fleet operations – increased fuel costs, \$95k.
 - South Dunedin Future's - budget for impact assessments, community engagements and technical advice \$293k. Note this budget has been transferred from consumables and general costs.

Consumables and general costs

- 9 Consumables and general costs have increased by \$970k, 9% partly due to:
- CCM - increased software licence and advertising printing costs, \$113k.

- BIS - an increase in software licence fees of \$743k including Microsoft licencing, Pathway, and new software for contract management, procurement, customer services, infrastructure asset management and recruitment.
- South Dunedin Future's – consultancy costs have increased by \$643k, funded by Better off Funding. Offsetting this increase is a \$293k transfer of budget to operations and maintenance – see note above.

Grants and subsidies

- 10 Grants and subsidies have increased by \$100k, 24.3%, reflecting the unallocated grants budget discussed separately in the Grants Report.

Internal charges

- 11 Internal charges have increased by \$2.858 million, 40% reflecting increased corporate charges and the Better of Funding being allocated to other council activities.

FEES AND CHARGES

- 12 Fees and charges for activities in the Governance and Support Services have largely remained the same or have been increased by 3% to reflect increased costs.
- 13 New fees are proposed in relation to provision of in-house legal services. This is to cover the costs of legal services that are provided for private benefit.

Signatories

Authoriser:	Robert West - General Manager Corporate Services Leanne Mash - General Manager Business and Community Engagement
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Attachments

	Title	Page
A	Governance and Support Services Income Statement	205
B	Governance and Support Services FIS	207
C	Draft Fees and Charges 2024/25 Governance and Support Services	208

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"/>	<input type="checkbox"/>
Environment Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Arts and Culture Strategy	<input type="checkbox"/>	<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 Governance and Support Services Group activities primarily contribute to the objectives and priorities of the above strategies.

Māori Impact Statement

Council budgets impact broadly across all Dunedin communities including Māori. The adoption of Te Taki Haruru – Māori Strategic Framework signals Council's commitment to mana whenua and to its obligations under the Treaty of Waitangi. Mana whenua and 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 Governance and Support Services 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 Governance and Support Services Group.

SUMMARY OF CONSIDERATIONS

Engagement - internal

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

Risks: Legal / Health and Safety etc.

There are no identified risks.

Conflict of Interest

There are no known conflicts of interest.

Community Boards

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

Governance and support services
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				
1,965 Rates revenue	-	-	-	-
1,231 Rates penalties	1,000	1,000	-	-
19,752 External revenue	22,290	22,624	334	1.5%
1,806 Grants and subsidies operating	100	2,659	2,559	2,559.0%
353 Grants and subsidies capital	-	-	-	-
- Development contributions	-	-	-	-
- Vested assets	-	-	-	-
27,045 Internal revenue	27,140	29,152	2,012	7.4%
781 Tax refund	370	250	(120)	(32.4%)
52,933 Total revenue	50,900	55,685	4,785	9.4%
Expenditure				
18,462 Personnel costs	18,854	18,364	(490)	(2.6%)
7,073 Operations & maintenance	5,341	6,042	701	13.1%
189 Occupancy costs	199	215	16	8.0%
10,149 Consumables & general	10,936	11,906	970	8.9%
416 Grants & subsidies	411	511	100	24.3%
9,123 Internal charges	7,139	9,997	2,858	40.0%
2,754 Depreciation & amortisation	3,005	3,061	56	1.9%
1,274 Interest	2,229	1,902	(327)	(14.7%)
49,440 Total expenditure	48,114	51,998	3,884	8.1%
3,493 Net surplus/(deficit)	2,786	3,687	901	32.3%

Governance and support services
Income Statement
for the Year Ended 30 June 2025

Expenditure by Activity					
14,525	Business Information Services	15,283	16,475	1,192	7.8%
175	Civil Defence	200	203	3	1.5%
5,375	Corporate Administration & Governance	4,807	4,950	143	3.0%
3,205	Corporate Leadership & Maori Partnerships	3,967	4,588	621	15.7%
90	Corporate Planner	600	142	(458)	(76.3%)
1,854	Corporate Policy	1,329	1,486	157	11.8%
3,254	Council Communications	3,541	3,908	367	10.4%
2,712	Customer Services	3,204	3,220	16	0.5%
848	DCHL/DCTL	732	80	(652)	(89.1%)
4,885	Finance	5,118	5,288	170	3.3%
1,779	Fleet Operations	1,948	2,084	136	7.0%
636	Health and Safety	865	891	26	3.0%
-	- Housing Policy	-	215	215	-
3,998	Investment	(604)	434	1,038	(171.9%)
666	Legal	667	803	136	20.4%
1,635	People Culture & Quality	1,987	1,966	(21)	(1.1%)
1,026	PPSO	984	1,034	50	5.1%
647	Procurement	687	691	4	0.6%
343	Quality Improvement	289	340	51	17.6%
117	Risk & Internal Audit	338	363	25	7.4%
293	South Dunedin Future	763	1,404	641	84.0%
279	Waipori Fund	266	269	3	1.1%
394	Warm Dunedin	296	178	(118)	(39.9%)
704	Zero Carbon	847	986	139	16.4%
49,440	Total expenditure	48,114	51,998	3,884	8.1%

Dunedin City Council
Funding Impact Statement
for the Year Ended 30 June 2024 for Governance and support
services

	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	630	9,022	727
Targeted rates	370	468	273
Subsidies and grants for operating purposes	100	-	2,659
Fees and charges	1,506	9,246	777
Internal charges and overheads recovered	27,140	27,687	29,152
Interest and dividends from investments	19,722	-	20,931
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	49,468	46,423	54,519
Applications of operating funding			
Payments to staff and suppliers	35,742	36,276	37,038
Finance costs	2,229	1,515	1,902
Internal charges and overheads applied	7,139	7,312	9,997
Other operating funding applications	-	-	-
Total application of operating funding (B)	45,110	45,103	48,937
Surplus/(deficit) of operating funding (A-B)	4,358	1,320	5,582
Sources of capital funding			
Subsidies and grants for renewals expenditure	-	-	-
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	(843)	1,319	978
Gross proceeds from sale of assets	120	120	165
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(723)	1,439	1,143
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	2,018	2,408	1,980
- to replace existing assets	2,206	2,709	2,465
Increase/(decrease) in reserves	-	-	-
Increase/(decrease) in investment (DCHL)	2,550	2,550	2,550
Increase/(decrease) of other investments	(3,139)	(4,908)	(270)
Total application of capital funding (D)	3,635	2,759	6,725
Surplus/(deficit) of capital funding (C-D)	(4,358)	(1,320)	(5,582)
Funding balance ((A-B)+(C-D))	-	-	-

	2023/24 fees	2024/25 proposed fees	\$ change	% change
Governance and Support Services				
Administration Services				
Official Information				
Photocopy first 20 pages A4 black and white free, thereafter charged per page	\$0.20	\$0.20	\$0.00	0%
Archives Reference Services				
Archivist's Fee				
First half hour free, thereafter charged per hour. Full details are provided in the Council Reference Service Policy available from Archives	\$50.00	\$50.00	\$0.00	0%
Finance				
Credit card surcharge				
Up to 2% of the transaction value	-	-	-	-
Information Services				
Hazard Information Report				
Commercial - Hazard Information Report	\$192.00	\$197.00	\$5.00	3%
Residential - Hazard Information Report	\$182.00	\$187.00	\$5.00	3%
Land Information Memorandum				
Commercial - Land Information Memorandum	\$377.00	\$388.00	\$11.00	3%
Residential - Land Information Memorandum	\$357.00	\$367.00	\$10.00	3%
Residential (non-urgent) - Land Information Memorandum	\$305.00	\$314.00	\$9.00	3%
Mapping Services				
GIS services available - cost on application	-	-	-	-
Legal				
In-House Legal Counsel (hourly rate)				
In-house legal services (performed by the Council's legal staff) will be charged at the following rates plus disbursements.	-	\$250.00	-	-
Legal Executive Assistant (hourly rate)				
In-house legal services (performed by the Council's legal staff) will be charged at the following rates plus disbursements.	-	\$100.00	-	-