

**Notice of Meeting:**

I hereby give notice that an ordinary meeting of the Dunedin City Council will be held on:

**Date:** Tuesday 9 March 2021  
**Time:** 10.00 am  
**Venue:** Council Chamber, Municipal Chambers, The Octagon, Dunedin

Sandy Graham  
Chief Executive Officer

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**Council**  
**PUBLIC AGENDA**

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**MEMBERSHIP**

**Mayor**  
**Deputy Mayor**

Mayor Aaron Hawkins  
Cr Christine Garey

**Members**

Cr Sophie Barker	Cr David Benson-Pope
Cr Rachel Elder	Cr Doug Hall
Cr Carmen Houlahan	Cr Marie Laufiso
Cr Mike Lord	Cr Jim O'Malley
Cr Jules Radich	Cr Chris Staynes
Cr Lee Vandervis	Cr Steve Walker
Cr Andrew Whiley	

**Senior Officer**

Sandy Graham, Chief Executive Officer

**Governance Support Officer**

Lynne Adamson

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Lynne Adamson  
Governance Support Officer

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Lynne.Adamson@dcc.govt.nz  
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**Note:** Reports and recommendations contained in this agenda are not to be considered as Council policy until adopted.



<b>ITEM</b>	<b>TABLE OF CONTENTS</b>	<b>PAGE</b>
1	Public Forum	4
2	Apologies	4
3	Confirmation of Agenda	4
4	Declaration of Interest	5
<b>REPORTS</b>		
5	Draft Zero Carbon 2030 Alliance Memorandum of Understanding	19
6	DCC Submission on the Climate Change Commission's draft first package of advice to Government	42
7	Supporting documentation for the 10 year plan consultation document	63
8	Consultation Document - 10 year plan 2021-31	144
9	DCC submission on the Smokefree Environments and Regulated Products Act 1990 - Proposals for Regulations	170
10	Development Contributions Policy update	177
11	LGNZ Conference 2021	270
	<b>RESOLUTION TO EXCLUDE THE PUBLIC</b>	<b>272</b>

**1 PUBLIC FORUM**

At the close of the agenda no requests for public forum had been received.

**2 APOLOGIES**

At the close of the agenda no apologies had been received.

**3 CONFIRMATION OF AGENDA**

Note: Any additions must be approved by resolution with an explanation as to why they cannot be delayed until a future meeting.

## DECLARATION OF INTEREST

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### EXECUTIVE SUMMARY

1. Members are reminded of the need to stand aside from decision-making when a conflict arises between their role as an elected representative and any private or other external interest they might have.
2. Elected members are reminded to update their register of interests as soon as practicable, including amending the register at this meeting if necessary.
3. Staff members are reminded to update their register of interests as soon as practicable.

### RECOMMENDATIONS

That the Council:

- a) **Notes/Amends** if necessary the Elected Members' Interest Register attached as Attachment A; and
- b) **Confirms/Amends** the proposed management plan for Elected Members' Interests.
- c) **Notes** the proposed management plan for the Executive Leadership Team's Interests.

### Attachments

	<b>Title</b>	<b>Page</b>
<a href="#">↓A</a>	Councillor Register of Interest	7
<a href="#">↓B</a>	Executive Leadership Team Register of Interest	17



Councillor Register of Interest - Current as at 24 February 2021				
Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
Aaron Hawkins	Trustee	West Harbour Beautification Trust	Potential conflict WHBT work with Parks and Reserves to co-ordinate volunteer activities	Withdrawal from all West Harbour Beautification Trust/ DCC discussions involving this relationship.
	Trustee	St Paul's Cathedral Foundation	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Owner	Residential Property Owner - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Thank You Payroll	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	ICLEI Oceania Regional Executive	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Hospital Local Advisory Group	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Green Party	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Connecting Dunedin (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Board Member	Otago Museum Trust Board (Council appointment)	Duties to Trust may conflict with duties of Council Office. Recipient of Council funding	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Otago Theatre Trust (Council appointment)	Potential grants recipient	Withdraw from discussion and leave the table. If in confidential leave the room. Seek advice prior to the meeting.
	Member	Otago Polytech's Research Centre of Excellence	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	LGNZ National Council	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Alexander McMillan Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Cosy Homes Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chair	LGNZ Policy Advisory Group	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Local Government New Zealand Zone 6 Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Sophie Barker	Director	Ayrmed Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Ocho Newco Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Various publicly listed companies	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Property Owner	Residential Property Owner - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Beneficiary	Sans Peur Trust (Larnach Castle)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Public Art Gallery Society (Council appointment)	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Chairperson	Dunedin Heritage Fund Trust (Council appointment)	Duty to Trust may conflict with duties of Council Office	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Trustee	Dunedin Midwinter Carnival	Potential grants recipient	With draw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Committee Member	Otago Anniversary Day Dinner	No conflict Identified	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Dunedin Gas Works Museum Trust (Council appointment)	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
David Benson-Pope	Owner	Residential Property Ownership in Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee and Beneficiary	Blind Investment Trusts	Duty to Trust may conflict with duties of Council Office	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Yellow-eyed Penguin Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	New Zealand Labour Party	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Heritage Fund Trust (Council appointment)	Duty to Trust may conflict with duties of Council Office	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Connecting Dunedin (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Tertiary Precinct Planning Group (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Delegation holder	Second Generation District Plan (2GP) Authority to Resolve Appeals on behalf of Council (Council appointment)	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Hospital Local Advisory Group	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otago Regional Transport Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Commissioner (Community Representative)	District Licensing Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Rachel Elder	Owner	Residential Property Ownership - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Greater South Dunedin Action Group	Decisions may be considered on the future of South Dunedin.	Withdraw from discussion and leave the table. If in confidential leave the room. Seek advice prior to the meeting.
	Host Parent	Otago Girls High School	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Advisor/Support Capacity	Kaffelagic	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Trails Networks Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chair	Southern Urban Dunedin Community Response Group	Decisions about emergency response recovery may be conflicted	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Craigieburn Reserve Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Keep Dunedin Beautiful (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Okia Reserve Management Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Toitu Otago Settlers Museum Board (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Chairperson	Disability Issues Advisory Group	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Christine Garey	Trustee	Garey Family Trust - Property Ownership - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chair	Creative Dunedin Partnership (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Symphony Orchestra Foundation Board of Trustees (Council appointment)	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Theomin Gallery Management Committee (Olveston) (Council appointment)	No conflict identified	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Chair	Grants Subcommittee (Council Appointment)	No conflict identified	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
		External family member is a Principal Security Consultant	Major supplier to DCC	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Local Government New Zealand Zone 6 Committee (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Doug Hall	Director/Owner	Hall Brothers Transport Ltd	May contract and provide service to DCC	Withdraw from discussion and leave the table. If in confidential leave the room. Seek prior approval from Office of the Auditor General when required.
	Director/Owner	Dunedin Crane Hire	May contract and provide service to DCC	Withdraw from discussion and leave the table. If in confidential leave the room. Seek prior approval from Office of the Auditor General when required.
	Director/Owner	Wood Recyclers Ltd	May contract and provide service to DCC	Withdraw from discussion and leave the table. If in confidential leave the room. Seek prior approval from Office of the Auditor General when required.
	Director/Owner	Dunedin Concrete Crushing Ltd	May contract and provide service to DCC	Withdraw from discussion and leave the table. If in confidential leave the room. Seek prior approval from Office of the Auditor General when required.
	Director/Owner	Anzide Properties Ltd - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder	The Woodshed 2014 Limited	May contract and provide service to DCC	Withdraw from discussion and leave the table. If in confidential leave the room. Seek prior approval from Office of the Auditor General when required.
	Owner	Property Ownership - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Farmlands	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Ravensdown Fertiliser	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	PGG Wrightson	Currently no likely conflict	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Silver Fern Farms	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder	Valley View Development Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Geekfix Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Milburn Processing Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Donor of the use of a building free of charge to the group	Fire Brigade Restoration Society	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Appellant	2GP	Appellant to the 2GP	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Financial Donor	Dunedin North Community Patrol	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Donor of the use of a building free of charge to the group	North Dunedin Blokes Shed	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Loan of a four wheel drive truck free of charge to the group for cartage of gravel	Mountainbiking Otago	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Partner	Highland Helicopters	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Supplier	Southweight Truck and Weights for testing Weighbridges Otago & Southland	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Craigieburn Reserve Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Chinese Garden Advisory Board (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Carmen Houlahan	Member	Toitu Otago Settlers Museum Board (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Owner	Residential Property - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Owner	Rental Property - North Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Part Owner	Adobe Group Ltd, Wanaka	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Rotary Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Institute of Directors	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otago Property Investors Association	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Company Owner/Sole Director	Shelf Company - RU There	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Toitu Otago Settlers Museum Board (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Public Art Gallery Acquisitions Committee (Council appointment)	Possible grants recipient	Withdraw from discussion and leave the table. If in confidential leave the room. Seek advice prior to the meeting.
	Shareholder	Startup Business	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Mosgiel Taieri Community Board (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Marie Laufiso	Property Owner	Residential Property	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Trustee	Community Building Trust - Trust Owner of Property 111 Moray Place	Duty to Trust may conflict with duties of Council Office	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Board Member	Otago Mental Health Trust	Potential grants applicant which would result in pecuniary interest. Duty to Trust may conflict with duties of Council Office	Do not participate in consideration of grants applications. If the meeting is in confidential, to leave the room.
	Trustee	Brockville Community Support Trust	Potential grants recipient	Withdraw from discussion and leave the table. If in confidential leave the room. Seek advice prior to the meeting.
	Trustee	Corso Ōtepoti Dunedin Trust	Potential grants recipient	Withdraw from discussion and leave the table. If in confidential leave the room. Seek advice prior to the meeting.
	Member	Dunedin Manufacturing Holdings Inc	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	National Secretary	P.A.C.I.F.I.C.A Inc	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Dunedin Branch Treasurer	P.A.C.I.F.I.C.A Inc	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Dunedin Branch delegate to Arai Te Uru Marae Council	P.A.C.I.F.I.C.A Inc	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Green Party of Aotearoa New Zealand	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Age Concern (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Abrahamic Interfaith Group (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Refugee Steering Group (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otago Settlers Association (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Fair Trading Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Deputy Chair	Grants Subcommittee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Social Well Being Advisory Group (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Mike Lord	Trustee	ML Lord Family Trust - Owner of Residential Properties - Dunedin	Duty to Trust may conflict with duties of Council Office	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Fonterra	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Federated Farmers	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Mosgiel Rotary Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Mosgiel RSA	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	National Party	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chairperson	Federated Farmers Charitable Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Various publicly listed companies	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Chairperson	Otago Rural Support Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Otago Youth Adventure Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Strath Taieri Community Board (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Hereweka Harbour Cone Trust (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	District Licensing Committee (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Jim O'Malley	Owner	Biocentrix Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Mosgiel Association Football Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Ocho Newco Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Owner	Residential Property Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Owner	Ayrmed Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Ice Sports Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Manufacturing Holdings	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Ice Sports Dunedin Incorporated (Council appointment)	Potential grants recipient	Withdraw from discussion and leave the table. If in confidential leave the room. Seek advice prior to the meeting.
	Member	Connecting Dunedin (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Okia Reserve Management Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Tertiary Precinct Planning Group (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Waikouaiti Coast Community Board (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Jules Radich	Shareholder	Izon Science Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Taurikura Drive Investments Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Golden Block Developments Ltd	The Auditor General has issued a declaration under section 6(4) of LAMIA allowing Cr Radich to participate on the grounds that it is in the interests of the electors and inhabitants of the area that he be allowed to do so. The declaration applies to the Council meeting on 25 May 2020 and to discussion and deliberations on the Annual Plan 2020/21 up to and including the adoption of the Annual Plan	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Cambridge Terrace Properties Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Director/Shareholder	Southern Properties (2007) Ltd	The Auditor General has issued a declaration under section 6(4) of LAMIA allowing Cr Radich to participate on the grounds that it is in the interests of the electors and inhabitants of the area that he be allowed to do so. The declaration applies to the Council meeting on 25 May 2020 and to discussion and deliberations on the Annual Plan 2020/21 up to and including the adoption of the Annual Plan	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Golden Centre Holdings Ltd	The Auditor General has issued a declaration under section 6(4) of LAMIA allowing Cr Radich to participate on the grounds that it is in the interests of the electors and inhabitants of the area that he be allowed to do so. The declaration applies to the Council meeting on 25 May 2020 and to discussion and deliberations on the Annual Plan 2020/21 up to and including the adoption of the Annual Plan	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder	IBMS Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder	Raft Holdings Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder	Otago Business Coaching Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Effectivise Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Athol Street Investments Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder	Allandale Trustee Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Aberdeen St No2 Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Public Art Gallery Acquisitions Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Public Art Gallery Society (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Road Safety Action Plan	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Tertiary Precinct Planning Group (Council appointment - alternate)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Saddle Hill Community Board (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Chris Staynes	Chairman	Cargill Enterprises	Contractor and service provider to DCC	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room.
	Director	Wine Freedom	Supplier to DCC	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room.
	Patron	Otago Model Engineering Society	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Balmacewen Lions Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Otago Southland Manufacturers Association Trust	Possible co-funder of ED project. Duties to the Trust may conflict with duties of Council	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room. Seek advice prior to the meeting.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Deputy Chair	Cancer Society of Otago/Southland	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Past President	Patearoa Golf Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	President	Balmacewen Lions	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	CJ and CA Staynes Family Trust - Property Owner - Dunedin and Patearoa	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	George Street Wines Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder	Saddle Hill Investment Trust Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	NZ Association of Amateur Radio and Transmitters	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Board Member	Otago Museum Trust Board (Council appointment)	Duties to Trust may conflict with duties of Council Office. Recipient of Council funding	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Trustee	Theomin Gallery Trust (Council appointment)	Duties to Trust may conflict with duties of Council Office. Recipient of Council funding	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Chairman	Grow Dunedin Partnership (Council appointment)	Duties may conflict with duties of Council Office. Recipient of Council funding	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Dunedin Shanghai Association (Sister City Society) (Council appointment)	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Social Well Being Advisory Group (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Lee Vandervis	Member	Local Government New Zealand Zone 6 Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Lee Vandervis, Antonie Alm-Lequeux and Cook Allan Gibson Trustee Company Ltd - Residential Property Ownership - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Bunchy Properties Ltd - Residential Property Ownership - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Steve Walker	Owner	Vandervision Audio and Lighting - Hire, Sales and Service Business	May contract and provide service to DCC	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room. Seek advice prior to the meeting.
	Chairperson	Dunedin Wildlife Hospital Trust	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room. Seek advice prior to the meeting.
	Chairperson	West Harbour Beautification Trust	Potential conflict WHBT work with Parks and Reserves to co-ordinate volunteer activities	Withdrawal from all West Harbour Beautification Trust/ DCC discussions involving this relationship.
	Member	Orokonui Ecosanctuary	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room. Seek advice prior to the meeting.
	Member	Port Chalmers Golf Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Keep New Zealand Beautiful	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room. Seek advice prior to the meeting.
	Member	Society of Beer Advocates	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Member	New Zealand Labour Party	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Port Chalmers Historical Society	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room. Seek advice prior to the meeting.
	Owner	Residential Property - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Various publicly listed companies	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	NZ Sea Lion Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Edinburgh Sister City Society (Council appointment)	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Connecting Dunedin (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Te Ao Turoa Partnership (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Keep Dunedin Beautiful (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Tertiary Precinct Planning Group (Council appointment - alternate)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	West Harbour Community Board (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Andrew Whiley	Owner/Operator	Whiley Golf Inc and New Zealand Golf Travel Ltd	No conflict identified	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room. Seek advice prior to the meeting.
	Director/Shareholder 22 May 2017	Estate of Grace Limited	No conflict identified	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room. Seek advice prior to the meeting.
	Trustee	Japek (Family Trust) - Property Ownership - Dunedin	Duties to Trust may conflict with duties of Council Office.	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Otago Golf Club	No conflict identified	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Dunedin South Rotary Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Board Member	New Zealand Professional Golfers Assn	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Institute of Directors	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	National Party	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chairman	Volunteering Otago	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Otaru Sister City Society (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Public Art Gallery Society (Council appointment)	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Grow Dunedin Partnership (Council appointment - alternate)	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Member	NZ Masters Games Trust Board (Council appointment)	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Deputy Chair	Dunedin Community House Executive Committee	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Puketai Residential Centre Liaison Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otago Peninsula Community Board (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

Executive Leadership Team - Register of Interest - current as at 25 February 2021					
Name	Date of Entry	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
Sandy Graham		Owner	Residential property Dunedin	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	19/09/2018	Trustee	Trustee of the Taieri Airport Facilities Trust	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	25/07/2019	Member	Otago Golf Club	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Simon Pickford		Owner	Residential property, Dunedin	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	16/08/2017	Member	SOLGM Regulatory Reference Group	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	21/02/2020	Wife	Owns residential properties, Dunedin	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	18/09/2020	Member	Kotui Board	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
John Christie		Wife is a member	Taieri Community Facilities Trust	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
		Shareholder	Various NZX and ASX listed companies	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
		Owner	Residential Properties Mosgiel	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	15/09/2017	Trustee	Diversity Works NZ	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	09/07/2018	Member	Society of Local Government Managers	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	19/02/2020	Daughter is a member	Youth Council	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Simon Drew		Trustee	Sister Cities New Zealand	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
		Owner	Residential property Dunedin	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
		Chartered Member	Engineering New Zealand	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	17/04/2019	Judge	ACENZ (Association of Consulting Engineers NZ) Innovate Awards Judge	ACENZ have own conflict of interest policies.	Would not be allowed to judge a DCC project.
	17/04/2019	Member	Society of Local Government Managers	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
			South Coast Builders engaged to carry out work on property	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

Executive Leadership Team - Register of Interest - current as at 25 February 2021					
Name	Date of Entry	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
Graham McKerracher	18/11/2019	Owner	Residential property Dunedin	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
		Member	Public Relations Institute NZ (PRINZ)	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
		Member	Mosgiel Association Football Club	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
		Member	Dunedin Ice Hockey Association	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
		Member	Moana Pool gym/swim	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Robert West		Owner	Residential property Dunedin	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
		Trustee	Caselberg Trust	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
		Trustee	Te Poari a Pukekura Co-Management Trust Board	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Gavin Logie		Owner	Residential property Dunedin	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
		Owner	Residential property Wanaka	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	17/07/2020	Minority shareholder	Southern Hospitality	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
		Director	Golden Block Investments Limited	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	17/07/2020	Director	Five Council-owned non-trading companies	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
			Wife works in a senior financial position in the Finance Department, University of Otago	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Jeanette Wikaira		Trustee	Dunedin North Intermediate School	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
		Member	Otago Institute of Arts and Science	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
		Trustee	Hone Tuwhare Charitable Trust	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

## REPORTS

### DRAFT ZERO CARBON 2030 ALLIANCE MEMORANDUM OF UNDERSTANDING

Department: Civic

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#### EXECUTIVE SUMMARY

- 1 This report provides an update on the establishment of a partnership approach to progress city-wide emissions reduction efforts (a 'Zero Carbon 2030 Alliance').
- 2 Specifically, the report seeks Council approval of a draft Memorandum of Understanding for the Zero Carbon 2030 Alliance for submission to the governing bodies of potential founding members, and a process for finalising and adopting the final document.

#### RECOMMENDATIONS

That the Council:

- a) **Notes** that the Zero Carbon 2030 Alliance replaces the Dunedin Energy Leaders' Accord;
- b) **Approves** the draft Zero Carbon 2030 Alliance Memorandum of Understanding for submission to the governing bodies of potential founding partners;
- c) **Delegates** authority to the Chief Executive Officer to incorporate any amendments to the Memorandum of Understanding sought by founding partners, and to sign the final version on the Council's behalf;
- d) **Notes** that, following signing of the Memorandum of Understanding, the final version will be brought back to Council for noting; and
- e) **Notes** that, following signing of the Memorandum of Understanding, a draft Terms of Reference for the Zero Carbon 2030 Collaboration Group will be developed and brought back to Council for adoption.

#### BACKGROUND

- 3 On September 27 2020, Council considered a report setting out an update on the Zero Carbon work programme, including a possible partnership approach to progress citywide emissions reduction efforts (a 'Zero Carbon 2030 Alliance'), to replace the inactive Dunedin Energy Leaders' Accord.

- 4 It was suggested that a formal partnership of major agencies committed to emissions reduction would:
  - a) support, and provide the opportunity to amplify existing partnership-based emissions reduction efforts, while the development of a city-wide emissions reduction plan is underway
  - b) play a key support role in the development of a city-wide emissions reduction plan, and ensure that the plan has a greater chance of being effectively implemented;
  - c) replace the Dunedin Energy Leaders' Accord - an existing, inactive city-wide initiative relating to energy; and
  - d) better reflect the DCC's commitment to the principles of the Treaty of Waitangi.
- 5 In addition to the DCC, six other parties were identified as potential founding members:
  - Kāti Huirapa Rūnaka ki Puketeraki
  - Ōtakou Runaka
  - Otago Regional Council
  - Southern District Health Board
  - University of Otago
  - Otago Polytechnic
- 6 It was envisaged that a first step would involve development of an agreed Terms of Reference for the entity, which would then be brought back to Council for approval.
- 7 In response to the report, Council resolved as follows:

***Moved (Cr Steve Walker/Cr Christine Garey):***

*That the Council:*

- a) Notes the Zero Carbon work programme update, including the updated emissions profile for Dunedin city*
- b) Approves in principle the concept of establishing a 'Zero Carbon 2030 Alliance' to take a partnership approach to city-wide emissions reduction, with Kāti Huirapa Rūnaka ki Puketeraki, Ōtakou Runaka, Otago Regional Council, Southern District Health Board, University of Otago and Otago Polytechnic to be approached as potential founding members, and*
- c) Notes that the Terms of Reference would be developed with potential founding members and a final draft reported back to Council.*

***Division***

*The Council voted by division:*



- 12 The MOU commits each party to establishing a baseline organisational emissions profile in line with ISO 16064, and an associated emissions reduction plan, within one year of the signing of the MOU, and to updating this emissions profile no later than 2023/24, and annually thereafter.
- 13 The DCC's existing emissions reporting under the Toitū carbonreduce programme, already fulfills this requirement.
- 14 The MOU also requires each party to share this emissions profile with other parties, to enable the identification of opportunities to collaborate on emissions reduction.
- 15 Further than that, the MOU is explicit that it does not oblige a party to implement or contribute to any other specific initiatives supported by the Alliance, which that Party does not see merit in, or have the means to progress. However, it does commit all parties to using best endeavours, in pursuit of the objectives of the MOU, to:
  - support and amplify existing collaborative emissions-reducing initiatives;
  - identify and progress additional collaborative opportunities to reduce both operational and city-wide emissions generally, and to contribute to the city's Zero Carbon 2030 target specifically;
  - strive to achieve substantial cuts in organisational emissions by 2030, and to contribute to city-wide emissions reduction;
  - share good practice around reducing organisational emissions;
  - promote and publicise good practice and success in emissions reduction, and the importance of the Zero Carbon 2030 target
  - support the development of a Zero Carbon 2030 Plan for Dunedin; and
  - support research on emissions reduction that may be transferable to the reduction of emissions in other contexts.

#### **Envisaged means of collaboration**

- 16 It is proposed that a Zero Carbon 2030 Collaboration Group be established. This Collaboration Group would comprise two high-level representatives from each party to the MOU, to provide oversight of, and to facilitate actions required to support, achievement of the objectives. It is proposed that this group meet twice annually, with the work programme flowing from Collaboration Group decisions to be progressed by designated officers between these meetings.
- 17 The MOU also proposes that all parties will give serious consideration to co-funding or co-resourcing initiatives that are considered mutually beneficial and aligned with pursuit of the objectives.
- 18 The draft MOU establishes the DCC as the lead party responsible for coordinating the Zero Carbon 2030 Alliance, including through finalising and adopting the Terms of Reference for the Zero Carbon 2030 Collaboration Group, provision of administrative support for meetings, provision of information relating to the city's emissions profile, and leading the development of a Zero Carbon 2030 Plan for Dunedin. The DCC is also to have an administrative function relating to the admission of new parties to the MOU.

## **Admission of new parties to the Alliance**

19 Under the terms of the MOU, new parties may only be admitted to the Zero Carbon 2030 Alliance on the unanimous recommendation of the Zero Carbon 2030 Collaboration Group, and subject to them meeting one or more of the following criteria:

- Mana whenua;
- Public sector agencies or local authorities with a key strategic role in decarbonising Dunedin's public sector specifically, and Dunedin's economy generally;
- Major emitters in the Dunedin context, with a commitment to achieving significant (80%-100%) reduction in emissions by 2030; or
- Membership-based organisations representing major Dunedin sectors.

## **OPTIONS**

20 Three options have been identified for Council to consider in relation to progressing the Zero Carbon 2030 Alliance.

**Option One – Approve the draft Zero Carbon 2030 Alliance MOU for submission to the governing bodies of potential founding partners, with authority delegated to the CEO to incorporate any amendments sought to the text in negotiation with the parties, and to sign on the Council's behalf (Recommended Option)**

21 Under this option, the draft Zero Carbon 2030 Alliance MOU (replacing the Dunedin Energy Leaders' Accord) would be submitted to the governing bodies of the six other potential founding partners, for their review and approval.

22 Amendments sought by the potential founding partners would be made by the DCC's CEO under delegation, in negotiation with the other parties.

23 A request would be made of other governing bodies, that they also delegate authority to their CEO/General Manager to approve amendments to the text of the MOU under delegation.

24 Following finalisation of the MOU,

- a) the final version of the MOU would be brought back to Council for noting;
- b) a Terms of Reference for the Zero Carbon 2030 Collaboration Group would be brought back to Council for approval; and
- c) confirmation of the DCC's Collaboration Group representatives would be sought.

## **Advantages**

- The Zero Carbon 2030 Alliance would support, and provide the opportunity to amplify, existing partnership-based emissions reduction efforts, and better reflect the DCC's commitment to the Treaty of Waitangi, while the development of a city-wide emissions reduction plan is underway.

- The Zero Carbon 2030 Alliance would support development of a city-wide emissions reduction plan, and ensure that the plan has a greater chance of being effectively implemented.
- The Zero Carbon 2030 Alliance would replace the Dunedin Energy Leaders' Accord (an existing, inactive city-wide initiative relating to energy).
- Establishment of the Zero Carbon 2030 Alliance would be expedited, with the MOU able to be finalised by the CEO under delegation.

*Disadvantages*

- The Council would not have an opportunity to debate the final text of the MOU.

**Option Two – Approve the draft Zero Carbon 2030 Alliance MOU for submission to the governing bodies of potential founding partners, with all amendments sought to return to Council for approval**

- 25 Under this option, the draft Zero Carbon 2030 Alliance MOU (replacing the Dunedin Energy Leaders' Accord) would be submitted to the governing bodies of the six other potential founding partners, for their review and approval.
- 26 Amendments sought by the potential founding partners would be negotiated with the other parties prior to an updated MOU returning to Council for review and approval.
- 27 Following Council and founding partner approval of the MOU,
  - a) a Terms of Reference for the Zero Carbon 2030 Collaboration Group would be brought back to Council for approval; and
  - b) confirmation of the DCC's Collaboration Group representatives would be sought.

*Advantages*

- The Zero Carbon 2030 Alliance would support, and provide the opportunity to amplify, existing partnership-based emissions reduction efforts, and better reflect the DCC's commitment to the Treaty of Waitangi, while the development of a city-wide emissions reduction plan is underway.
- The Zero Carbon 2030 Alliance would support development of a city-wide emissions reduction plan, and ensure that the plan has a greater chance of being effectively implemented.
- The Zero Carbon 2030 Alliance would replace the Dunedin Energy Leaders' Accord (an existing, inactive city-wide initiative relating to energy).

*Disadvantages*

- Establishment of the Zero Carbon 2030 Alliance may be slower, as all feedback would need to be received, and a final MOU developed in negotiation with all parties, before being brought back to Council for approval.

### Option Three – Status Quo

- 28 Under this option, staff would advise potential founding partners that the DCC does not wish to progress with the establishment of a Zero Carbon 2030 Alliance.
- 29 Partnership work with other major city stakeholders on emissions reduction would continue to be progressed through other work streams.
- 30 Staff would consider alternative approaches to engagement with major city stakeholders to support development of a city-wide emissions reduction plan for the city.
- 31 Reinvigoration of the existing Energy Leaders Accord could be explored with existing signatories as a vehicle to progress city-wide energy-related initiatives.

#### *Advantages*

- No advantages have been identified.

#### *Disadvantages*

- Existing partnership projects that have emissions reduction potential would continue to be progressed but are unlikely to realise their full potential given a lack of coordination.
- An alternative approach to engaging major agencies in city-wide emissions reduction plan development and implementation, would need to be identified.
- An alternative approach to better reflecting the DCC's commitment to the principles of the Treaty of Waitangi in both its work on both energy and emissions, would need to be identified.
- An opportunity to realign resourcing with the DCC's increased focus on emissions, would be lost.

### NEXT STEPS

- 32 Should Council approve the draft Zero Carbon 2030 Alliance MOU, it would be submitted to the governing bodies of the six other potential founding partners, for their review and approval.
- 33 The DCC will then begin coordinating the Zero Carbon 2030 Alliance, including administrative support for meetings.

### Signatories

Author:	Jinty MacTavish - Principal Policy Advisor
Authoriser:	Nicola Pinfold - Group Manager Community and Planning Robert West - Acting General Manager City Services

### Attachments

	<b>Title</b>	<b>Page</b>
<a href="#"></a>	Draft Zero Carbon 2030 Alliance MOU	28

## SUMMARY OF CONSIDERATIONS

### *Fit with purpose of Local Government*

The establishment of a Zero Carbon 2030 Alliance is anticipated to promote the social, economic and environmental well-being of communities in the present and for the future, by facilitating a transition to a low carbon economy.

### *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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Arts and Culture Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 Waters Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Spatial Plan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Integrated Transport Strategy	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

In addition to contributing to the goals of the strategies listed above, establishment of a Zero Carbon 2030 Alliance has been assessed as directly contributing to the Energy Plan 1.0, the DCC's Emissions Management and Reduction Plan, and the DCC's Carbon Management Policy (2017).

### *Māori Impact Statement*

In September 2020 the Māori Participation Working Party considered the concept and recommended to the rūnaka that the concept of a Zero Carbon 2030 Alliance was worthy of in principle support. Subsequent correspondence with the rūnaka has confirmed their in principle interest in the partnership, but feedback on the draft Zero Carbon 2030 Alliance MOU is yet to be received.

### *Sustainability*

Climate change mitigation/emissions reduction efforts are considered key to sustainability. Establishment of a Zero Carbon 2030 Alliance seeks to establish a partnership-based approach to city-wide emissions reduction.

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

The Zero Carbon work programme, including establishment of a Zero Carbon 2030 Alliance, can be progressed within existing budgets during 2020/21. Resourcing for the Zero Carbon work programme for 2021/22 and beyond is subject to 10 year plan deliberations. Both the draft Financial Strategy and draft Infrastructure Strategy discuss links to the Zero Carbon work programme.

### *Financial considerations*

The Zero Carbon work programme, including establishment of a Zero Carbon 2030 Alliance, can be progressed within existing budgets during 2020/21.

### *Significance*

As the proposed Zero Carbon 2030 Alliance seeks to progress work towards a target previously set by Council, a decision to progress a partnership approach to emissions reduction is considered of low significance in terms of the Council's Significance and Engagement Policy.

## SUMMARY OF CONSIDERATIONS

### ***Engagement – external***

Feedback on the draft MOU was sought and received from the University of Otago, Southern District Health Board, Otago Polytechnic and the Otago Regional Council. Feedback is yet to be received from Kāti Huirapa Rūnaka ki Puketeraki and Ōtākou Runaka, although in principle support of the concept of a partnership has been confirmed.

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

No internal engagement has been undertaken specifically in relation to the content of the MOU.

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

A legal review of the draft MOU has been undertaken for the DCC by Anderson Lloyd. It is considered that there are some reputational risks for the DCC associated with non-delivery on emissions reduction ambitions, given the target adopted by Council in 2019.

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

No conflict of interest has been identified.

### ***Community Boards***

There has been no engagement to date with Community Boards as part of the Zero Carbon work programme.

## **Draft Memorandum of Understanding**

in relation to the establishment of a Zero Carbon 2030 Alliance for Dunedin

**Kāti Huirapa Rūnaka ki Puketeraki Incorporated**

**Te Rūnanga o Ōtākou**

**Dunedin City Council**

**Otago Regional Council**

**University of Otago**

**Otago Polytechnic Limited**

**Southern District Health Board**

**MOU** dated 2021

## **Parties**

**Kāti Huirapa Rūnaka ki Puketeraki**, an incorporated society and a regional Papatipu Rūnanga of Ngāi Tahu (**KHRP**)

**Te Rūnanga o Ōtākou**, a regional Papatipu Rūnanga of Ngāi Tahu (**OR**)

**Dunedin City Council**, a local authority under the Local Government Act 2002 (**DCC**)

**Otago Regional Council**, a local authority under the Local Government Act 2002 (**ORC**)

**University of Otago**, a body corporate established under the University of Otago Ordinance of the Provincial Council 1869, the University of Otago Amendment Act 1961 and a university within the meaning of the Education Act 1989 (**UO**)

**Otago Polytechnic Limited**, a company incorporated under cl 20 of Schedule 1 of the Education and Training Act 2020 and wholly owned by Te Pūkenga—New Zealand Institute of Skills and Technology (**OP**)

**Southern District Health Board**, a district health board established by Section 19 of the New Zealand Public Health and Disability Act 2000 (**SDHB**)

(each a **Party**, together the **Parties**)

## **Introduction**

- A The Parties have a shared interest in reducing both organisational and city-wide greenhouse gas emissions, and wish to collaborate on emissions monitoring and reduction initiatives.
- B The Parties wish to set up a framework for their ongoing engagement and collaboration.
- C The Parties record the terms of that framework in this MOU.

## **Agreement**

### **1 Interpretation**

- 1.1 In this MOU, unless the context requires otherwise:

**Agreed Commitments** has the meaning given in clause 5.3;

**Agreed Objectives** has the meaning given in clause 2.2;

**Alliance** means the Alliance established by this MOU, to be known as the Zero Carbon 2030 Alliance for Dunedin;

**Collaboration Group Representative** has the meaning given in clause 8.1;

**Commencement Date** means the date that this MOU is signed by all Parties;

**Expiry Date** means 31 December 2030;

**Key Representative** has the meaning given in clause 7.1;

**MOU** means this Memorandum of Understanding;

**New Intellectual Property** means all intellectual property rights of any sort (including design rights, copyright and knowhow in all concepts, design, drawings, specifications, plans, studies, reports and documentation) prepared or created in relation to the Agreed Objectives by any one or more of the Parties (or any of their employees, representatives, contractors or consultants) but not including Pre-existing Intellectual Property;

**Pre-existing Intellectual Property** means all intellectual property rights owned by a Party or any third party which existed prior to the Commencement Date or created or prepared after the Commencement Date but not specifically created or prepared in relation to the Agreed Objectives;

**Terms of Reference** means the terms of reference for the Zero Carbon 2030 Collaboration Group to be adopted under clause 5.1(a); and

**Zero Carbon 2030 Collaboration Group** means the group formed under this MOU to provide oversight of, and to facilitate actions required to support, achievement of the Agreed Objectives, and is comprised of the Collaboration Group Representatives.

## **2 Establishment of the Alliance and its Agreed Objectives**

- 2.1 The Parties agree to form an alliance, to be known as the Zero Carbon 2030 Alliance for Dunedin.
- 2.2 The purpose of the Alliance is to address and/or achieve the following Agreed Objectives:
  - (a) Greater visibility and support for existing collaborative emissions-reducing initiatives;
  - (b) Shared understanding of Dunedin's emissions profile;
  - (c) Sharing of good practice around reducing both organisational and city-wide emissions;
  - (d) Identification of additional collaborative opportunities to reduce both operational and city-wide emissions generally, and to contribute to the city's Zero Carbon 2030 target specifically;
  - (e) Wider and more coordinated promotion of good practice and success in emissions reduction, and the importance of the Zero Carbon 2030 target;
  - (f) Opportunities to input into the development of a Zero Carbon 2030 Plan for Dunedin; and

- (g) Opportunities for research that may be transferable to the reduction of emissions in other contexts.

- 2.3 A Zero Carbon 2030 Collaboration Group, comprised of each Party's Collaboration Group Representatives, shall be formed to provide oversight of, and to facilitate actions required to support, achievement of the Agreed Objectives.
- 2.4 The Parties' Key Representatives shall meet and facilitate the Alliance's work programme between meetings of the Zero Carbon 2030 Collaboration Group.
- 2.5 The Parties agree that the Agreed Objectives will guide the activities of the Zero Carbon 2030 Collaboration Group and of each of their Key Representatives, unless agreed otherwise or they are found not to be practicable.

### **3 Guiding Principles**

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- 3.1 The Parties acknowledge that the following guiding principles will inform the pursuit of Agreed Objectives:
  - (a) Te Tiriti o Waitangi, with a particular emphasis on partnerships with mana whenua; and
  - (b) Sustainability, with particular emphasis on the concept of a just transition and addressing existing inequalities.

### **4 Relationship Principles**

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- 4.1 The Parties acknowledge that the following relationship principles will govern their interactions:
  - (a) The Parties will be committed to the establishment and successful execution of the Zero Carbon 2030 Alliance;
  - (b) The Parties will be collaborative, conduct their interactions with each other in a professional manner, and communicate in a way that is open and effective; and
  - (c) The Parties will address any issues that arise in a timely manner, and engage in discussions to resolve any issues in good faith; and
  - (d) The Parties will, while seeking to collaborate on both organisational and city-wide emissions reduction, respect the independence and individual circumstances of each Party.

### **5 General collaboration**

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- 5.1 The Parties agree that DCC will be the lead Party responsible for coordinating the Zero Carbon 2030 Alliance, and the DCC will:
  - (a) finalise and adopt the Terms of Reference for the Zero Carbon 2030 Collaboration Group;

- (b) provide administrative support for meetings of Key Representatives and the Zero Carbon 2030 Collaboration Group;
- (c) service Key Representatives and the Zero Carbon 2030 Collaboration Group with information relating to Dunedin's city-wide emissions profile;
- (d) lead the development of a Zero Carbon 2030 Plan for Dunedin; and
- (e) invite potential new parties to the Zero Carbon 2030 Alliance, in accordance with clause 13.

5.2 Notwithstanding clause 5.1, the Parties acknowledge that the purpose of this MOU is to establish a framework whereby each Party will provide advice and knowledge for the purpose of pursuing the Agreed Objectives. In order to achieve this, each Party will:

- (a) monitor and report on operational emissions in line with the Agreed Commitments set out in clauses 5.3(a) - 5.3(c);
- (b) use best endeavours to achieve the other Agreed Commitments set out in clauses 5.3(d)-(j);
- (c) deploy and commit its Key Representatives in line with clause 7.1;
- (d) deploy and commit representation on the Zero Carbon 2030 Collaboration Group;
- (e) give serious consideration to co-funding or co-resourcing initiatives that are considered mutually beneficial and aligned with pursuit of the Agreed Objectives; and
- (f) otherwise assist and support the DCC in the pursuit of the Agreed Objectives.

**Agreed Commitments**

5.3 In pursuit of the Agreed Objectives, the Parties each agree to:

- (a) Establish a baseline organisational emissions profile in line with ISO 16064, and an associated emissions reduction plan, within one year of the signing of this MOU;
- (b) Update this emissions profile no later than 2023/24, and annually thereafter;
- (c) Share this emissions profile with other Parties, to enable the identification of opportunities to collaborate on emissions reduction;
- (d) Use best endeavours to support and amplify existing collaborative emissions-reducing initiatives;
- (e) Use best endeavours to identify and progress additional collaborative opportunities to reduce both operational and city-wide emissions generally, and to contribute to the city's Zero Carbon 2030 target specifically;
- (f) Use best endeavours to strive to achieve substantial cuts in organisational emissions by 2030, and to contribute to city-wide emissions reduction;

- (g) Use best endeavours to share good practice around reducing organisational emissions;
- (h) Use best endeavours to promote and publicise good practice and success in emissions reduction, and the importance of the Zero Carbon 2030 target;
- (i) Use best endeavours to support the development of a Zero Carbon 2030 Plan for Dunedin; and
- (j) Use best endeavours to support research on emissions reduction that may be transferable to the reduction of emissions in other contexts.

- 5.4 The parties have each agreed to carry out the initiatives set out in clause 5.3(a) - 5.3(c). Nothing in this MOU obliges a Party to implement or contribute to any other specific initiatives supported by the Alliance, that that Party does not see merit in, or have the means to progress.

**Meetings of the Zero Carbon 2030 Collaboration Group**

- 5.5 Zero Carbon 2030 Collaboration Group meetings will be held twice annually, unless otherwise agreed by the Zero Carbon 2030 Collaboration Group.
- 5.6 Meeting dates will be set at the start of each financial year. DCC's Key Representative will circulate proposed dates and venues to all other Key Representatives. Key Representatives will liaise with their respective Collaboration Group Representatives and engage cooperatively to confirm meeting details.
- 5.7 One month prior to the meeting, DCC's Key Representative will circulate a draft agenda to all other Key Representatives. Key Representatives will liaise with their respective Collaboration Group Representatives and engage cooperatively to confirm meeting details.
- 5.8 Meetings may be attended by the Collaboration Group Representatives by telephone or video. The Parties will each use their best endeavours to ensure their Collaboration Group Representatives (or an appropriate nominee) attend each meeting.
- 5.9 At the discretion of each Party, that Party's Key Representative (or an appropriate nominee) may also be in attendance at Zero Carbon 2030 Collaboration Group meetings.
- 5.10 Following each meeting, meeting minutes will be circulated by DCC's Key Representative (or an appropriate nominee) and approved by the Key Representatives, in discussion (if necessary) with their organisation's Collaboration Group Representatives.
- 5.11 Except as set out in clause 5.5 to 5.9, the Terms of Reference regulate the proceedings of the Zero Carbon 2030 Collaboration Group.

**Meetings of Key Representatives**

- 5.12 To initiate a meeting of Key Representatives, DCC's Key Representative will circulate a proposed date, venue and draft agenda to all other Key Representatives. Key Representatives will engage cooperatively to confirm meeting details, and to finalise the agenda in advance of the scheduled meeting.

- 5.13 Meetings may be attended by the Key Representatives by telephone or video. The Parties will each use their best endeavours ensure that their Key Representatives (or an appropriate nominee) attend each meeting.
- 5.14 Following each meeting, a summary of the discussion, decisions and action points will be circulated by DCC's Key Representative (or an appropriate nominee) and agreed by the attending Key Representatives.

## **6 Term**

- 6.1 The Parties agree that this MOU commences on the Commencement Date and, unless terminated pursuant to clause 6.2, will continue until the Expiry Date, at which time the Parties will consult in good faith in respect of any ongoing arrangements they may wish to enter into in respect of collaboration on emissions reduction.
- 6.2 Any Party may, in its discretion, terminate that Party's participation in this MOU at any time on written notice to the other Parties.

## **7 Key Representatives**

- 7.1 Each Party nominates the person identified in the table below as their representative in respect of any discussions, actions to be carried out, or decisions to be made under this MOU (each a **Key Representative**):

Party	Key Representative	Current delegate	Email Contact Details
KHRP			
OR			
DCC			
ORC			
UO			
OP			
SDHB			

- 7.2 A Party may change its Key Representative from time to time by notice in writing to the other Parties.
- 7.3 Any notice under this MOU must be delivered by email to a Party's Key Representative at the email address identified in the table at clause 7.2, or any Key Representatives changed in accordance with clause 7.2.

## **8 Collaboration Group Representatives**

- 8.1 Each Party nominates the people identified in the table below as their representatives in respect of attendance at Zero Carbon 2030 Collaboration Group meetings (each a **Collaboration Group Representative**):

Party	Collaboration Representative	Group	Current office bearer	Email Contact Details
KHRP				
OR				
DCC				
ORC				
UO				
OP				
SDHB				

- 8.2 A Party may change its Collaboration Group Representative(s) from time to time by notice in writing to the other Parties.

## 9 Intellectual Property

- 9.1 Where the Parties wish to conduct a research project under this MOU, the relevant Parties will agree upon and sign project specifications and a contractual agreement in respect of that Project. Protocols relating to New Intellectual Property and publication resulting from contract-specific collaborations between the Parties will be outlined in such contractual agreements.
- 9.2 Subject to clause 9.4, all New Intellectual Property developed other than under a research project, will be jointly owned by the Parties, unless otherwise agreed in writing.
- 9.3 The Parties acknowledge that where a student or students of the University of Otago or Otago Polytechnic Limited contribute to a research project under this MOU, ownership of the New Intellectual Property may be addressed under a prior written agreement with the student(s), and any ownership agreed to under this MOU must be consistent with such agreements.
- 9.4 Where publications and New Intellectual Property result from non-contract specific collaborations, Parties must give recognition to other contributing parties and third parties and meet through designated representatives to seek an equitable and fair understanding as to ownership and other property interests that may arise.
- 9.5 All Pre-existing Intellectual Property will remain the property of the original owner. The Parties hereby grant to each other an unrestricted, royalty-free licence to use and copy Pre-existing Intellectual Property to the extent reasonably required in carrying out the Agreed Objectives which will terminate upon the expiration or earlier termination of this MOU on any basis.

- 9.6 The Parties provide no warranty to each other as to the suitability of the New Intellectual Property for any purpose other than the Agreed Objectives.

## **10 Publicity**

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- 10.1 The Parties agree that any public statements and/or media releases by any Party in relation to the Zero Carbon 2030 Alliance will be in accordance with the relationship principles at clause 4 and confidentiality provisions in clause 11.
- 10.2 Subject to clause 11, the Parties agree that, to the extent reasonably possible, they will liaise with the other Parties prior to making any public statement and/or media releases in accordance with clause 10.1.

## **11 Confidentiality**

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- 11.1 Each Party must keep confidential all information made available by or on behalf of another Party under or in relation to this MOU (**Confidential Information**), and must not use or disclose Confidential Information to any third party unless:
- (i) the disclosure is required by law; or
  - (ii) the information is already publicly available (other than through a breach of this clause) or which a party can prove it independently created or acquired; or
  - (iii) the Party who provided the information has given its written consent to the disclosure; or
  - (iv) clause 11.2 applies.
- 11.2 The Parties acknowledge that they are subject to official information and privacy legislation (the Local Government Official Information and Meetings Act 1987, the Official Information Act 1982, and the Privacy Act 2020, as applicable) and that pursuant to a request made under such legislation the Parties may disclose information relating to this MOU to the requester.
- 11.3 The Parties agree that the undertakings given in relation to the confidential information shall continue notwithstanding the termination of this MOU.

## **12 Disputes**

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- 12.1 While this MOU is based on a spirit of collaboration, if a dispute arises under the MOU, the Key Representatives of the Parties involved in the dispute will meet and seek to resolve the dispute through good faith discussions. Those discussions will be guided by the relationship principles set out at clause 4.
- 12.2 If those attempts do not resolve the dispute within a reasonable period of time, any Party may refer the dispute to mediation, with the choice of mediator to be agreed between the

Parties. If the Parties are unable to agree on a mediator within 10 days of commencing discussions, one will be appointed by the Chairperson of the Resolution Institute.

- 12.3 Each Party to the mediation shall bear its own costs.

### **13 Admission of New Parties**

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- 13.1 The Alliance comprises entities meeting one or more of the following criteria:
- (a) Mana whenua;
  - (b) Public sector agencies or local authorities with a key strategic role in decarbonising Dunedin's public sector specifically, and Dunedin's economy generally;
  - (c) Major emitters in the Dunedin context, with a commitment to achieving significant (80%-100%) reduction in emissions by 2030; or
  - (d) Membership-based organisations representing major Dunedin sectors.
- 13.2 A new party to the Zero Carbon 2030 Alliance meeting one of the criteria set out in clause 13.1 may be admitted, on the invitation of the DCC following the unanimous recommendation of the Zero Carbon 2030 Collaboration Group. The new party shall sign a Deed in the form set out in Schedule 1 (under which the new party agrees to be bound by this MOU). The Parties agree that, from the date the Deed is signed, the new party shall have the benefit of, and be bound by, all the terms of this MOU as if the new party was an original Party to this MOU.

### **14 General**

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- 14.1 Notwithstanding any other clause in this MOU, this MOU does not bind or restrict DCC or ORC as a regulatory authorities, and any consent or agreement given by DCC and ORC under this MOU is not an agreement or consent in its regulatory capacity, or vice versa.
- 14.2 Nothing in this MOU shall be construed to constitute a partnership in a legal sense or an agency or joint venture between the Parties. No Party has any authority to bind another Party.
- 14.3 No amendments to this MOU will be effective unless agreed in writing by all of the current Parties.
- 14.4 No Party may transfer or assign its rights, interests or obligations under this MOU.
- 14.5 This MOU is binding on the Parties and their respective successors.
- 14.6 Each Party shall bear its own costs in relation to this MOU.
- 14.7 This MOU may be executed (including by electronic signature) in any number of counterparts (which may be facsimile or sent via email in pdf) all of which when taken together shall constitute one and the same document.

14.8 This MOU shall be read and construed in accordance with New Zealand law and shall be subject to the exclusive jurisdiction of New Zealand Courts.

Signed for and on behalf of **Kāti Huirapa Rūnaka**  
**ki Puketeraki Incorporated** by:

\_\_\_\_\_  
Authorised signatory's full name

\_\_\_\_\_  
Authorised signatory's signature

Signed for and on behalf of **Te Rūnanga o Ōtākou**  
by:

\_\_\_\_\_  
Authorised signatory's full name

\_\_\_\_\_  
Authorised signatory's signature

Signed for and on behalf of **Dunedin City Council**  
by:

\_\_\_\_\_  
Authorised signatory's full name

\_\_\_\_\_  
Authorised signatory's signature

Signed for and on behalf of **Otago Regional**  
**Council** by:

\_\_\_\_\_  
Authorised signatory's full name

\_\_\_\_\_  
Authorised signatory's signature

Signed for and on behalf of **University of Otago**  
by:

\_\_\_\_\_  
Authorised signatory's full name

\_\_\_\_\_  
Authorised signatory's full name

Signed for and on behalf of **Otago Polytechnic Limited** by:

\_\_\_\_\_  
Authorised signatory's full name

\_\_\_\_\_  
Authorised signatory's full name

Signed for and on behalf of **Southern District Health Board** by:

\_\_\_\_\_  
Authorised signatory's full name

\_\_\_\_\_  
Authorised signatory's full name

**Schedule 1 – Form of the Deed to be signed by a new Party**

**DEED ADMITTING A NEW PARTY TO THE ZERO CARBON 2030 ALLIANCE FOR DUNEDIN**

Date: 20\_\_

**Parties**

[name and details of the new Party] (**New Party**)

**Background**

- A. Under a 'Memorandum of Understanding in relation to the establishment of a Zero Carbon 2030 Alliance for Dunedin' dated [date] 2021 (**MOU**) the parties to the MOU formed an alliance, known as the Zero Carbon 2030 Alliance for Dunedin.
- B. Following a unanimous recommendation of the Zero Carbon 2030 Collaboration Group, the Dunedin City Council has invited the New Party to be admitted to the Zero Carbon 2030 Alliance for Dunedin and as a Party to the MOU.
- C. The New Party wishes to be admitted to the Zero Carbon 2030 Alliance for Dunedin and as a Party to the MOU, and enters into this Deed in accordance with clause 13.2 of the MOU.

**This deed records**

1. From the date of this Deed:
  - (a) The New Party shall be bound by the MOU, and have all the benefits and obligations under the MOU, as if the New party was an original Party to the MOU.
  - (b) The New Party agrees that its covenants under this Deed are given in favour of the Parties to the MOU from time to time, and agrees that such persons may enforce these covenants under the Contract and Commercial Law Act 2017.

2. For the purposes of clause 7.1 the New Party nominates the following person as its Key Representative:

Key Representative	Current delegate	Email Contact Details

3. For the purposes of clause 8.1 the New Party nominates the following people as its Collaboration Group Representatives:

Collaboration Representative	Group	Current office bearer	Email Contact Details

4. This deed will be read with the MOU. This deed and the MOU together will be construed as one instrument.
5. This Deed may be executed in counterparts (including by copy sent via email in PDF format and including by electronic signature). Each counterpart will be deemed to be an original and all counterparts together are to constitute one instrument. A party will enter in to this Deed if it executes a counterpart.

[Execution clause – to be signed as a Deed]

## **DCC SUBMISSION ON THE CLIMATE CHANGE COMMISSION'S DRAFT FIRST PACKAGE OF ADVICE TO GOVERNMENT**

Department: Civic

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### **EXECUTIVE SUMMARY**

- 1 This report seeks approval for the Dunedin City Council (DCC) submission (Attachment A) on the He Pou a Rangi - Climate Change Commission's 2021 Draft Advice for Consultation.
- 2 Submissions close on 14 March 2021. The final advice to Government from the Commission will be issued by 31 May 2021.

### **RECOMMENDATIONS**

That the Council:

- a) **Approves** the Dunedin City Council submission to the Climate Change Commission on the '2021 Draft Advice for Consultation', with any amendments.

### **BACKGROUND**

- 3 The Climate Change Response (Zero Carbon) Amendment Act was passed in 2019. It set a new domestic greenhouse gas emissions reduction target for New Zealand, as follows:
  - net emissions of all greenhouse gases (except biogenic methane) to zero by 2050; and
  - emissions of biogenic methane to 24–47% below 2017 levels by 2050, including to 10% below 2017 levels by 2030
- 4 Relevant to emissions reduction, the Act also established:
  - a) a system of mandatory national emissions budgets and plans (with the Government legally bound to have the first in place by 31 December 2021), and
  - b) a new, independent Climate Change Commission ('the Commission') to serve an advisory and monitoring function, including on the setting of national emissions budgets and plans.

### **Climate Change Commission draft report**

- 5 The Commission has recently released its first draft package of advice to the Government on emissions budgets and emissions reduction pathways – its '2021 Draft Advice for Consultation'.

This is accessible at <https://www.climatecommission.govt.nz/get-involved/our-advice-and-evidence/>.

- 6 The Commission's package of advice to government covers:
  - the proposed first three emissions budgets and guidance on the first emissions reduction plan, advising the Government on how the emissions budgets could be met
  - whether New Zealand's first Nationally Determined Contribution is compatible with contributing to the global efforts to limit warming to 1.5°C above pre-industrial levels
  - advice on what potential reductions in biogenic methane might be needed in the future.
- 7 The Commission's initial task is to provide the Government with advice on the level of the first three five-yearly emissions budgets that will put New Zealand on track to meeting its domestic 2030 and 2050 emissions targets, and the direction of policy that should be included in the Government's first emissions reduction plan.
- 8 The Commission's advice is built around 17 recommendations or 'critical actions' that cover all sectors of the economy, underpinned by seven key principles.

### **National climate change targets and trajectory**

- 9 As set out above, the Government has committed to reaching net zero emissions of long-lived gases by 2050, and to reducing biogenic methane emissions by 24-47% below 2017 levels by 2050.
- 10 In 2018, gross greenhouse gas emissions in New Zealand were approximately 45.5 Mt CO<sub>2</sub>e of long-lived gases, and 1.34 Mt of biogenic methane. The Commission's analysis shows if policy settings stayed 'as is', New Zealand would fall short of achieving the 2050 net zero long-lived gas target by 6.3 Mt CO<sub>2</sub>e. Biogenic methane would reduce 12% below 2017 levels and fall short of the current target of a 24-47% reduction below 2017 levels.
- 11 Over the first budget period, between 2022 and 2025, the Commission notes New Zealand would emit an average of 67.7 Mt CO<sub>2</sub>e a year – down from currently expected 68.7 Mt CO<sub>2</sub>e. For the second period, between 2026 and 2030, average annual emissions would drop to 57.3 Mt CO<sub>2</sub>e, instead of the projected 63.9 Mt CO<sub>2</sub>e. In the final period, from 2031 to 2035, New Zealand would emit an average of just 44.6 Mt CO<sub>2</sub>e rather than the forecast 57.8 Mt CO<sub>2</sub>e.
- 12 New Zealand is currently on a pathway to emit an additional 112.5 Mt CO<sub>2</sub>e between 2022 and 2035 than the Commission's budgets call for.

## **DISCUSSION**

### **Sector recommendations**

- 13 The Commission's primary advice focuses on, and calls for, the following:
  - Transport: an integrated national transport network that reduces travel by private car, more walking, cycling and use of public and shared transport, rapidly electrifying the vehicle fleet, and moving more freight to rail and marine transport.

- Waste: moving towards a circular economy, where resources are valued and reused, with a focus on diverting organic waste from landfill, and capturing an increased amount of the methane from any remaining waste that cannot be diverted from landfill.
- Energy use / buildings: improving the energy efficiency of buildings, alongside decarbonising the energy used for heating, hot water and cooking.
- Economic growth / employment: job losses in the fossil fuel sector, possibly resulting in 600-1,100 fewer jobs by 2035; fewer job losses in the agricultural sector than under existing policy settings (due to reduced land use change to forestry); potential new job opportunities in the circular economy, in biofuel and hydrogen research, production and distribution and in other new technologies; a focus on retraining, and localised transition planning.
- Forestry: relative to current policy settings, an increased focus on new native forests to create a long-lived source of carbon removals, while also noting that a reliance on forests to meet climate change targets would not be possible to meet national climate change targets. The Commission envisages planting an additional 1.4 million hectares with trees (equivalent to a third of Southland or Otago).
- Local government: aligning legislation and policy to enable local government to make effective decisions for climate change mitigation (e.g. through the Local Government Act), and implementing funding mechanisms to enable emissions reduction plans to be implemented effectively at a local level.

### **Te Ao Māori**

- 14 The Commission has also taken a Te Ao Māori (Māori world view) approach and highlights that 'an equitable and fair transition' is critical. The Commission recommends in particular the Government target assistance and support to low-income and Māori communities which may be proportionately more affected by decarbonisation efforts.

### **DCC's submission**

- 15 DCC's draft submission is presented at Attachment A. The draft submission provides contextual information relating to the DCC's climate change mitigation activities, as well as direct feedback on the draft advice. This is because the Commission's advice to the Government will in part be informed by their understanding of emissions reduction activities already in train, including in the local government sector.
- 16 The draft submission generally supports the Commission's draft advice, while calling for consideration of higher, earlier cuts to gross emissions, in line with the DCC's Zero Carbon 2030 target. In particular, it highlights:
- the need for a more balanced weighting of the Commission's 'principles', increasing the focus on emissions reduction, well-being, an equitable transition and leveraging co-benefits;
  - the importance of urban form to outcomes for transport emissions, and the need for tight integration of land use and transport system planning;

- the risks of over-reliance on fleet electrification as a means of decarbonising the transport sector, and the adverse environmental impacts this may cause (notwithstanding Dunedin’s general support of fleet electrification);
- impacts on, and transition assistance for, small-to-medium enterprises (which make up 87.3% of Dunedin’s businesses) and affected sectors;
- support for greater ambition relating to emissions cuts in the waste sector, drawing on the DCC’s experience in landfill gas capture, and its existing commitments to a circular economy;
- strong support for central and local government working in partnership through legislative and regulatory alignment, guidance, and funding/financing mechanisms, to enable more effective implementation of reduction plans.

## **OPTIONS**

17 Three options are presented.

### **Option One – Approve DCC’s draft submission to the Climate Change Commission, without or without amendments (Recommended Option)**

18 Approve the draft DCC submission to the Commission on its draft 2021 Advice for Consultation.

#### *Advantages*

- In line with DCC’s Zero Carbon 2030 target and related strategic goals, provides an opportunity to advocate for higher national ambition on emissions reduction, and for associated amendments to draft guidance that will be used to inform national policy.

#### *Disadvantages*

- There are no identified disadvantages for this option.

### **Option Two – Do not approve or submit DCC’s draft submission to the Climate Change Commission**

19 Do not submit on the Commission’s draft advice.

#### *Advantages*

- There are no identified advantages for this option.

#### *Disadvantages*

- Would miss an opportunity to advocate for higher national ambition on emissions reduction, and for associated amendments to draft guidance that will be used to inform national policy, in line with DCC’s Zero Carbon 2030 target and related strategic goals.

## **NEXT STEPS**

20 If approved, DCC staff will submit Council’s final submission to the Commission.

### Signatories

Author:	Jinty MacTavish - Principal Policy Advisor
Authoriser:	Nicola Pinfold - Group Manager Community and Planning Robert West - Acting General Manager City Services

### Attachments

	<b>Title</b>	<b>Page</b>
<a href="#">↓A</a>	DCC Draft Submission to Climate Change Commission	49

## SUMMARY OF CONSIDERATIONS

### ***Fit with purpose of Local Government***

DCC's draft submission to the Commission promotes the social, economic and environmental well-being of communities in the present and for the future, by supporting the facilitation of a transition to a low carbon economy.

### ***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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Arts and Culture Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 Waters Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Spatial Plan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Integrated Transport Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 draft submission directly contributes to the goals of the Economic Development and Environment Strategies, Social Wellbeing Strategy, Integrated Transport Strategy, Spatial Plan, Energy Plan 1.0, and the DCC's Emissions Management and Reduction Plan.

### ***Māori Impact Statement***

The draft submission discusses the importance of a Te Ao Māori approach and emphasises DCC's existing partnerships with Māori, mana whenua and local rūnaka.

### ***Sustainability***

Climate change mitigation/emissions reduction efforts are considered key to sustainability. In line with the DCC's Zero Carbon 2030 target and related strategic goals, the submission provides an opportunity to advocate for higher national ambition on emissions reduction, and for associated amendments to draft guidance that will be used to inform national policy.

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

The DCC's wider activities in terms of emissions reduction, including the Zero Carbon work programme, are progressing within existing budgets during 2020/21.

### ***Financial considerations***

There are no financial implications arising from the draft submission. The Zero Carbon work programme can be progressed within existing budgets during 2020/21.

### ***Significance***

The draft submission is considered of low significance in terms of the Council's Significance and Engagement Policy.

### ***Engagement – external***

DCC staff have attended presentations from the Commission on the report and its key findings. These have been reflected in the draft submission.

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

The submission incorporates feedback from a range of departments, including Transport and Waste and Environmental Solutions.

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

There are no risks identified related to the draft submission.

***Conflict of Interest***

No conflict of interest has been identified.

***Community Boards***

There has been no engagement with Community Boards on the draft submission.



3 March 2021

Consultation: Climate Action for Aotearoa  
Climate Change Commission Secretariat  
Level 21, 1 Willis Street  
Wellington 6011

**SUBMISSION ON CLIMATE ACTION FOR AOTEAROA (FIRST DRAFT PACKAGE OF ADVICE TO GOVERNMENT)**

1. The Dunedin City Council (DCC) thanks the Climate Change Commission (the Commission) for the opportunity to comment on the Commission's first draft package of advice to Government.
2. The DCC supports the Government's aim for a carbon neutral future and a strong low emissions economy, and the ambition to engage all sectors in supporting these objectives.

**Dunedin's climate change response**

3. The DCC has been progressing work on climate change mitigation and adaptation since 2009. Having a high degree of exposure to sea level rise, Dunedin is particularly aware of the consequences of inaction on emissions reduction.
4. In June 2019, the DCC declared a climate emergency, and brought forward the DCC's city-wide net carbon neutrality target by 20 years, adopting a two-part emissions reduction target ('Zero Carbon 2030') as follows:
  - a. net zero emissions of all greenhouse gases other than biogenic methane by 2030; and
  - b. 24% to 47% reduction below 2017 biogenic methane emissions by 2050, including 10% reduction below 2017 biogenic methane emissions by 2030.
5. Dunedin's Environment Strategy 2016-2026, Te Ao Tūroa – The Natural World envisages a partnership approach to delivering on the city's emissions reduction ambitions.
6. Similar commitments to reducing emissions are reflected in other citywide strategies and plans including Dunedin's Integrated Transport Strategy and Dunedin's Energy Plan 1.0, as well as organisational plans and policies.
7. The DCC has recently commenced significant preparatory work to give effect to the Zero Carbon 2030 target, and resourcing for the forward Zero Carbon work programme (including the development of a Zero Carbon Plan for the city, in partnership with key stakeholders and the community) is provisionally included in the DCC's draft 10 Year Plan 2021-2031. What is clear from the preparatory work is that the degree to which the DCC's emissions target is achievable

will depend not only on actions taken by the DCC, but the extent to which key partners (including the Government, and its ministries and agencies), adopt a similarly urgent focus on facilitating the transition to a low carbon economy.

8. The DCC regularly articulates its position on climate change mitigation through submissions to Government on a range of topics. Recently these have included proposals around the Building for Climate Change Programme (2020), Transforming the resource management system: Opportunities for Change (2020), the Government Policy Statement on Land Transport (2020), the New Zealand Rail Plan (2020), the Zero Carbon Amendment Bill (2019), and a range of other consultations relating to transport, renewable energy and energy efficiency.

#### **Dunedin's emissions profile**

9. The DCC first baselined Dunedin's carbon footprint using the Global Protocol for Community Scale Greenhouse Gas Emissions Inventory (GPC) methodology in 2016, using 2014/15 data. The footprint was updated in 2020, using 2018/19 data. In the 2018/19 reporting year, Dunedin emitted a gross 1,573,008 tCO<sub>2</sub>e. Due to a change in the methodology associated with petrol and diesel use, total 2018/19 emissions cannot be reliably compared with the 2014/15 baseline year at this time.
10. In 2018/19, Transport was assessed as the city's largest source of emissions, accounting for 39% of total gross emissions. Within the transport sector, the largest emissions category is land transport (petrol and diesel, on- and off-road), accounting for 64% of transport emissions. While the methodology change challenges interrogation of transport sector trends, substantial increases in fuel sales within the Tax Area of Coastal Otago between 2014/15 and 2018/19 suggest that emissions from this sector are the city's fastest growing source of emissions.
11. Agriculture is the second largest emitting sector in Dunedin (38% of gross emissions), followed by Stationary Energy (13% of total gross emissions), Waste (8% of total gross emissions) and Industry (2% of total gross emissions).
12. Analysis of trends in the Stationary Energy sector has similarly been compromised by the methodological change but indications are increases in the use of petrol, diesel and LPG have been mostly or completely offset by increased use of renewable energy in the national grid. Emissions from all other sectors reduced between 2014/15 and 2018/19, for different reasons:
  - Agricultural emissions reduced (by 12%) mainly due to a reduction in the number of livestock farmed within the region.
  - Industrial emissions have fallen across New Zealand, and the Dunedin figure relies on national data (a 2% reduction).
  - Improved landfill gas capture at Green Island Landfill has reduced (by 9%) emissions from the Waste sector.

**Submission***Key principles*

13. The DCC's strategic framework, adopted to guide Dunedin's development, aims to promote social, cultural, environmental and economic wellbeing simultaneously – an approach underpinned by the principles of the Treaty of Waitangi and Sustainability. The seven key principles developed by the Commission to guide its analysis are supported, as generally being aligned with the DCC's strategic framework.
14. However, the DCC observes the Commission's draft recommendations err on the side of short-term adherence to Principle 4 (Avoid unnecessary cost), to the detriment of alignment with other stated principles.
15. The DCC submits that increased focus on decarbonising the economy (Principle 2) by way of more rapid cuts to gross emissions (particularly for long lived gases) should be weighted more by the Commission in its analysis. The DCC believes this is the most effective way of creating options (Principle 3), that it will assist in the leveraging of co-benefits (Principle 7), and is likely to reduce the overall cost of emissions reduction over the period to 2050 (Principle 4) including by:
  - maximising the opportunities afforded by short-term post-COVID stimulus needs with the low carbon transition;
  - minimising the requisite speed and extent of carbon removals, minimising unnecessary disruption to rural economies, keeping land available for other uses, and/or enabling greater use of slower-growing natives with stronger co-benefits; and
  - reducing the speed of magnitude of emissions cuts required after 2035, which may be necessary if envisaged technological solutions do not emerge, or national circumstances limit investment at critical times.
16. Principle 5 (Transition in an equitable and inclusive way) and Principle 7 (Leverage co-benefits) seem underemphasised particularly in relation to the Commission's advice on transport/urban form and stationary energy. The DCC submits that weighting these principles more strongly in the analysis will highlight opportunities to achieve earlier and more significant cuts to gross emissions through interventions that are either desirable or necessary to achieve better outcomes for communities, irrespective of carbon considerations. The DCC's submissions on these points are set out in more detail under the relevant sections below.
17. In summary, increased emphasis in the Commission's analysis with Principles 2, 3, 5 and 7 is encouraged and, the DCC submits, may ultimately reduce the overall cost of the transition.

*Emissions budgets*

18. As set out in the introduction to this submission, the DCC has adopted a 'Zero Carbon 2030' target, 20 years more ambitious than the Government's target on all long-lived gases. While it is acknowledged that the Commission's advice is constrained to pathways that deliver on the Government's 2050 target, the DCC's preference would be to see stronger emphasis on early

interventions delivering a higher proportion of the requisite cuts to gross emissions in the period to 2035. This would assist and support Dunedin (and other centres with high ambition emissions reduction targets) seeking to achieve an earlier transition to a lower carbon economy.

19. As explained above, the DCC submits that higher, earlier cuts to gross emissions, particularly to long-lived gases, would achieve better alignment with a number of the Commission's key principles, and would avoid potential future reliance on offshore mitigation and borrowing (which the DCC agrees should be a last resort).

*Suggested approaches to achieve an enduring transition*

20. The DCC notes and supports the Commission's proposed approaches to achieving an enduring transition.
21. In particular, the DCC supports the Commission's recommendations that, in transitioning to a climate-resilient and low emissions future, central and local government take action to ensure genuine and enduring partnership with iwi/Māori, and that local and central government policy and actions must be well coordinated.
22. The DCC continues to work in partnership with Māori through a range of forums and activities. This includes the Partnership Protocol, which was signed in October 2019. Councillors and Mana whenua are currently working through joint discussions on the way the Treaty of Waitangi principles are to be given effect to in DCC's strategic framework. Specifically, in relation to emissions reduction, the DCC is in dialogue with Mana whenua about a potential partnership approach to emissions reduction efforts.
23. The DCC further notes the importance of Crown obligations to Māori through the Treaty of Waitangi, deeds of settlement, legislation, protocols and regulations, and giving effect to the principles of the Treaty of Waitangi around decisions through legislation (i.e. under the Marine Reserves Act). As noted in the Te Ao Tūroa, partnership with Kāi Tahu as kaitiaki is integral to achieving Dunedin's environmental outcomes.
24. The DCC appreciates the Commission's observation on the unique position of local governments in facilitating the transition to a low emissions future, including through decision-making on land use, urban form, road and transport services, the three waters (stormwater, wastewater and water supply), waste management, flood risk management and coastal management.
25. The DCC strongly supports the Commission's Recommendation 4 – Central and local government working in partnership – through legislative alignment and implementing funding and financing mechanisms to enable more effective reduction plans. The DCC notes that, within the local government sector, some territorial local authorities have demonstrated commitment to early emissions reduction. The DCC submits that a number of these, including the DCC, would welcome partnership opportunities with the Government on pilot interventions, in order to make faster progress towards local emissions reduction targets. This would have the added benefits for the Government of testing approaches before they are widely rolled out, and of

achieving early cuts to emissions working with authorities and communities that are open to change.

26. There are a number of areas in which a stronger legislative mandate, and/or clearer guidance and support for local government and/or central government agencies partnering with local government, would assist with implementing the transition. Some of these opportunities are highlighted below. An additional need is in the area of standardisation of measurement/modelling of both local emissions profiles and the impact of proposed new infrastructure on city-wide emissions (particularly in the area of transport), and improvement of the data sources that underpin these assessments.

#### **Transport**

27. As noted, the transport sector is Dunedin's largest and (indications are) fastest growing source of emissions. Investment in reducing transport sector emissions has been assessed as the highest priority in terms of achieving the Dunedin's Zero Carbon 2030 target.
28. The DCC's work to date has highlighted four key 'levers' to reduce emissions from transport in Dunedin:
- Reducing the need to travel / vehicle kilometres travelled (VKT)
  - Increasing sustainable modes
  - More efficient vehicle use; and
  - Increasing lower emissions vehicles.
29. The extent to which the DCC is able to influence in these areas will depend on Government policies and the availability of co-funding.

#### *Transport – reducing the need to travel*

30. The DCC commends the Commission's observation that urban planning plays a key role in changing how people and goods move around. The DCC's recent internal climate change response studies have highlighted the importance of urban form to outcomes for transport emissions, and the need for tight integration of land use and transport system planning. The DCC anticipates working through the linkages between its Zero Carbon 2030 target and the implementation of the National Policy Statement Urban Development (NPS-UD), and in particular the development of a Future Development Strategy for Dunedin, but notes the extent to which alignment will be able to achieved will be limited by the legislative framework.
31. The DCC agrees with the Commission's calls for 'limiting urban sprawl', and while accepting the Commission's contention that 'achieving emissions reductions through changes to urban form takes a long time', submits that the converse is also true. Poor decisions about urban form lock in emissions (particularly from the transport sector) for decades. The IPCC has noted that urban population density inversely correlates with emissions from land transport, as it enables active modes to be more viable choices for residents, and promotes successful deployment of public

transport<sup>1</sup>, with effective urban planning achieving emissions reduction from urban transport of 20-50%<sup>2</sup>.

32. In line with the Commission's observation that transport systems reliant on private motor vehicles disadvantage those who do not have easy access to vehicles, the DCC submits that car-dependent urban form will run counter to the principles of achieving a fair and just transition<sup>1,2</sup>.
33. The DCC notes a lack of policy direction provided by the Commission in relation to urban form, and submits that in the final report to Government, significantly greater emphasis should be placed on developing this aspect of its advice. The DCC considers this particularly critical given the Government's recent announcement of the legislative timeline for repealing and replacing the Resource Management Act. The DCC recommends the Commission consider how the Strategic Planning Act, in particular, might interface with the Government's emissions reduction ambitions, as well as any short term measures that may be able to be taken to better align the legislative and statutory resource management framework with low carbon outcomes for urban form.
34. Overall, the DCC considers the Commission's target of 7% reduction in average household travel distance per person by 2030 could be more ambitious.

*Transport – sustainable modes / more efficient vehicle use*

35. The DCC is supportive of the Commission's recommendations around the need to address historic imbalances in levels of funding for public and active modes of transport, and for strong Government policy direction encouraging mode shift.
36. The DCC's Integrated Transport Strategy includes the goal of increasing the percentage of Dunedin census respondents who cycle, walk or take a bus to work from 16% at the 2006 census, to 40% by 2024. This theme is reiterated in Dunedin's Spatial Plan, to promote liveability. The DCC has focused new capital investment in the transport network on improving levels of service for active modes and public transport since adoption of the Strategy in 2015, and is starting to see some encouraging trends in uptake of these modes. However, it is clear that local efforts need to be backed by much stronger Government direction, support and investment (particularly in relation to public transport), if mode shift targets are to be achieved.

<sup>1</sup> Sims R., R. Schaeffer, F. Creutzig, X. Cruz-Núñez, M. D'Agosto, D. Dimitriu, M.J. Figueroa Meza, L. Fulton, S. Kobayashi, O.Lah, A. McKinnon, P. Newman, M. Ouyang, J.J. Schauer, D. Sperling, and G. Tiwari, 2014: Transport. In: *Climate Change 2014: Mitigation of Climate Change. Contribution of Working Group III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change* [Edenhofer, O., R. Pichs-Madruga, Y. Sokona, E. Farahani, S. Kadner, K. Seyboth, A. Adler, I. Baum, S. Brunner, P. Eickemeier, B. Kriemann, J. Savolainen, S. Schlömer, C. von Stechow, T. Zwickel and J.C. Minx (eds.)]. Cambridge University Press, Cambridge, United Kingdom and New York, NY, USA.

<sup>2</sup> Rogelj, J., D. Shindell, K. Jiang, S. Fifita, P. Forster, V. Ginzburg, C. Handa, H. Khesghi, S. Kobayashi, E. Kriegler, L. Mundaca, R. Séférián, and M.V. Vilariño, 2018: Mitigation Pathways Compatible with 1.5°C in the Context of Sustainable Development. In: *Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty* [Masson-Delmotte, V., P. Zhai, H.-O. Pörtner, D. Roberts, J. Skea, P.R. Shukla, A. Pirani, W. Moufouma-Okia, C. Péan, R. Pidcock, S. Connors, J.B.R. Matthews, Y. Chen, X. Zhou, M.I. Gomis, E. Lonnoy, T. Maycock, M. Tignor, and T. Waterfield (eds.)]. In Press.

37. The DCC agrees with the Commission's advice that promotion of public and active transport is central to achieving a fair and just transition. Given this, and the co-benefits of investment in mode shift, it seems surprising that the Commission's pathway does not promote more ambitious targets relating to uptake of these modes, and does not identify any time-critical actions in relation to achieving them. It is recommended that this is re-evaluated before the advice is finalised.
38. Improving and incentivising inter-city and regional public transport, particularly in rural areas, should be included in the Commission's advice. Inter-regional buses currently are predominantly commercial enterprises. A shift to a more holistic inter-city and regional public transport model is likely to promote enhanced social and environmental outcomes.
39. Underlying legislative frameworks and fragmentation of responsibilities in relation to land transport can make it challenging to effect change. In addition to significant increases in funding for public and active modes, the DCC would also like to see a review of existing Government land transport legislation and investment programmes to ensure they are optimising alignment with emissions reduction ambitions generally (including mode shift opportunities), and that these efforts are integrated across agencies. Consideration of climate change should be embedded in the Land Transport Management Act 2003, which guides the planning, funding and delivery of the transport network. Its purpose is to contribute to an effective, efficient, and safe land transport system in the public interest, and it drives the development of regional land transport plans, and Government investment in the transport system. The Act has a focus on 'efficient and effective' transport that can make it hard to justify investment cycling and pedestrian infrastructure and public transport ahead of demand.
40. Another barrier to an integrated lower carbon transport network is the complexity of the planning and funding system. Multiple agencies with different drivers, funding constraints and mandates mean that transport projects can take a long time to progress, and can favour status quo options. Projects can take years to progress through multiple stages of business case development and stakeholder and community engagement and then stall due to failure to be allocated funding from one partner.
41. The DCC considers greater Government guidance on how local government can apply appropriate levers to ensure the optimisation of mode shift efforts, would also assist.

*Transport – lower emissions vehicles*

42. The DCC notes the Commission's advice that, to meet the proposed emissions budgets, a national phase out of imports of light internal combustion engine vehicles sometime between 2030-2035 would be required.
43. As such, the DCC supports the Government's Clean Car Discount and the Clean Car Standard schemes. This includes DCC supports for the emissions target of 105 grams of CO<sub>2</sub> per kilometre by 2025 for the proposed Clean Car Standard.

44. The DCC also accepts the Commission's advice that meeting the proposed emissions budgets will require increased uptake and incentivisation of electric vehicles (EVs). The DCC recognises the importance of EVs in decarbonisation of the economy, and has actively sought to promote uptake in Dunedin since 2015. An April 2020 University of Otago study found that Dunedin continued to have the highest rate of EV ownership in New Zealand at around 6.1 vehicles per thousand people, compared to an Otago regional average of 4.7 and a national average of 3.8 vehicles per thousand people.
45. The DCC remains committed to supporting continued electrification of Dunedin's vehicle fleet. It is on target to meet its own fleet electrification targets, and is currently developing an EV Charge Infrastructure Plan for Dunedin.
46. However, as set out above, the DCC queries whether the Commission's advice has overemphasised the role of electrification of the vehicle fleet relative to other 'levers' to reduce emissions from the transport sector. The DCC observes there is a risk that heavy reliance on electrification of the vehicle fleet to achieve emissions targets, may exacerbate existing inequalities, and result in both emissions leakage and environmental degradation elsewhere.
47. The DCC welcomes the Commission's recommendation to place further emphasis on decarbonising the rail system, and to establish an investment strategy and clear targets to increase the share of rail and coastal shipping. The focus of Government rail investment in Otago is currently limited to maintenance and renewals of the existing rail network. If decarbonising rail and increasing the share of rail and coastal shipping is to be a focus, the draft New Zealand Rail Plan needs to be more ambitious.
48. As home to Port Otago (through which approximately 14.5% of all New Zealand exports pass), the efficient and effective movement of freight in and out of Dunedin is very important to the city's economy. Currently, the rail link linking to Port Otago carries 70% of freight volumes. An increase in use of the rail network for freight movement is envisaged by the city's Integrated Transport Strategy, in part for the range of anticipated co-benefits (from reduced inner-city congestion, to reduced emissions and local pollution, to improvements in amenity), but further expansion of freight volumes transported by rail to Port Otago is limited by the need for investment in passing loops and an inland port. The lack of passing loops also restricts the potential use of existing rail infrastructure for commuter rail.

**Waste**

49. Dunedin's Waste Minimisation and Management Plan 2020 (WMMP) actively commits to zero waste, inclusive of a circular economy, to enhance the health of Dunedin's environment and people by 2040. The WMMP identifies the importance of partnerships and working with the Government, other councils, businesses and organisations to manage and minimise waste.

50. The DCC therefore agrees with the Commission's recommended policy direction in relation to waste, particularly strengthening product stewardship provisions. However, the DCC questions the Commission's relatively low level of ambition around reducing emissions from waste by 2035, and recommends revisiting the assumptions underpinning this model.
51. DCC investment in optimising landfill gas collection and destruction has managed to achieve reductions in emissions from Green Island Landfill in the order of 25% since 2017. The DCC notes a financial incentive to achieve these improvements even under existing Emissions Trading Scheme settings. Continuous improvements to landfill gas collection and destruction are planned, and are anticipated to achieve even greater carbon efficiencies.
52. The DCC's WMMP aims to increase the diversion rate away from landfill and incineration to at least 70% by 2030, and the DCC has recently been working through a major strategic planning exercise for waste infrastructure, in line with these ambitions. The resultant 'Towards a Circular Economy' investment programme has been assessed as being likely to reduce emissions from general waste by 24%, with the DCC's draft 10 year plan anticipating the majority of the infrastructure and services required to achieve will be in place by 2025/26. In light of what Dunedin has assessed as being achievable with appropriately targeted investment, the DCC suggests the Commission's assessment of what is achievable for New Zealand as a whole, seems light.
53. The DCC notes the capital-intensive nature of resource recovery and processing infrastructure can be a barrier to local government investment in waste solutions that optimise emissions reduction. There is potential for the waste sector to contribute to the Commission's identified need for developments in alternative fuels and energy solutions, but if this is desired, the DCC submits there will be a need for greater Government policy direction and financial support to guide local government decision-making in this area.

#### **Economic impacts**

54. Local employment and job growth are key commitments within Dunedin's Economic Development Strategy and are critical to the city's economic livelihood and wellbeing. It is with this lens that the DCC approaches efforts to decarbonise the economy. Manifestations of the DCC's commitments to the low carbon transition have included divestment of shares in fossil fuel extraction companies, and opposition to deep sea oil and gas exploration and extraction. Conversely, the DCC sees a significant opportunity for local businesses in a low carbon economy, and it is anticipated that Dunedin's Zero Carbon Plan, to be developed with stakeholders and the community, will address ways that local employment and job growth can be facilitated through the transition. The DCC is encouraged by the Commission's anticipation of potential new job opportunities arising in the circular economy, in biofuel and hydrogen research, production and distribution and in other new technologies.
55. The DCC welcomes the focus in the Commission's advice on small-to-medium enterprises (SMEs). SMEs represent 87.3% of Dunedin's businesses, and the DCC strongly supports the concept of working collaboratively and inclusively with these entities through the transition.

The DCC also supports the Commission's emphasis on the importance of clarity and predictability in policy direction.

56. For most SMEs, carbon management is not something that they are familiar with, nor something that they are well set up to resource. Locally, businesses report general confusion about the tools and services on offer, and the various certification and accreditation schemes available. There is also a general lack of financial support for SMEs wishing to embark on emissions reduction, with Government grants currently very targeted: large energy users, or those innovating around use of low emissions vehicles in new service delivery models, or those in the waste minimisation sector.
57. With the disruption to business-as-usual that COVID-19 has caused, many businesses in Dunedin are re-evaluating operating models, seeking to reduce costs, and generally considering how best to position themselves in the post-COVID economy. It is considered that this provides a unique opportunity to help businesses understand their emissions and embed carbon reduction measures into their 'business reset', particularly given the close relationship between reducing emissions, and reducing operating cost. This opportunity does not seem particularly well canvassed in the Commission's advice.
58. Dunedin's economy is highly dependent on tourism and education. Dunedin has also experienced strong population growth, with the construction sector an increasingly critical component to the Dunedin economy. As a city with a large rural hinterland, impacts on rural economies and communities, are also front of mind.
59. On tourism, early in 2021 the DCC will pilot a workshop-based programme for tourism businesses wishing to understand and take action to reduce their emissions. In developing this programme, the DCC has learnt from other councils implementing similar approaches, but a centrally coordinated and resourced approach with consistent guidance for businesses, would be welcome.
60. On education, the DCC is looking to partner with both the University of Otago and the Otago Polytechnic in the establishment of a Zero Carbon 2030 Alliance for the city. The DCC agrees with the Commission's recommendation that retraining and support for affected workers be put at the heart of the Government's work on climate change mitigation, and can envisage a role for both tertiary institutions in supporting this.
61. In terms of the construction sector, the DCC has recently submitted on the Government's Building for Climate Change programme, supporting the direction of travel, but calling for clear support and guidance for the sector during the transition.
62. In terms of rural economies, the Commission's pathway specifically addresses a number of the issues that will face this sector. The DCC anticipates exploring these with the sector as part of development of a Zero Carbon Plan commencing in 2021.

63. A known concern for rural communities in the Dunedin area is the potential impact of large-scale conversion of land currently used for pastoral farming, into forestry, with flow on effects for rural employment, and the identity and resilience of rural communities. As set out above, the DCC considers that use of land for this purpose can be most successfully limited by expediting cuts to gross emissions, but potential amendments to national regulations and guidance around plantation forestry may also assist to contain plantation forestry to the most appropriate locations, and it is recommended the Commission make some explicit recommendations on the latter.

#### **Buildings**

64. The DCC agrees with the Commission's assessment that improved energy efficiency of buildings is required, alongside decarbonising the energy used for heating, hot water and cooking.
65. As part of its commitment to emissions reduction, the DCC is actively working to mitigate emissions from existing building stock in its own ownership. As well as insulation upgrades across the 950 units that make up the DCC's social housing portfolio, the DCC is working in partnership with other major Dunedin institutions to displace use of LPG (in the case of the DCC) and LPG/coal (in the case of other agencies) for heating in major CBD buildings and facilities. Budgetary provision to displace approximately 80% of the DCC's LPG use is included in the DCC's draft 10 year plan. New social housing units are being built to passive house principles, and a focus on minimising emissions is being built into planning and design for all new DCC building projects.
66. The DCC also has a number of initiatives in place to support improvement of the city's existing housing stock. Through support of the Cosy Homes Trust, the Council promotes improvements such as insulation and clean heating; an eco-design advisor role provides free advice to homeowners wishing to improve the health and efficiency of their home; and the Warm Dunedin targeted rate scheme has supported 1600 landowners to insulate their homes since its inception.
67. The DCC is experiencing growing demand for the free advice it provides to households on matters relating to energy efficiency, and recommends that increasing the visibility and accessibility of such advice, is made a focus of efforts to reduce emission from building stock. There is a particular need for this in the face of rapidly changing technology (e.g. in relation to refrigerants), and to support lower socio-economic families and tenants through the transition.
68. The DCC is currently reviewing the scope and focus of its Warm Dunedin scheme, with an eye to potential scheme expansion into other technologies. This is not, however, without its legislative and administrative challenges, and greater Government support in this area would be helpful.
69. Through support of the EnviroSchools programme, the DCC has also been involved in investigating alternatives to coal use in local schools. According to the most recent data supplied to the local EnviroSchools team, at least 40 of Dunedin's 72 schools are currently using coal,

with no funded plans to transition. Our observation is that there are many hurdles facing schools that wish to transition to clean energy systems:

- Funds for replacement are only unlocked by the Ministry of Education when existing boiler systems are nearing end of life. While schools can self-fund replacement early, this needs to be weighed up against the myriad of other funding priorities faced by Boards of Trustees.
- There is little technical support in place for schools to proactively evaluate options and plan ahead for replacement, meaning that procurement often happens at speed when something breaks. This can result in sub-optimal outcomes for the school's energy systems, including replacement with new coal boilers.
- While public funds are occasionally available to assist schools with plans in place, the pathways into these funding arrangements have in the past been unclear, making them difficult to plan for. While this may be changing with the State Sector Decarbonisation Fund and the growing role of the Energy Efficiency and Conservation Authority in supporting this, there is still some ambiguity around pathways for schools.

70. While the Commission's advice report provides explicit guidance about timing for the phase out of gas boilers and connections, it appears to be silent on the timing for phase out of new coal boiler installations, stating only that this work needs to be 'urgently' progressed. The lack of an explicit target date (or dates) seems counterintuitive given the higher impact of coal in emissions terms.
71. Retrofitting existing buildings and their heating systems is ultimately far less satisfactory than ensuring they are built to align with good social and environmental outcomes in the first place. As a medium-growth city, ensuring that new buildings are aligned with the city's low carbon ambitions will be important in achieving emissions reduction targets. Given this, the DCC supports the Commission's call for continued improvements to energy efficiency standards for new buildings.
72. As noted in DCC's recent submission to MBIE on Building for Climate Change, significant Government support will be required, both for the construction sector and Building Consent Authorities, as changes to the building sector are implemented to reduce emissions. Emissions reduction policies have the potential to introduce greater complexity and cost to building design, consent and construction processes.

#### **Energy**

73. Suggested improvements to the national energy system to promote renewable energy and energy efficiency align with the goals of Dunedin's Energy Plan 1.0 in so far as they:
  - take advantage of economic opportunities in a changing energy context;
  - save costs and enhance quality of life from energy efficiency improvements;
  - boost the city's energy security and ability to adapt to future change; and
  - aim to reduce environmental effects and Dunedin's contribution to climate change.

74. The DCC is supportive of the Commission's recommendation to develop a long-term national energy strategy, including a renewable energy target. The DCC agrees with the Commission's position that the Government's 100% renewable electricity target should be considered alongside other elements of the energy system, so as to enable sensible decisions to be made about the relative importance of policy interventions in different parts of the energy system, in terms of generating cuts in emissions.
75. As set out above, consistent with the DCC's preference to pursue earlier cuts in gross emissions, the Commission is encouraged to pursue stronger emissions cuts from the energy sector in the first three budget periods.
76. The DCC agrees with the Commission's assessment that the most cost-effective way to reduce energy emissions is to reduce the amount of energy consumed, and submits that this is the case right across the energy sector. The DCC supports acceleration of measures that mitigate electricity demand at peak times, as doing so keeps costs down for consumers, while also minimising additional environmental effects that may stem from significant expansion in generation capacity. The DCC notes that, at a residential level, this may involve the promotion of smart meters, low global warming potential hot water heat pumps and/or residential solar and battery technology.
77. In terms of demand-side management of energy use in the transport sector, as set out above the DCC submits there should be significantly stronger emphasis on this in the Commission's advice to the Government, and that there is indeed clear evidence in the literature to draw on in relation to the impact of urban form on transport emissions.
78. In terms of renewable energy sources, the DCC:
- continues to support MBIE's proposal for providing greater clarity to councils in how to provide for renewable energy projects in consenting and planning processes, as well as reduce cost and uncertainty for project proponents;
  - recently commissioned a Biomass Residue Assessment for Dunedin, which found on average 80,000 tonnes of biomass residues per annum available for within a 75km catchment, at a cost of \$50-\$70 per tonne (full report available to the Commission on request);
  - continues to support Government exploration of alternative fuels, including green hydrogen, as a complementary approach to energy efficiency and electrification, noting that should Government see a role for local government in developing infrastructure or supply of these fuels, much clearer guidance and support for the sector will be required.

**General comments**

79. The DCC supports the NZ Emissions Trading Scheme as a key policy tool to address climate change mitigation, and accepts the Commission's advice in relation to the need for continuous improvement of the Scheme.

80. The DCC generally supports the Commission's focus on growing native forests to create a long-lived source of carbon removals, as opposed to an over-reliance on exotic forestry.
81. The DCC's internal studies have shown a mix of inseting and offsetting may be a desirable future option for the DCC to support achievement of local targets, however the DCC shares the Commission's observation that focusing on decarbonising and reducing emissions at the source should remain the priority.
82. The DCC welcomes the Commission's recommendations relating to setting consistent long-term abatement cost values into policy and investment analysis. Clear guidance on this from central government would assist to align methodologies and practices within local government, and would support greater alignment between agencies where joint assessments are required e.g. with Waka Kotahi NZTA. For the same reason, the DCC supports the Commission's recommendation that climate change mitigation is embedded in the decision-making framework for the Infrastructure Commission.

#### **Conclusion**

83. The DCC generally commends the Commission's guiding principles, comprehensive analysis, and recommended actions to promote a shift towards a carbon neutral economy. However, noting that its targets for Dunedin are more ambitious than the Government's, the DCC's preference is for accelerated action to reduce of gross emissions at source in the period to 2035. The DCC considers the energy sector should be a primary focus area for the Commission in seeking these additional reductions in emissions, particularly by way of energy efficiency and demand-side management, and commends to the Commission additional aspiration particularly in the areas of urban form, public and active transport, and waste.
84. The DCC stands ready to partner with the Government to deliver emissions reduction initiatives and welcomes opportunities to explore how it might contribute to implementation of the Commission's pathway.

Yours sincerely,

Aaron Hawkins  
**Mayor of Dunedin**

## **SUPPORTING DOCUMENTATION FOR THE 10 YEAR PLAN CONSULTATION DOCUMENT**

Department: Corporate Policy

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### **EXECUTIVE SUMMARY**

- 1 This report seeks approval of the remaining supporting documentation to support the community engagement and consultation on the 10 year plan 2021-31.
- 2 Some of the supporting documents have already been considered by the Council but have been updated to reflect decisions made by Council and feedback received by Audit New Zealand.

### **RECOMMENDATIONS**

That the Council:

- a) **Adopts** for the purposes of developing the 10 year plan 2021-31 and consulting with the community, the
  - i) Financial information as shown in Attachment A to this report;
  - ii) Significant forecasting assumptions as shown in Attachment B to this report;
  - iii) Council controlled organisations, as shown in Attachment C to this report;
  - iv) Group information as shown in Attachment D to this report;
  - v) Significant negative effects as shown in Attachment E to this report;
  - vi) Statements of variation as shown in Attachment F to this report;
  - vii) Rating information as shown in Attachment G to this report;
  - viii) Draft Financial Strategy as shown in Attachment H to this report; and
  - ix) Draft Infrastructure Strategy as shown in Attachment I to this report.

### **BACKGROUND**

- 3 The Local Government Act 2002 (LGA) requires all local authorities to develop a 10 year plan. The Council is also required to develop a consultation document to provide an effective basis for public participation in the Council's decision-making processes relating to the content of the 10 year plan.

- 4 Information that supports the content of the consultation document must be publicly available and collectively are known as 'supporting documents' or 'underlying information'. Some of this content is legislatively required under the LGA.
- 5 The Council has already adopted and approved many of the supporting documents at the Council meetings on 25 August 2020, 10 November 2020, 14 – 15 December 2020, 27 – 29 January 2021, and 23 February 2021.
- 6 The Council is legislatively required to adopt the supporting documents before adopting the consultation document.

## **DISCUSSION**

- 7 Updates have been made to some of the supporting documents to reflect decisions made at the 14 – 15 December 2020, 27 – 29 January 2021 and 23 February 2021 Council meetings, and feedback received from Audit New Zealand. The amendments are shown as track changes in the attached documents.
- 8 The following supporting documents are attached for adoption:
  - Financial information (Attachment A) is made up of forecast financial statements, previously seen, but updated to include the proposed capital expenditure of \$10 million over the 10 year period for growing the housing portfolio. Accounting policies and notes, prospective information, and a disclosure statement are also included, and is information not previously seen by Council. These documents are required under the LGA.
  - Significant forecasting assumptions (Attachment B). This information has been previously considered by Council. Feedback from audit has resulted in amending the level of uncertainty for some of the COVID-19 assumptions from a high level of uncertainty to a medium /high level or medium level. The availability of a vaccine has informed these amendments. A minor correction has been made to the climate data.
  - Council controlled organisations (CCO's), (Attachment C). Council has not seen this information which provides a summary of the main activities of Council's CCO's. It is required under the LGA.
  - Group information (Attachment D), is made up of group funding impact statements. Council has not seen this financial information in the format presented. It is required under the LGA.
  - Significant negative effects (Attachment E). This information, not previously seen by Council, is required under the LGA. It identifies any significant negative effects that could arise from the activities that Council undertakes, along with the measures that are taken to minimise those effects. This will be circulated separately, following completion of a peer review.
  - Statements of variation (Attachment F). Council is required under the LGA to identify and explain significant variations between the Assessment of Water and Sanitary Services 2007/08 and the proposals set out in the Council's 10 year plan for 3 waters, public toilets and cemeteries and crematoriums. Council must also identify variations between its Waste Management and Minimisation Plan and proposals in the 10 year plan. This

information, not previously seen by Council, will be circulated separately, following completion of a peer review.

- Rating information (Attachment G), is made up of whole of Council funding impact statement, rating policy, sample rates, funding mechanisms and funding principles. This financial information, not previously seen, is required under the LGA. It reflects the decisions made by Council at its meeting on 27 – 29 January 2021.
- Draft financial strategy (Attachment H). This has already been considered and approved by the Council on 27 – 29 January 2021, but has been amended to include the proposed capital expenditure of \$10 million over the 10 year period for growing the housing portfolio.
- Draft infrastructure strategy (Attachment I), has been considered and approved by the Council on 27 – 29 January 2021. Amendments have been made as a result of feedback from Audit New Zealand to provide more clarity about matters such as responding to climate change. This will be circulated separately, following a final review.

## OPTIONS

- 9 There are no options.

## NEXT STEPS

- 10 All of the supporting documents will be available on the Council's website and at the DCC's Civic Centre, libraries and service centres to support the community engagement and consultation of the 10 year plan 2021-2031.

## Signatories

Author:	Sharon Bodeker - Corporate Planner
Authoriser:	Gavin Logie - Acting General Manager Finance Sandy Graham - Chief Executive Officer

## Attachments

	Title	Page
<a href="#">↗A</a>	Financial Information	68
<a href="#">↗B</a>	Significant Forecasting Assumptions	99
<a href="#">↗C</a>	Council Controlled Organisations	112
<a href="#">↗D</a>	Group Information	117
<a href="#">↗E</a>	Significant Negative Effects ( <i>Under Separate Cover 1</i> )	130
<a href="#">↗F</a>	Statement of Variation ( <i>Under Separate Cover 1</i> )	
<a href="#">↗G</a>	Funding Impact Statement and Rating Information.pdf ( <i>Under Separate Cover 1</i> )	
<a href="#">↗H</a>	Draft Financial Strategy	
<a href="#">↗I</a>	Draft Infrastructure Strategy ( <i>Under Separate Cover 1</i> )	

## SUMMARY OF CONSIDERATIONS

### ***Fit with purpose of Local Government***

The development of the 10 year plan enables democratic local decision making and action by, and on behalf of communities and meets the current and future needs of the Dunedin communities for good quality public services in a way that is most cost effective for households and businesses.

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

The 10 year plan contributes to all of 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.

### ***Māori Impact Statement***

There has been pre-engagement with Mana whenua as part of the process and hui are planned with both Mana whenua and taurahere in the next phase of the consultation.

### ***Sustainability***

The 10 year plan presents papers considering various aspects of the Council's approach to sustainability. Major issues and implications for sustainability are discussed in the Infrastructure Strategy and financial resilience is discussed in the Financial Strategy. The Climate 2030 Rapid Review and DCC Emissions Reduction Opportunities report addresses a range of other issues. The consultation process also focuses on how consultation can be delivered more sustainably.

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

This report requests approval of the 'supporting documents' for the 10 year plan consultation document.

### ***Financial considerations***

This report requests approval of supporting documents and content contributing to the development of 10 year plan budgets and financial statements.

### ***Significance***

The 10 year plan is considered to be of high significance in terms of the Council's Significance and Engagement Policy.

## SUMMARY OF CONSIDERATIONS

### ***Engagement – external***

There will be extensive community engagement on the draft budgets and content of the 10 year plan in 2021.

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

Staff and managers from across the Council have been involved in the development of the 10 year plan.

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

There are no known risks.

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

There are no known conflicts of interest.

### ***Community Boards***

Many projects and items identified in Community Board Plans have been incorporated in the draft budgets following engagement with Community Boards during the development of the plan. Boards will have further opportunities to participate during the consultation and submission phases of the process.

## Financial Information

### Table of Contents

Forecast Financial Statements .....	2
Accounting Policies.....	7
Prospective Information.....	25
Disclosure Statement .....	27

Dunedin City Council

**Statement of Comprehensive Revenue and Expense  
for the Years Ended 30 June 2022 - 2031**

	Annual Plan Budget 2021 \$000	Draft Budget 2022 \$000	Draft Budget 2023 \$000	Draft Budget 2024 \$000	Draft Budget 2025 \$000	Draft Budget 2026 \$000	Draft Budget 2027 \$000	Draft Budget 2028 \$000	Draft Budget 2029 \$000	Draft Budget 2030 \$000	Draft Budget 2031 \$000
<b>Revenue from continuing operations</b>											
Rates revenue	163,136	179,123	191,663	205,077	217,372	230,424	244,235	257,663	271,825	283,233	294,293
Development and financial contributions	832	572	572	572	572	572	572	572	572	572	572
Subsidies and grants	40,700	28,484	27,625	31,213	31,314	27,726	30,525	29,893	28,408	27,401	28,694
Financial revenue	11,566	9,645	9,454	9,362	9,285	9,312	9,427	9,578	9,735	9,856	9,981
Other revenue	62,408	68,410	71,277	71,961	72,441	72,839	74,714	76,737	78,904	80,900	82,841
<b>Total operating revenue</b>	<b>278,642</b>	<b>286,234</b>	<b>300,591</b>	<b>318,185</b>	<b>330,984</b>	<b>340,873</b>	<b>359,473</b>	<b>374,443</b>	<b>389,444</b>	<b>401,962</b>	<b>416,381</b>
<b>Expenses</b>											
Other expenses	128,850	131,085	139,093	147,180	152,133	156,997	163,172	168,159	177,425	182,148	187,751
Personnel expenses	67,972	69,430	71,315	72,885	74,392	76,043	77,649	79,527	81,365	83,495	85,425
Audit fees	314	243	206	340	262	221	367	283	239	397	306
Financial expenses	12,051	9,990	11,296	13,295	15,229	17,210	19,060	20,665	22,072	23,231	24,396
Depreciation and amortisation	73,289	75,818	77,755	80,115	83,970	85,356	88,506	93,132	97,513	101,652	106,550
<b>Total operating expenses</b>	<b>282,476</b>	<b>286,566</b>	<b>299,665</b>	<b>313,815</b>	<b>325,986</b>	<b>335,827</b>	<b>348,754</b>	<b>361,766</b>	<b>378,614</b>	<b>390,923</b>	<b>404,428</b>
<b>Operating surplus/(deficit) from continuing operations</b>	<b>(3,834)</b>	<b>(332)</b>	<b>926</b>	<b>4,370</b>	<b>4,998</b>	<b>5,046</b>	<b>10,719</b>	<b>12,677</b>	<b>10,830</b>	<b>11,039</b>	<b>11,953</b>
Share of associate surplus/(deficit)		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(deficit) before taxation</b>	<b>(3,834)</b>	<b>(332)</b>	<b>926</b>	<b>4,370</b>	<b>4,998</b>	<b>5,046</b>	<b>10,719</b>	<b>12,677</b>	<b>10,830</b>	<b>11,039</b>	<b>11,953</b>
Less taxation	(864)	(450)	(450)	(450)	(450)	(450)	(450)	(450)	(450)	(450)	(450)
<b>Surplus/(deficit) after taxation</b>	<b>(2,970)</b>	<b>118</b>	<b>1,376</b>	<b>4,820</b>	<b>5,448</b>	<b>5,496</b>	<b>11,169</b>	<b>13,127</b>	<b>11,280</b>	<b>11,489</b>	<b>12,403</b>
<b>Attributable to:</b>											
Dunedin City Council and Group	(2,970)	118	1,376	4,820	5,448	5,496	11,169	13,127	11,280	11,489	12,403
Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-



**Dunedin City Council**  
**Statement of Other Comprehensive Revenue and Expense**  
**for the Years Ended 30 June 2022 - 2031**

	Annual Plan Budget 2021 \$000	Draft Budget 2022 \$000	Draft Budget 2023 \$000	Draft Budget 2024 \$000	Draft Budget 2025 \$000	Draft Budget 2026 \$000	Draft Budget 2027 \$000	Draft Budget 2028 \$000	Draft Budget 2029 \$000	Draft Budget 2030 \$000	Draft Budget 2031 \$000
<b>Other comprehensive revenue and expense</b>											
Gain/(loss) on property plant and equipment revaluations	37,500	37,500	12,500	50,000	12,500	12,500	50,000	12,500	12,500	50,000	12,500
Gain/(loss) on property plant and equipment disposals	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) of cash flow hedges at fair value through other comprehensive revenue and expense	1,196	480	-	-	-	-	-	-	-	-	-
<b>Total other comprehensive revenue and expense</b>	<b>38,696</b>	<b>37,980</b>	<b>12,500</b>	<b>50,000</b>	<b>12,500</b>	<b>12,500</b>	<b>50,000</b>	<b>12,500</b>	<b>12,500</b>	<b>50,000</b>	<b>12,500</b>
Net surplus/(deficit) for the year	(2,970)	118	1,376	4,820	5,448	5,496	11,169	13,127	11,280	11,489	12,403
<b>Total comprehensive revenue and expense for the year</b>	<b>35,726</b>	<b>38,098</b>	<b>13,876</b>	<b>54,820</b>	<b>17,948</b>	<b>17,996</b>	<b>61,169</b>	<b>25,627</b>	<b>23,780</b>	<b>61,489</b>	<b>24,903</b>
<b>Attributable to:</b>											
Dunedin City Council and Group	35,726	38,098	13,876	54,820	17,948	17,996	61,169	25,627	23,780	61,489	24,903
Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-

**Dunedin City Council**

**Statement of Changes in Equity  
for the Years Ended 30 June 2022 - 2031**

	Annual Plan Budget 2021 \$000	Draft Budget 2022 \$000	Draft Budget 2023 \$000	Draft Budget 2024 \$000	Draft Budget 2025 \$000	Draft Budget 2026 \$000	Draft Budget 2027 \$000	Draft Budget 2028 \$000	Draft Budget 2029 \$000	Draft Budget 2030 \$000	Draft Budget 2031 \$000
<b>Movements in equity</b>											
Opening equity	3,161,587	3,163,098	3,201,196	3,215,072	3,269,892	3,287,840	3,305,836	3,367,005	3,392,632	3,416,412	3,477,901
Total comprehensive revenue and expense	35,726	38,098	13,876	54,820	17,948	17,996	61,169	25,627	23,780	61,489	24,903
Closing equity	3,197,313	3,201,196	3,215,072	3,269,892	3,287,840	3,305,836	3,367,005	3,392,632	3,416,412	3,477,901	3,502,804

**Dunedin City Council**  
**Statement of Financial Position**  
**for the Years Ended 30 June 2022 - 2031**

	Annual Plan Budget 2021 \$000	Forecast 2021 \$000	Draft Budget 2022 \$000	Draft Budget 2023 \$000	Draft Budget 2024 \$000	Draft Budget 2025 \$000	Draft Budget 2026 \$000	Draft Budget 2027 \$000	Draft Budget 2028 \$000	Draft Budget 2029 \$000	Draft Budget 2030 \$000	Draft Budget 2031 \$000
<b>Current assets</b>												
Cash and cash equivalents	9,558	5,469	3,690	3,678	3,647	3,313	3,334	3,483	3,446	3,356	3,084	2,670
Other current financial assets	9,733	11,127	6,127	6,127	6,127	6,127	6,127	6,127	6,127	6,127	6,127	6,127
Trade and other receivables	18,015	17,921	10,350	10,584	11,400	11,645	11,361	12,143	12,398	12,531	12,674	13,183
Taxation refund receivable	864	864	450	450	450	450	450	450	450	450	450	450
Inventories	288	353	353	353	353	353	353	353	353	353	353	353
Non current assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Prepayments	500	500	500	500	500	500	500	500	500	500	500	500
<b>Total current assets</b>	<b>38,958</b>	<b>36,234</b>	<b>21,470</b>	<b>21,692</b>	<b>22,477</b>	<b>22,388</b>	<b>22,125</b>	<b>23,056</b>	<b>23,274</b>	<b>23,317</b>	<b>23,188</b>	<b>23,283</b>
<b>Non-current assets</b>												
Other non-current financial assets	192,180	198,740	204,766	206,066	207,040	207,909	208,773	209,719	210,784	211,972	213,251	214,565
Shares in subsidiary companies	128,689	128,689	131,239	133,789	136,339	138,889	141,439	143,989	146,539	149,089	151,639	154,189
Intangible assets	3,395	4,923	4,923	4,923	4,923	4,923	4,923	4,923	4,923	4,923	4,923	4,923
Investment property	93,480	95,740	95,740	96,771	99,942	101,026	102,140	103,283	104,457	105,665	106,907	108,183
Property, plant and equipment	3,098,618	3,034,397	3,151,636	3,239,413	3,352,182	3,439,636	3,523,761	3,641,229	3,713,880	3,783,635	3,877,705	3,948,231
<b>Total non-current assets</b>	<b>3,516,362</b>	<b>3,462,489</b>	<b>3,588,304</b>	<b>3,680,962</b>	<b>3,800,426</b>	<b>3,892,383</b>	<b>3,981,036</b>	<b>4,103,143</b>	<b>4,180,583</b>	<b>4,255,284</b>	<b>4,354,425</b>	<b>4,430,091</b>
<b>Total assets</b>	<b>3,555,320</b>	<b>3,498,723</b>	<b>3,609,774</b>	<b>3,702,654</b>	<b>3,822,903</b>	<b>3,914,771</b>	<b>4,003,161</b>	<b>4,126,199</b>	<b>4,203,857</b>	<b>4,278,601</b>	<b>4,377,613</b>	<b>4,453,374</b>
<b>Current liabilities</b>												
Trade and other payables	25,544	33,766	28,725	30,095	31,558	32,602	33,655	34,763	35,700	37,457	38,447	39,505
Revenue received in advance	3,600	4,963	4,963	6,013	6,086	6,154	6,225	6,301	6,375	6,452	6,515	6,575
Employee entitlements	8,263	8,989	9,862	10,112	10,319	10,517	10,736	10,948	11,198	11,443	11,728	11,986
Current derivative financial instruments	-	-	-	-	-	-	-	-	-	-	-	-
Current portion of term loans	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>	<b>37,407</b>	<b>47,718</b>	<b>43,550</b>	<b>46,220</b>	<b>47,963</b>	<b>49,273</b>	<b>50,616</b>	<b>52,012</b>	<b>53,273</b>	<b>55,352</b>	<b>56,690</b>	<b>58,066</b>
<b>Non-current liabilities</b>												
Term loans	308,873	274,623	352,224	428,458	492,153	564,773	633,831	694,311	745,085	793,974	830,160	879,644
Provisions	11,131	12,504	12,504	12,604	12,595	12,585	12,578	12,571	12,567	12,563	12,562	12,560
Non-current derivative financial instruments	367	480	-	-	-	-	-	-	-	-	-	-
Other non-current liabilities	229	300	300	300	300	300	300	300	300	300	300	300
<b>Total non-current liabilities</b>	<b>320,600</b>	<b>287,907</b>	<b>365,028</b>	<b>441,362</b>	<b>505,048</b>	<b>577,658</b>	<b>646,709</b>	<b>707,182</b>	<b>757,952</b>	<b>806,837</b>	<b>843,022</b>	<b>892,504</b>
<b>Equity</b>												
Accumulated funds	1,688,539	1,695,658	1,696,003	1,697,134	1,701,702	1,706,888	1,712,112	1,723,001	1,735,838	1,746,816	1,757,990	1,770,068
Revaluation reserves	1,498,197	1,457,443	1,494,943	1,507,443	1,557,443	1,569,943	1,582,443	1,632,443	1,644,943	1,657,443	1,707,443	1,719,943
Restricted reserves	10,944	10,477	10,250	10,495	10,747	11,009	11,281	11,561	11,851	12,153	12,468	12,793
Cash flow hedge reserves	(367)	(480)	-	-	-	-	-	-	-	-	-	-
<b>Total equity</b>	<b>3,197,313</b>	<b>3,163,098</b>	<b>3,201,196</b>	<b>3,215,072</b>	<b>3,269,892</b>	<b>3,287,840</b>	<b>3,305,836</b>	<b>3,367,005</b>	<b>3,392,632</b>	<b>3,416,412</b>	<b>3,477,901</b>	<b>3,502,804</b>
<b>Total liabilities and equity</b>	<b>3,555,320</b>	<b>3,498,723</b>	<b>3,609,774</b>	<b>3,702,654</b>	<b>3,822,903</b>	<b>3,914,771</b>	<b>4,003,161</b>	<b>4,126,199</b>	<b>4,203,857</b>	<b>4,278,601</b>	<b>4,377,613</b>	<b>4,453,374</b>

The accompanying notes and accounting policies form an integral part of these financial statements.

**Dunedin City Council**  
**Statement of Cash Flows**  
**for the Years Ended 30 June 2022 - 2031**

	Annual Plan Budget 2021 \$000	Draft Budget 2022 \$000	Draft Budget 2023 \$000	Draft Budget 2024 \$000	Draft Budget 2025 \$000	Draft Budget 2026 \$000	Draft Budget 2027 \$000	Draft Budget 2028 \$000	Draft Budget 2029 \$000	Draft Budget 2030 \$000	Draft Budget 2031 \$000
<b>Cashflow from Operating Activities</b>											
<i>Cash was provided from operating activities:</i>											
Rates received	162,974	178,928	192,502	204,925	217,232	230,276	244,078	257,510	271,664	283,103	294,167
Other revenue	100,611	102,187	96,451	100,157	101,289	98,640	102,263	104,175	104,986	105,923	108,785
Interest received	8,105	7,389	6,951	7,109	7,110	7,114	7,118	7,120	7,123	7,121	7,179
Dividend received	1,531	1,229	1,254	1,280	1,306	1,334	1,362	1,392	1,423	1,454	1,487
Taxation refund received	850	864	450	450	450	450	450	450	450	450	450
<i>Cash was applied to:</i>											
Supplies and employees	(198,532)	(204,924)	(208,893)	(218,746)	(225,553)	(231,996)	(239,876)	(246,784)	(257,030)	(264,764)	(272,167)
Interest paid	(11,571)	(9,990)	(11,296)	(13,296)	(15,230)	(17,210)	(19,059)	(20,667)	(22,070)	(23,231)	(24,397)
<b>Net cash inflow (outflow) from operations</b>	<b>63,968</b>	<b>75,683</b>	<b>77,419</b>	<b>81,879</b>	<b>86,604</b>	<b>88,608</b>	<b>96,336</b>	<b>103,196</b>	<b>106,546</b>	<b>110,056</b>	<b>115,504</b>
<b>Cashflow from Investing Activities</b>											
<i>Cash was provided from investing activities:</i>											
Sale of assets	120	165	120	120	120	120	120	120	120	120	120
Reduction in loans and advances	-	-	-	-	-	-	-	-	-	-	-
Decrease in investments	-	-	-	-	-	-	-	-	-	-	-
<i>Cash was applied to:</i>											
Increases in loans and advances	-	(1)	(52)	-	-	-	-	-	-	-	-
Increase in investments	(2,550)	(2,550)	(2,550)	(2,550)	(2,550)	(2,550)	(2,550)	(2,550)	(2,550)	(2,550)	(2,550)
Capital expenditure	(124,841)	(152,677)	(151,183)	(143,175)	(157,128)	(155,215)	(154,237)	(151,577)	(153,096)	(144,084)	(162,972)
<b>Net cash inflow (outflow) from investing activity</b>	<b>(127,271)</b>	<b>(155,063)</b>	<b>(153,665)</b>	<b>(145,605)</b>	<b>(159,558)</b>	<b>(157,645)</b>	<b>(156,667)</b>	<b>(154,007)</b>	<b>(155,526)</b>	<b>(146,514)</b>	<b>(165,402)</b>
<b>Cashflow from Financing Activities</b>											
<i>Cash was provided from financing activities:</i>											
Loans raised	64,900	77,601	76,234	63,695	72,620	69,058	60,480	50,774	48,890	36,186	49,484
<i>Cash was applied to:</i>											
Loans repaid	-	-	-	-	-	-	-	-	-	-	-
<b>Net cash inflow (outflow) from financing activity</b>	<b>64,900</b>	<b>77,601</b>	<b>76,234</b>	<b>63,695</b>	<b>72,620</b>	<b>69,058</b>	<b>60,480</b>	<b>50,774</b>	<b>48,890</b>	<b>36,186</b>	<b>49,484</b>
<b>Net increase/(decrease) in cash held</b>	<b>1,597</b>	<b>(1,779)</b>	<b>(12)</b>	<b>(31)</b>	<b>(334)</b>	<b>21</b>	<b>149</b>	<b>(37)</b>	<b>(90)</b>	<b>(272)</b>	<b>(414)</b>
Opening cash balance	7,961	5,469	3,690	3,678	3,647	3,313	3,334	3,483	3,446	3,356	3,084
Closing cash balance	9,558	3,690	3,678	3,647	3,313	3,334	3,483	3,446	3,356	3,084	2,670

6

## **Dunedin City Council**

# **Notes to the Financial Statements for the Years Ended 30 June 2022 - 2031**

## **1 Statement of accounting policies**

### **REPORTING ENTITY**

Dunedin City Council (the Council) is a territorial local authority established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The financial statements presented are for the reporting entity Dunedin City Council (the Council).

The registered address of the Council is 50 The Octagon, Dunedin.

The Council provides local infrastructure, local public services, and performs regulatory functions to the community. The Council does not operate to make a financial return.

The Council has designated itself as public benefit entities (PBEs) for the purposes of complying with generally accepted accounting practice.

The forecast financial statements of the Council are for the years ended 30 June 2021 to 2031. The financial statements were authorised for issue by the Council on 9 March 2021.

### **BASIS OF PREPARATION**

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain property, plant and equipment, investment properties, biological assets, derivative financial instruments, financial instruments classified as available for sale and financial instruments held for trading.

The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the year.

### **Statement of compliance**

The financial statements of the Council have been prepared in accordance with the requirements of the LGA and the Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R), which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The financial statements have been prepared in accordance with and comply with PBE Standards.

### **Presentation currency and rounding**

The financial statements are presented in New Zealand dollars because that is the currency of the primary economic environment in which the Council operates. All values are rounded to the nearest thousand dollars (\$000), other than the remuneration and severance payment disclosures (note 12). The remuneration and severance payments are rounded to the nearest dollar.

### **Other changes in accounting policies**

There have been no changes in accounting policy in the current year.

## **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

### **Prospective financial statements**

The financial statements are forecast using the best information available at the time they were prepared.

### **Foreign currency transactions**

The individual financial statements of Council are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the financial statements the results and financial position are expressed in New Zealand dollars, which is the functional currency of the Council.

Transactions in currencies other than New Zealand dollars are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. The Council does not hold non-monetary assets and liabilities denominated in foreign currencies.

In order to hedge its exposure to certain foreign exchange risks, the Council may enter into forward contracts and options (see below for details of the Council's accounting policies in respect of such derivative financial instruments).

### **Goods and services tax**

Items in the financial statements are stated exclusive of GST, except for receivables and payables which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

### **Critical accounting estimates and assumptions**

The Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next financial year include:

- landfill provision;
- valuation of property, plant and equipment;
- valuation of derivative financial instruments;

## 2 Rates revenue

	Approved Budget 2021 \$000	Draft Budget 2022 \$000	Draft Budget 2023 \$000	Draft Budget 2024 \$000	Draft Budget 2025 \$000	Draft Budget 2026 \$000	Draft Budget 2027 \$000	Draft Budget 2028 \$000	Draft Budget 2029 \$000	Draft Budget 2030 \$000	Draft Budget 2031 \$000
<b>Rates revenue by type</b>											
General rates	93,550	103,227	107,921	111,291	118,581	126,367	134,548	142,483	150,884	157,497	163,862
Community services rate	4,936	4,703	4,835	4,955	5,079	5,206	5,336	5,475	5,623	5,775	5,925
Kerbside recycling rate	2,899	4,650	7,774	12,786	13,222	13,666	14,127	14,608	15,107	15,626	16,167
Citywide water rate	22,086	23,880	25,551	27,340	28,981	30,719	32,562	34,353	36,243	37,765	39,238
Citywide drainage rate	38,471	41,599	44,511	47,627	50,484	53,514	56,724	59,844	63,136	65,787	68,353
Allanton drainage rate	19	19	19	19	19	19	19	19	19	19	19
Blanket Bay drainage rate	1	1	1	1	1	1	1	1	1	1	1
Curles Point drainage rate	1	1	1	1	1	1	1	1	1	1	1
Private street lighting rate	30	30	32	34	36	38	40	42	45	47	48
Tourism/economic development rate	500	500	500	500	500	500	500	500	500	500	500
Warm Dunedin rate	643	513	518	523	468	393	377	337	266	215	179
	<b>163,136</b>	<b>179,123</b>	<b>191,663</b>	<b>205,077</b>	<b>217,372</b>	<b>230,424</b>	<b>244,235</b>	<b>257,663</b>	<b>271,825</b>	<b>283,233</b>	<b>294,293</b>
	Approved Budget 2021 \$000	Draft Budget 2022 \$000	Draft Budget 2023 \$000	Draft Budget 2024 \$000	Draft Budget 2025 \$000	Draft Budget 2026 \$000	Draft Budget 2027 \$000	Draft Budget 2028 \$000	Draft Budget 2029 \$000	Draft Budget 2030 \$000	Draft Budget 2031 \$000
<b>Rates revenue by activity</b>											
Roading and Footpaths	17,409	20,380	21,357	22,112	23,546	25,079	26,688	28,252	29,905	31,211	32,466
Sewerage and Sewage	32,291	34,915	37,357	39,971	42,368	44,909	47,602	50,219	52,980	55,205	57,357
Stormwater	6,201	6,705	7,174	7,676	8,137	8,625	9,142	9,645	10,176	10,603	11,017
Water Supply	22,086	23,880	25,551	27,340	28,981	30,719	32,562	34,353	36,243	37,765	39,238
Waste Management	3,475	4,650	7,774	12,786	13,222	13,666	14,127	14,608	15,107	15,626	16,167
Reserves and Recreational Facilities	30,694	31,957	33,394	34,523	36,564	38,741	41,024	43,254	45,612	47,511	49,339
Property	8,091	9,441	9,893	10,243	10,907	11,617	12,363	13,087	13,853	14,458	15,039
Libraries and Museums	24,877	24,793	25,981	26,898	28,642	30,507	32,465	34,368	36,378	37,967	39,494
Regulatory Services	-	-	-	-	-	-	-	-	-	-	-
Community and Planning	12,199	12,557	13,165	13,624	14,514	15,452	16,451	17,407	18,434	19,230	20,013
Economic Development	5,417	5,330	5,562	5,740	6,080	6,444	6,825	7,196	7,587	7,897	8,194
Governance and Support Services	396	4,515	4,455	4,164	4,411	4,665	4,986	5,274	5,550	5,760	5,969
	<b>163,136</b>	<b>179,123</b>	<b>191,663</b>	<b>205,077</b>	<b>217,372</b>	<b>230,424</b>	<b>244,235</b>	<b>257,663</b>	<b>271,825</b>	<b>283,233</b>	<b>294,293</b>
<b>Rating base information</b>											
The number of rating units	59,065	59,582	60,099	60,616	61,003	61,390	61,777	62,164	62,551	62,899	63,248

**Relevant significant accounting policies**

Rates are set annually by resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.

Revenue from water rates by meter is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year-end, is accrued on an average usage basis.

Revenue from rates penalties is recognised when the penalty is imposed.

Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.

### 3 Development and financial contributions

	Approved Budget 2021 \$000	Draft Budget 2022 \$000	Draft Budget 2023 \$000	Draft Budget 2024 \$000	Draft Budget 2025 \$000	Draft Budget 2026 \$000	Draft Budget 2027 \$000	Draft Budget 2028 \$000	Draft Budget 2029 \$000	Draft Budget 2030 \$000	Draft Budget 2031 \$000
Development and financial contributions	832	572	572	572	572	572	572	572	572	572	572
	<b>832</b>	<b>572</b>	<b>572</b>	<b>572</b>	<b>572</b>	<b>572</b>	<b>572</b>	<b>572</b>	<b>572</b>	<b>572</b>	<b>572</b>

**Relevant significant accounting policies**

Development and financial contributions are recognised as revenue when the Council provides, or is able to provide, the services for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

### 4 Subsidies and grants

	Approved Budget 2021 \$000	Draft Budget 2022 \$000	Draft Budget 2023 \$000	Draft Budget 2024 \$000	Draft Budget 2025 \$000	Draft Budget 2026 \$000	Draft Budget 2027 \$000	Draft Budget 2028 \$000	Draft Budget 2029 \$000	Draft Budget 2030 \$000	Draft Budget 2031 \$000
<b>Subsidies and grants</b>											
New Zealand Transport Agency new capital roadin	20,710	8,376	7,916	11,366	10,476	6,500	8,903	7,344	5,434	3,978	4,641
New Zealand Transport Agency renewal roading su	7,698	7,010	6,878	6,746	7,360	7,360	7,360	7,875	7,875	7,875	8,056
New Zealand Transport Agency operational roadin	10,482	10,676	10,911	11,129	11,452	11,784	12,126	12,478	12,839	13,224	13,608
Government and government agency grants	1,378	1,418	1,463	1,503	1,545	1,589	1,633	1,679	1,727	1,777	1,827
Other grants	432	1,004	457	469	481	493	503	517	533	547	562
	<b>40,700</b>	<b>28,484</b>	<b>27,625</b>	<b>31,213</b>	<b>31,314</b>	<b>27,726</b>	<b>30,525</b>	<b>29,893</b>	<b>28,408</b>	<b>27,401</b>	<b>28,694</b>

#### Relevant significant accounting policies

The Council receives funding assistance from the New Zealand Transport Agency, which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

Other grants received are recognised as revenue when they become receivable unless there is an obligation in substance to return funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

## 5 Financial revenue

	Approved Budget 2021 \$000	Draft Budget 2022 \$000	Draft Budget 2023 \$000	Draft Budget 2024 \$000	Draft Budget 2025 \$000	Draft Budget 2026 \$000	Draft Budget 2027 \$000	Draft Budget 2028 \$000	Draft Budget 2029 \$000	Draft Budget 2030 \$000	Draft Budget 2031 \$000
Gain on fair value of investments - Waipori Fund	1,750	1,026	1,063	1,102	1,142	1,183	1,226	1,271	1,317	1,365	1,415
Dividends received - Dunedin City Holdings Limited	-	-	-	-	-	-	-	-	-	-	-
Dividends received - Waipori Fund	1,531	1,229	1,254	1,280	1,306	1,334	1,362	1,392	1,423	1,454	1,487
Interest received - Dunedin City Holdings Limited	5,902	5,902	5,902	5,902	5,902	5,902	5,902	5,902	5,902	5,902	5,902
Interest received - Waipori Fund	2,053	1,252	997	839	693	648	689	764	841	881	920
Other interest received	330	236	238	239	242	245	248	249	252	254	257
	<b>11,566</b>	<b>9,645</b>	<b>9,454</b>	<b>9,362</b>	<b>9,285</b>	<b>9,312</b>	<b>9,427</b>	<b>9,578</b>	<b>9,735</b>	<b>9,856</b>	<b>9,981</b>

#### Relevant significant accounting policies

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

## 6 Other revenue

	Approved Budget 2021 \$000	Draft Budget 2022 \$000	Draft Budget 2023 \$000	Draft Budget 2024 \$000	Draft Budget 2025 \$000	Draft Budget 2026 \$000	Draft Budget 2027 \$000	Draft Budget 2028 \$000	Draft Budget 2029 \$000	Draft Budget 2030 \$000	Draft Budget 2031 \$000
Profit on sale of property, plant and equipment	30	45	-	-	-	-	-	-	-	-	-
Rental from investment properties	7,651	8,223	8,453	8,664	8,881	9,103	9,330	9,573	9,831	10,097	10,359
Gain on fair value of investment property	-	-	-	-	-	-	-	-	-	-	-
Regulatory services rendered	4,649	4,649	4,779	4,898	5,021	5,146	5,275	5,412	5,558	5,708	5,857
Vested assets	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Other fees and charges	47,078	52,493	55,045	55,399	55,539	55,590	57,109	58,752	60,515	62,095	63,625
	<b>62,408</b>	<b>68,410</b>	<b>71,277</b>	<b>71,961</b>	<b>72,441</b>	<b>72,839</b>	<b>74,714</b>	<b>76,737</b>	<b>78,904</b>	<b>80,900</b>	<b>82,841</b>

#### Relevant significant accounting policies

Revenue is measured at fair value. The specific policies for significant revenue items included in other revenue are explained below:

#### *Rental from investment properties*

Lease rentals (net of any incentives given) are recognised on a straight line basis over the term of the lease.

#### *Regulatory services rendered*

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

#### *Vested assets*

For assets received for no or nominal consideration, the asset is recognised at its fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

#### *Gain on fair value of investment property*

Investment properties are held primarily to earn lease revenue and/or for capital growth. All investment properties are measured at fair value, determined annually by an independent registered valuer. Any gain or loss arising is recognised in the surplus or deficit for the period in which the gain or loss arises. Investment properties are not depreciated.

#### *Other fees and charges*

Entrance fees are charged to users of the Council's local facilities, such as pools, museum exhibitions and Dunedin Chinese Garden. Revenue from entrance fees is recognised upon entry to such facilities.

Fees for disposing of waste at the Council's landfill are recognised as waste is disposed by users.

Infringement fees and fines which mostly relate to traffic and parking infringements, and library overdue book fines, are recognised when the infringement notice is issued or when the fines/penalties are otherwise imposed.

Rental income from operating leases, such as social housing, is recognised on a straight line basis over the term of the relevant lease.

Revenue from the sale of goods is recognised when significant risks and rewards of owning the goods are transferred to the buyer, when the revenue can be measured reliably and when management effectively ceases involvement or control.

Revenue from other services rendered is recognised when it is probable that the economic benefits associated with the transaction will flow to the entity. The stage of completion at balance date is assessed based on the value of services performed to date as a percentage of the total services to be performed.

## 7 Other expenses

	Approved Budget 2021 \$000	Draft Budget 2022 \$000	Draft Budget 2023 \$000	Draft Budget 2024 \$000	Draft Budget 2025 \$000	Draft Budget 2026 \$000	Draft Budget 2027 \$000	Draft Budget 2028 \$000	Draft Budget 2029 \$000	Draft Budget 2030 \$000	Draft Budget 2031 \$000
Operations and maintenance	68,291	69,195	74,283	79,286	81,378	83,330	87,320	90,109	94,637	97,121	100,178
Occupancy costs	26,235	27,828	29,457	30,554	31,528	32,844	34,218	35,608	38,884	40,258	41,592
Consumables and general	23,534	24,448	25,564	27,374	29,084	30,481	31,087	31,676	32,914	33,539	34,517
Grants and subsidies	10,790	9,614	9,789	9,966	10,143	10,342	10,547	10,766	10,990	11,230	11,464
	<b>128,850</b>	<b>131,085</b>	<b>139,093</b>	<b>147,180</b>	<b>152,133</b>	<b>156,997</b>	<b>163,172</b>	<b>168,159</b>	<b>177,425</b>	<b>182,148</b>	<b>187,751</b>

#### Relevant significant accounting policies

##### General grants

Non-discretionary grants are grants that awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Council and the approval has been communicated to the applicant.

##### Operating lease expenses

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

##### Finance leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee whether or not title is eventually transferred.

Assets held under finance leases are recognised as assets of the Group at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The

##### Research and development

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

## 8 Audit fees

	Approved Budget 2021 \$000	Draft Budget 2022 \$000	Draft Budget 2023 \$000	Draft Budget 2024 \$000	Draft Budget 2025 \$000	Draft Budget 2026 \$000	Draft Budget 2027 \$000	Draft Budget 2028 \$000	Draft Budget 2029 \$000	Draft Budget 2030 \$000	Draft Budget 2031 \$000
<b>Fees paid to Audit New Zealand for;</b>											
Financial statements	191	200	206	210	216	221	227	233	239	246	252
Long-term plan audit	123	43	-	130	46	-	140	50	-	151	54
	<b>314</b>	<b>243</b>	<b>206</b>	<b>340</b>	<b>262</b>	<b>221</b>	<b>367</b>	<b>283</b>	<b>239</b>	<b>397</b>	<b>306</b>

## 9 Financial expenses

	Approved Budget 2021 \$000	Draft Budget 2022 \$000	Draft Budget 2023 \$000	Draft Budget 2024 \$000	Draft Budget 2025 \$000	Draft Budget 2026 \$000	Draft Budget 2027 \$000	Draft Budget 2028 \$000	Draft Budget 2029 \$000	Draft Budget 2030 \$000	Draft Budget 2031 \$000
Interest paid to subsidiaries	12,051	9,990	11,296	13,295	15,229	17,210	19,060	20,665	22,072	23,231	24,396
	<b>12,051</b>	<b>9,990</b>	<b>11,296</b>	<b>13,295</b>	<b>15,229</b>	<b>17,210</b>	<b>19,060</b>	<b>20,665</b>	<b>22,072</b>	<b>23,231</b>	<b>24,396</b>

#### Relevant significant accounting policies

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised as an expense in the financial year in which they are incurred.

## 10 Depreciation and amortisation

	Approved Budget 2021 \$000	Draft Budget 2022 \$000	Draft Budget 2023 \$000	Draft Budget 2024 \$000	Draft Budget 2025 \$000	Draft Budget 2026 \$000	Draft Budget 2027 \$000	Draft Budget 2028 \$000	Draft Budget 2029 \$000	Draft Budget 2030 \$000	Draft Budget 2031 \$000
<b>Depreciation and amortisation expense by group of activity</b>											
Roading and Footpaths	23,427	24,957	24,041	24,345	25,087	22,686	22,690	24,259	25,698	27,043	28,296
Sewerage and Sewage	12,188	12,779	13,453	13,467	13,819	14,300	14,728	15,369	16,029	16,669	17,277
Stormwater	4,380	4,593	5,445	5,441	5,972	6,362	6,777	7,086	7,465	7,739	8,029
Water Supply	14,023	14,703	14,572	14,555	14,843	15,395	15,847	15,893	17,103	18,256	19,249
Waste Management	491	582	573	428	454	480	505	526	555	579	701
Reserves and Recreational Facilities	4,686	4,956	6,231	7,278	7,712	8,419	8,661	8,889	9,094	9,051	9,283
Property	10,435	10,372	10,704	11,930	13,003	13,939	15,066	16,211	15,905	15,988	16,666
Ara Toi (Libraries and Museums)	1,365	1,095	1,045	1,027	1,063	1,109	1,239	1,389	1,710	1,868	2,049
Regulatory Services	409	280	98	107	139	206	232	249	282	319	398
Community and Planning	15	8	8	8	7	7	8	8	9	5	5
Economic Development	47	24	41	34	34	34	37	36	34	34	35
Governance and Support Services	1,822	1,470	1,544	1,495	1,837	2,419	2,716	3,217	3,629	4,101	4,562
	<b>73,288</b>	<b>75,818</b>	<b>77,755</b>	<b>80,115</b>	<b>83,970</b>	<b>85,356</b>	<b>88,506</b>	<b>93,132</b>	<b>97,513</b>	<b>101,652</b>	<b>106,550</b>

## 11 Total group expenditure

	Approved Budget 2021 \$000	Draft Budget 2022 \$000	Draft Budget 2023 \$000	Draft Budget 2024 \$000	Draft Budget 2025 \$000	Draft Budget 2026 \$000	Draft Budget 2027 \$000	Draft Budget 2028 \$000	Draft Budget 2029 \$000	Draft Budget 2030 \$000	Draft Budget 2031 \$000
Roading and Footpaths	50,968	54,391	54,595	56,240	58,309	57,298	58,657	61,519	64,233	66,847	69,353
Sewerage and Sewage	33,629	32,966	33,543	34,146	35,354	36,875	37,945	39,509	41,331	42,527	44,019
Stormwater	9,089	9,181	10,733	10,992	11,819	12,536	13,298	13,909	14,587	15,127	15,679
Water Supply	29,873	30,657	31,633	32,275	33,296	34,622	35,864	36,710	38,788	40,799	42,581
Waste Management	13,599	16,414	20,204	24,775	26,111	25,705	28,590	29,670	30,817	31,988	33,262
Reserves and Recreational Facilities	36,633	37,611	41,126	43,261	44,668	46,142	47,457	48,785	50,133	51,231	52,590
Property	34,603	34,257	35,398	38,791	40,810	43,880	46,257	48,438	52,153	53,486	55,157
Ara Toi (Libraries and Museums)	27,120	26,319	26,840	27,559	28,502	29,193	29,994	30,843	31,891	32,799	33,721
Regulatory Services	17,290	17,230	17,458	17,805	18,232	18,681	19,158	19,603	20,145	20,657	21,257
Community and Planning	14,073	14,922	14,455	14,825	15,004	15,421	15,651	16,111	16,382	16,890	17,168
Economic Development	5,928	5,752	5,902	6,021	6,147	6,284	6,431	6,584	6,744	6,915	7,084
Governance and Support Services	44,852	42,165	44,066	44,399	45,968	48,377	49,620	51,297	53,735	55,127	57,156
Total expenditure per activity	317,657	321,865	335,953	351,089	364,220	375,014	388,922	402,978	420,939	434,393	449,027
Less: Internal expenditure	(35,181)	(35,299)	(36,288)	(37,274)	(38,234)	(39,187)	(40,168)	(41,212)	(42,325)	(43,470)	(44,599)
<b>Total expenditure per financial statements</b>	<b>282,476</b>	<b>286,566</b>	<b>299,665</b>	<b>313,815</b>	<b>325,986</b>	<b>335,827</b>	<b>348,754</b>	<b>361,766</b>	<b>378,614</b>	<b>390,923</b>	<b>404,428</b>

## 12 Taxation

### Relevant significant accounting policies

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net surplus as reported in the Statement of Comprehensive Revenue and Expense because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Council's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Council is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the surplus or deficit, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

## 13 Equity

	Forecast	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Accumulated Funds</b>											
Opening balance	1,692,509	1,695,658	1,696,003	1,697,134	1,701,702	1,706,888	1,712,112	1,723,001	1,735,838	1,746,816	1,757,990
Surplus/(deficit)	3,319	118	1,376	4,820	5,448	5,496	11,169	13,127	11,280	11,489	12,403
Net transfers from/(to) restricted reserves	(170)	227	(245)	(252)	(262)	(272)	(280)	(290)	(302)	(315)	(325)
<b>Closing balance</b>	<b>1,695,658</b>	<b>1,696,003</b>	<b>1,697,134</b>	<b>1,701,702</b>	<b>1,706,888</b>	<b>1,712,112</b>	<b>1,723,001</b>	<b>1,735,838</b>	<b>1,746,816</b>	<b>1,757,990</b>	<b>1,770,068</b>
<b>Revaluation reserves</b>											
Opening balance	1,420,815	1,457,443	1,494,943	1,507,443	1,557,443	1,569,943	1,582,443	1,632,443	1,644,943	1,657,443	1,707,443
Property plant and equipment revaluations	36,628	37,500	12,500	50,000	12,500	12,500	50,000	12,500	12,500	50,000	12,500
<b>Closing balance</b>	<b>1,457,443</b>	<b>1,494,943</b>	<b>1,507,443</b>	<b>1,557,443</b>	<b>1,569,943</b>	<b>1,582,443</b>	<b>1,632,443</b>	<b>1,644,943</b>	<b>1,657,443</b>	<b>1,707,443</b>	<b>1,719,943</b>
<b>Restricted reserves</b>											
Opening balance	10,307	10,477	10,250	10,495	10,747	11,009	11,281	11,561	11,851	12,153	12,468
Net transfers from/(to) accumulated funds	170	(227)	245	252	262	272	280	290	302	315	325
<b>Closing balance</b>	<b>10,477</b>	<b>10,250</b>	<b>10,495</b>	<b>10,747</b>	<b>11,009</b>	<b>11,281</b>	<b>11,561</b>	<b>11,851</b>	<b>12,153</b>	<b>12,468</b>	<b>12,793</b>
<b>Cash flow hedge reserves</b>											
Opening balance	(2,052)	(480)	-	-	-	-	-	-	-	-	-
Gains/(losses) on interest rate swaps	1,572	480	-	-	-	-	-	-	-	-	-
<b>Closing balance</b>	<b>(480)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>3,163,098</b>	<b>3,201,196</b>	<b>3,215,072</b>	<b>3,269,892</b>	<b>3,287,840</b>	<b>3,305,836</b>	<b>3,367,005</b>	<b>3,392,632</b>	<b>3,416,412</b>	<b>3,477,901</b>	<b>3,502,804</b>

Activity and output group	Purpose	Opening Balance 2021 \$000	Transfers Inwards 2021-2031 \$000	Transfers Outwards 2021-2031 \$000	Closing Balance 2031 \$000
<b>Roading and Footpaths</b>					
Transport	Roading property reserve for property purchases	156	17	-	173
<b>Sewerage and Sewage</b>					
Wastewater	Water development and operational reserves	46	4	-	50
<b>Waste Management</b>					
Landfills	Waste minimisation projects	578	8,796	(7,516)	1,858
<b>Reserves and Recreational Facilities</b>					
Cemeteries and Crematorium	To maintain cemeteries and specific burial plots and mausoleums	2,207	231	-	2,438
Dunedin Botanic Garden	Aviary Bird Fund operations reserve	27	3	-	30
	Clive R. B. Lister Capital to maintain the Clive Lister Garden	246	26	-	272
	Mediterranean Garden development reserve	16	2	-	18
Parks and Recreation	Reserve of development contributions for playgrounds, specific Parks and Subdivision reserves	(129)	6	(20)	(143)
	To maintain specific reserve areas	1,619	169	-	1,788
<b>Property</b>					
Housing	Operational housing reserve	2,119	222	-	2,341
Investment Property	Endowment property investment reserve	1,104	116	-	1,220
Miscellaneous Property	Air Development to develop the Taieri aerodrome	381	40	-	421
<b>Libraries and Museums</b>					
Dunedin Public Art Gallery	Art Gallery funded operations reserves	998	105	-	1,103
Dunedin Public Libraries	To extend the Reed and other library collections	745	77	-	822
<b>Regulatory Services</b>					
Animal Services	Dog Control operations reserve	13	1	-	14
<b>Govenance and Support Services</b>					
Finance	Insurance reserve	317	33	-	350
Other	Hillary Commission General Subsidies Reserve	34	4	-	38
		<b>10,477</b>	<b>9,852</b>	<b>(7,536)</b>	<b>12,793</b>

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into components. The components are accumulated funds, revaluation reserves, restricted reserves, cash flow hedge reserves.

#### Relevant significant accounting policies

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Council.

Restricted reserves include those subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of the cash flow hedging instruments relating to interest payments and foreign exchange transactions that have not yet occurred.

## 14 Cash and cash equivalents

### **Relevant significant accounting policies**

Cash and cash equivalents comprise of cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

## 15 Trade and other receivables and term receivables

### **Relevant significant accounting policies**

Trade and other receivables are stated at cost less any allowances for estimated irrecoverable amounts.

The carrying amount of trade and other receivables approximates their fair value.

Normally no interest is charged on the accounts receivable although in specific instances interest may be charged.

All past due balances are considered collectable (except those specific debtors identified as requiring an impaired credit loss), however, in line with NZ PBE IFRS 9 the Council applies a simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure credit losses, trade receivables are grouped based on similar credit risk and aging. The expected loss rates factor in the credit losses experienced over the three year period prior to the period end. The historical loss rates are then adjusted for where necessary based on current and forward-looking macroeconomic factors affecting customers.

The Dunedin City Council does not provide for any impairment on rates receivable as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. These powers allow the Council to commence legal proceedings to recover any rates that remain unpaid four months after the due date for payment. If payment has not been made within three months of the Court's judgement, then the Council can apply to the Registrar of the High Court to have the judgement enforced by sale or lease of the rating unit.

## 16 Inventories

### **Relevant significant accounting policies**

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

## 17 Non-current assets held for sale

### Relevant significant accounting policies

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs are recognised in the surplus or deficit.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale (including those that are part of a disposal group).

## 18 Other financial assets

	Forecast	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Other current financial assets</b>											
Waipori Fund interest bearing securities	11,127	6,127	6,127	6,127	6,127	6,127	6,127	6,127	6,127	6,127	6,127
	11,127	6,127	6,127	6,127	6,127	6,127	6,127	6,127	6,127	6,127	6,127
<b>Other non-current financial assets</b>											
Waipori Fund interest bearing securities	41,756	44,676	49,232	50,372	51,554	52,778	54,047	55,363	56,726	58,140	59,588
Waipori Fund equity investments	44,393	47,498	44,190	44,024	43,711	43,351	43,028	42,777	42,602	42,467	42,333
Other shares	481	481	481	481	481	481	481	481	481	481	481
Advances to subsidiaries	112,000	112,000	112,000	112,000	112,000	112,000	112,000	112,000	112,000	112,000	112,000
Other loans, advances	110	111	163	163	163	163	163	163	163	163	163
	198,740	204,766	206,066	207,040	207,909	208,773	209,719	210,784	211,972	213,251	214,565
	<b>209,867</b>	<b>210,893</b>	<b>212,193</b>	<b>213,167</b>	<b>214,036</b>	<b>214,900</b>	<b>215,846</b>	<b>216,911</b>	<b>218,099</b>	<b>219,378</b>	<b>220,692</b>

### Relevant significant accounting policies

Investments are recognised and derecognised on a trade date where a purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at cost, including transaction costs.

Investments in debt and equity securities are financial instruments classified as held for trading and are measured at fair value in the surplus or deficit at balance date. Any resultant gains or losses are recognised in the surplus or deficit for the period.

Loans and advances are financial instruments that are measured at amortised cost using the effective interest method. This type of financial instrument includes deposits, term deposits, inter company loans, community loans and mortgages.

## 19 Accounts payable, accrued expenditure and employee entitlements

### **Relevant significant accounting policies**

Trade and other payables are stated at cost.

### **Short-term employee entitlements**

Employee benefits that are expected to be settled wholly before twelve months after the reporting period in which the employees render the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned to but not yet taken at balance date.

The Council recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year.

The current portion of the retirement gratuities provision has been calculated on an actuarial basis and is based on the reasonable likelihood that it will be earned by employees and paid by the Council.

## 20 Term loans

### **Relevant significant accounting policies**

Borrowings are initially recorded net of directly attributable transaction costs. Finance charges, premiums payable on settlement or redemption and direct costs are accounted for on an accrual basis to the surplus or deficit using the effective interest method.

## 21 Provisions

### **Relevant significant accounting policies**

Entitlements to the non-current portion of accrued long service leave and retirement gratuities are calculated on an actuarial basis and are based on the reasonable likelihood that they will be earned by employees and paid by the Council.

A provision is recognised in the balance sheet when the Council has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for restructuring costs are recognised when the Council has a detailed formal plan for the restructuring that has been communicated to affected parties.

## 22 Property, plant and equipment

### **Relevant significant accounting policies**

Property, plant and equipment are those assets held by the Council for the purpose of carrying on its business activities on an ongoing basis.

### **Operational assets**

These include land, buildings, improvements, library books, plant and equipment, and motor vehicles.

### *Land and buildings*

Land and buildings are stated at revalued amounts being fair value at date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The revaluations are performed by an independent valuer on a three-yearly cycle.

*Fixed plant and equipment*

Fixed plant and equipment is stated at cost, less any subsequent accumulated depreciation and any accumulated impairment losses.

*Vehicles, mobile plant*

Motor vehicles and other mobile plant and equipment are stated at cost less any subsequent accumulated depreciation and any accumulated impairment losses.

*Office equipment*

Office equipment and fittings are stated at cost less any subsequent accumulated depreciation less any accumulated impairment losses.

*Library collection*

Library collections are stated at cost less any subsequent accumulated depreciation and any impairment losses.

**Infrastructural assets**

Infrastructure assets are the fixed utility systems owned by the Council. Each asset type includes all items that are required for the network to function; for example, sewer reticulation includes reticulation piping and sewer pump stations.

Land is stated at revalued amounts being fair value at date of valuation less any subsequent accumulated impairment losses. The revaluations are performed by an independent valuer on a three yearly cycle.

Landfill assets being earthworks, plant and machinery and the estimate of site restoration, are stated at cost less any accumulated depreciation and any accumulated impairment losses. The useful life of the Green Island Landfill is considered to be the period of time to the expiring of the associated consents in 2023.

Roadways and bridges have been stated at their revalued amounts being fair value based on depreciated replacement cost as at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Roadways and bridges are valued annually by an independent valuer.

Plant and facilities have been stated at their revalued amounts being fair value based on depreciated replacement cost as at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Plant and facilities are valued annually in-house and peer reviewed by an independent valuer. Additions are recorded at cost and depreciated.

Reticulation assets, being the reticulation system and networks of water and drainage, have been stated at their revalued amounts being fair value based on depreciated replacement cost as at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Reticulation assets are valued annually in-house and peer reviewed by an independent valuer.

**Restricted assets**

Restricted assets are parks and reserves owned by the Council which cannot be disposed of because of legal or other restrictions, and provide a benefit or service to the community.

Land, buildings and structures are stated at revalued amounts being fair value at date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The revaluations are performed by an independent valuer on a three yearly cycle.

Hard surfaces and reticulation systems are stated at revalued amounts being fair value at date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The revaluations are performed by an independent valuer on a three yearly cycle.

Road reserve land is stated at revalued amounts being fair value at date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed by an independent valuer on a three yearly cycle.

Playground and soft-fall areas are stated at revalued amounts being fair value at date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed by an independent valuer on a four yearly cycle.

Fixed plant and equipment has been stated at their deemed cost being fair value at the date of valuation based on depreciated replacement cost less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Additions are recorded at cost and depreciated.

#### ***Heritage assets***

These include, but are not limited to, assets held by the Council subject to deeds of agreement, terms and conditions of bequests, donations, trusts or other restrictive legal covenants. The Council's control of these assets is restricted to a management/custodial role.

Heritage assets included are the Art Gallery Collection at the Dunedin Public Art Gallery, the Theomin Collection at Olveston, the Toitū Otago Settlers Museum and the monuments, statues and outdoor art as well as land and buildings of the railway station and Olveston.

Except land and buildings, all other heritage assets are stated at cost less any subsequent accumulated depreciation and accumulated impairment losses.

#### ***Vested assets***

Vested assets are fixed assets given to the Council by a third party and could typically include water, drainage and roading assets created in the event of a subdivision. Vested assets also occur in the event of the donation of heritage or art assets by third parties. The value of assets vested are recorded at fair value which could include as sale or acquisition the cost price to the third party to create or purchase that asset and equates to its fair value at the date of acquisition. Vested assets, other than those pertaining to collections, are subsequently depreciated.

#### ***Revaluations***

Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the balance sheet date.

Revaluation increases and decreases relating to individual assets within a class of assets are offset. Revaluation increases and decreases in respect of assets in different classes are not offset.

Where the carrying amount of a class of assets is increased as a result of a revaluation, the net revaluation increase is credited to the revaluation reserve. The net revaluation increase shall be recognised in the surplus or deficit to the extent that it reverses a net revaluation decrease of the same class of assets previously recognised in the surplus or deficit. A net revaluation decrease for a class of assets is recognised in the surplus or deficit, except to the extent it reverses a revaluation increase previously recognised in the revaluation reserve to the extent of any credit balance existing in the revaluation reserve in respect of the same class of asset.

#### ***Derecognition***

Items of property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the surplus or deficit in the year the item is derecognised.

#### ***Depreciation***

Depreciation has been charged so as to write off the cost or valuation of assets, other than land, properties under construction and capital work in progress, on the straight line basis (SL). Rates used have been calculated to allocate the asset's cost or valuation less estimated residual value over their estimated remaining useful lives.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation commences when the assets are ready for their intended use.

Depreciation on revalued assets, excluding land, is charged to the Statement of Comprehensive Revenue and Expense. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus remaining in the appropriate property revaluation reserve is transferred directly to retained earnings.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets, or where shorter, over the term of the relevant lease.

## 23 Investment property

	Approved Budget 2021 \$000	Draft Budget 2022 \$000	Draft Budget 2023 \$000	Draft Budget 2024 \$000	Draft Budget 2025 \$000	Draft Budget 2026 \$000	Draft Budget 2027 \$000	Draft Budget 2028 \$000	Draft Budget 2029 \$000	Draft Budget 2030 \$000	Draft Budget 2031 \$000
Rental from investment properties	7,651	8,223	8,453	8,664	8,881	9,103	9,330	9,573	9,831	10,097	10,359
Investment property operating expenses	(3,096)	(3,328)	(3,099)	(3,197)	(3,312)	(3,433)	(3,560)	(3,688)	(3,823)	(3,947)	(4,068)
	4,555	4,895	5,354	5,467	5,569	5,670	5,770	5,885	6,008	6,150	6,291
Plus internal rental for car-park buildings	1,007	1,007	1,036	1,061	1,088	1,115	1,143	1,173	1,204	1,237	1,269
Less internal management fees and salaries	(531)	(531)	(546)	(559)	(573)	(588)	(602)	(618)	(635)	(652)	(669)
	476	476	490	502	515	527	541	555	569	585	600
<b>Net income</b>	<b>5,031</b>	<b>5,371</b>	<b>5,844</b>	<b>5,969</b>	<b>6,084</b>	<b>6,197</b>	<b>6,311</b>	<b>6,440</b>	<b>6,577</b>	<b>6,735</b>	<b>6,891</b>

### Relevant significant accounting policies

Investment property is property held to earn rentals and/or for capital appreciation. All investment properties are stated at fair value, as determined annually by independent valuers at the balance sheet date.

Gains or losses arising from changes in the fair value of investment properties are recognised in the surplus or deficit for the period in which the gain or loss arises.

## 24 Derivative financial instruments

The Council's activities expose it primarily to the financial risks of changes in interest rates. The Council uses interest rate swap contracts to hedge these exposures.

The Council does not use derivative financial instruments for speculative purposes. However, derivatives that do not qualify for hedge accounting, under the specific IFRS rules, are accounted for as trading instruments with fair value gains/losses being taken directly to the surplus or deficit.

The use of financial derivatives is governed by Council's policies which provide written principles on the use of financial derivatives.

Derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition derivative financial instruments are re-measured at fair value.

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in equity and the ineffective portion is recognised immediately in the surplus or deficit. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of an asset or a liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of an asset or a liability, amounts deferred in equity are recognised in the surplus or deficit in the same period in which the hedged item affects net surplus or deficit.

For an effective hedge of an exposure to changes in the fair value, the hedged item is adjusted for changes in fair value attributable to the risk being hedged with the corresponding entry in the surplus or deficit. Gains or losses from re-measuring the derivative, or for non-derivatives the foreign currency component of its carrying amount, are recognised in the surplus or deficit.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the surplus or deficit as they arise. Derivatives not designated into an effective hedge relationship are classified as current assets or liabilities.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the surplus or deficit for the period.

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of host contracts and the host contracts are not carried at fair value with unrealised gains or losses reported in the surplus or deficit.

## **Dunedin City Council**

# **Prospective Information for the Years Ended 30 June 2022 - 2031**

The Council has not presented group prospective financial statements. The prospective financial statements are for core Council only.

The main purpose of prospective financial statements in the Long Term Plan is to provide users with information about the core services that the Council intends to provide ratepayers, the expected cost of those services and, as a consequence, how much the Council requires by way of rates to fund the intended levels of service. The level of rates funding required is not affected by subsidiaries except to the extent that the Council obtains distributions from, or further invests in, those subsidiaries. Such effects are included in the prospective financial statements of the Council.

The forecast financial statements have been prepared in accordance with the Local Government Act 2002.

The Local Government Act 2002 requires a council to, at all times, have a long-term plan under s 93, which covers a period of not less than 10 consecutive financial years; and includes the information required

Under Section 93 of the Local Government Act 2002, the purpose of a long term plan is to:

- a) describe the activities of the local authority; and
- b) describe the community outcomes of the local authority's district or region; and
- c) provide integrated decision-making and co-ordination of the resources of the local authority; and
- d) provide a long-term focus for the decisions and activities of the local authority; and
- e) provide a basis for accountability of the local authority to the community.

The Council will adopt the Long Term Plan in June 2021.

The Council is responsible for the forecast financial statements including the appropriateness of the underlying assumptions and other disclosures.

### **Nature of Prospective Information**

The forecast financial statements are prepared in accordance with Tier 1 Public Benefit Entity Financial Reporting Standard 42. They are prepared on the basis of best-estimate assumptions as to future events, which the Council expects to take place as of January 2021.

### **Cautionary Note**

The forecast financial statements are prospective financial information. Actual results are likely to vary from the information presented, and the variations may be material.

The following assumptions, which have a level of uncertainty of high, could lead to a material difference to the prospective financial statements. The uncertainties could lead to additional rates revenue and/or debt to the extent that budgets cannot be reprioritised.

- COVID-19 - Impacts of COVID-19 on DCC population, dwelling and rating projections - impacts of higher or lower growth than projected are an increase or decrease in demand for services and infrastructure creating potential for under or overspend of the 10 year plan budget.
- COVID-19 - Impacts of COVID-19 on projected visitor numbers on a peak day - the potential impact of lower or higher than anticipated visitor growth are impacts on the timing/demand for infrastructure and on the composition of the Dunedin economy.
- COVID-19 - Impacts of COVID-19 on the Dunedin economy - potential impacts of slower than anticipated economic growth could lead to financial pressure on DCC.
- CLIMATE CHANGE - Carbon Zero 2030 target
- RESILIENCE AND CIVIL DEFENCE - Resilience to emergencies - if a significant disaster occurs that exceeds the DCC’s ability to respond.

Dunedin City Council

## 10 Year Plan Disclosure Statement for the Years Ended 30 June 2022 - 2031

### What is the purpose of this Statement?

The purpose of this statement is to disclose the Council's planned financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include this statement in its long-term plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the **regulations**). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

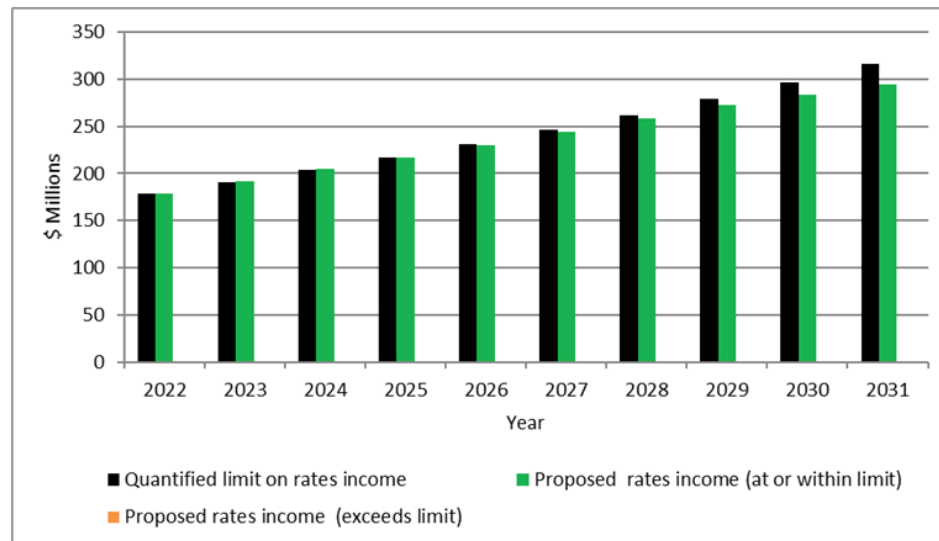
### Rates Affordability Benchmark

The Council meets the rates affordability benchmark if –

- Its planned rates income equals or is less than each quantified limit on rates; and
- Its planned rates increases equal or are less than each quantified limit on rates increases.

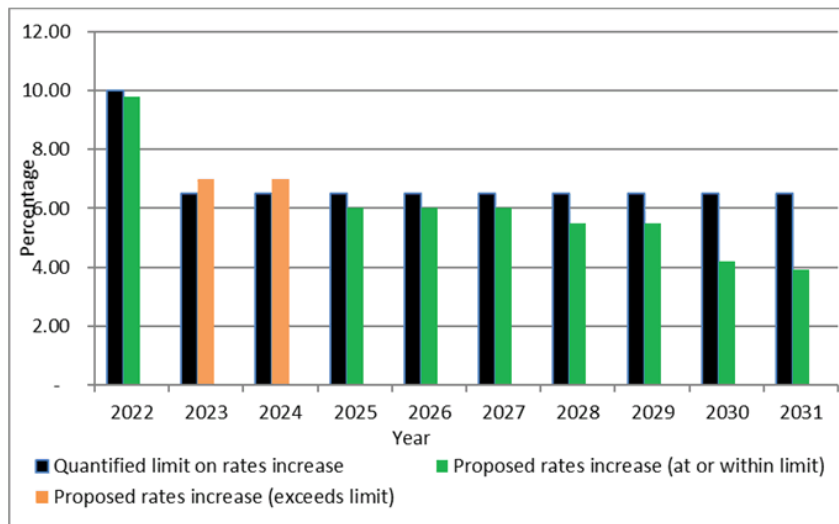
### Rates (Income) Affordability

The following graph compares the Council's planned rates with a quantified limit on rates contained in the financial strategy included in the Council's long-term plan. The quantified limit is \$179 million for the 2021/22 year.



### Rates (Increases) Affordability

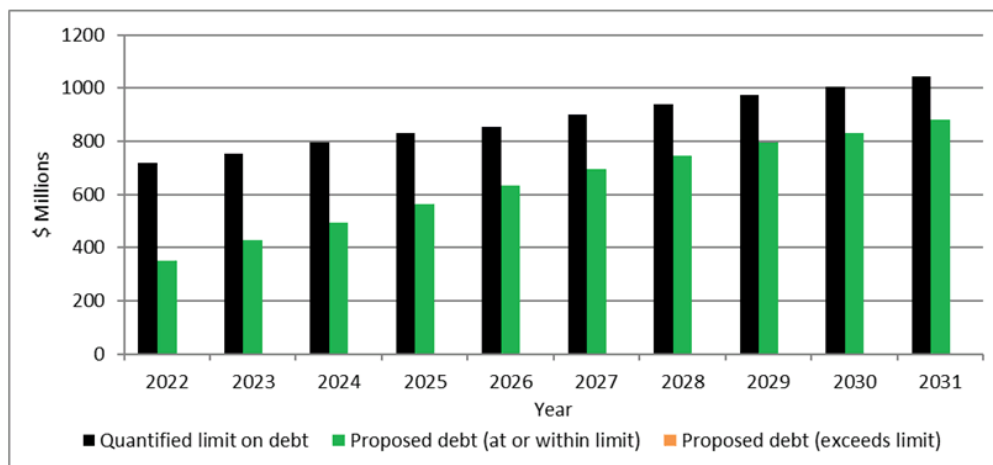
The following graph compares the Council's planned rates increases with a quantified limit on rates increases contained in the financial strategy included in the Council's long term plan. The quantified limit is 10.0% for the 2021/22 year. Please refer to the financial strategy for the quantified limits for the remaining nine years.



### Debt Affordability Benchmark

The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

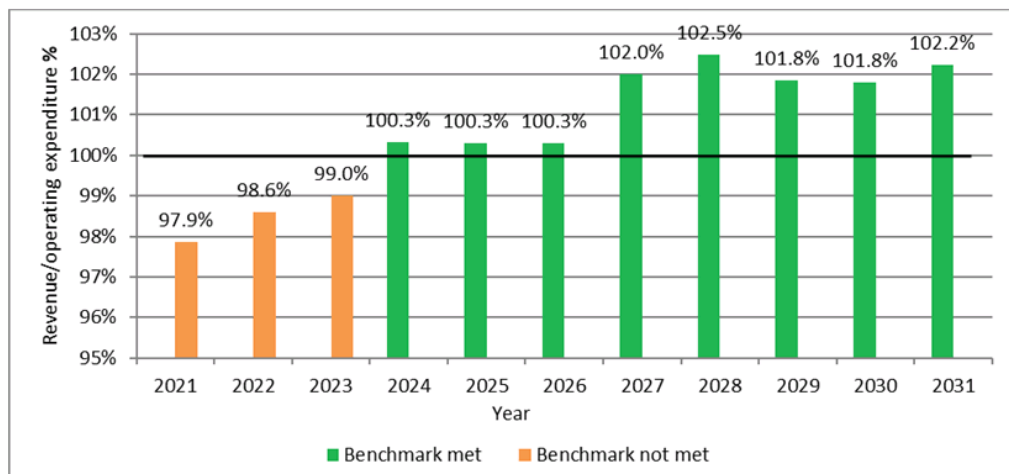
The following graph compares the Council's planned debt with a quantified limit on borrowing contained in the financial strategy included in the Council's long term plan. The quantified limit is \$717 million for the 2021/22 year. Please refer to the financial strategy for the quantified limits for the remaining nine years.



### Balanced Budget Benchmark

The following graph displays the Council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant or equipment) as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant or equipment).

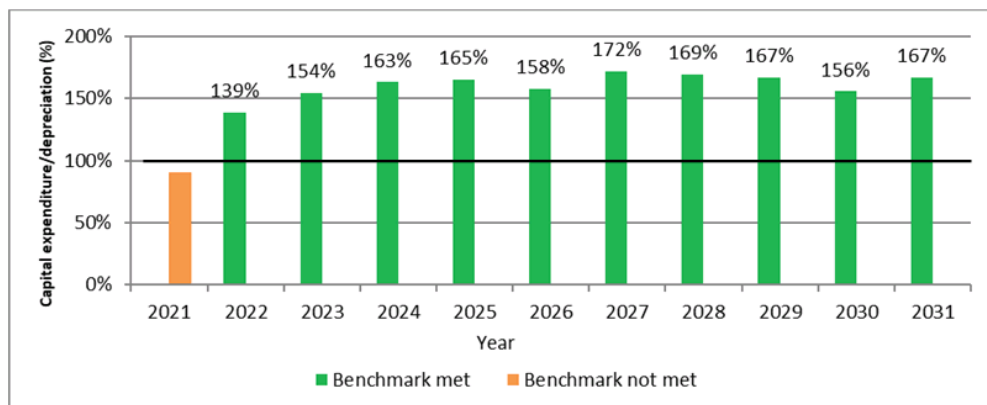
The Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.



### Essential Services Benchmark

The following graph displays the Council's planned capital expenditure on network services as a proportion of expected depreciation on network services.

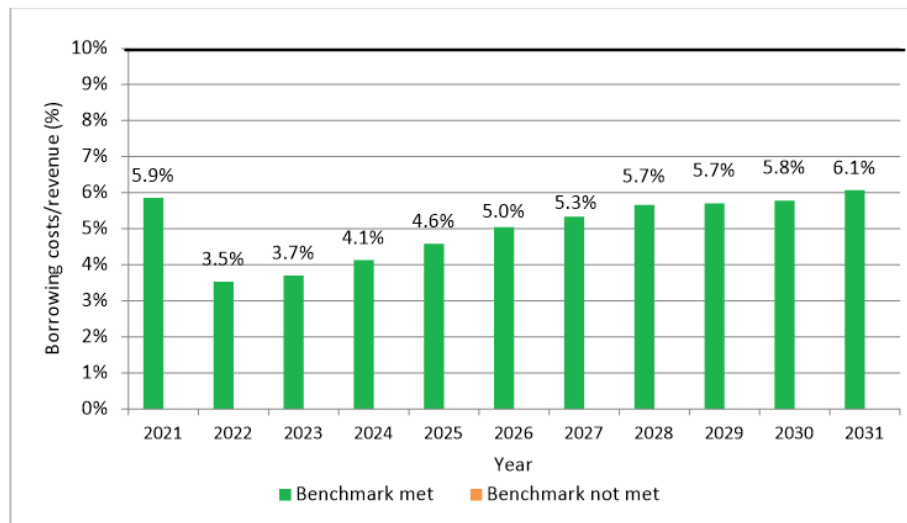
The Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.



### Debt Servicing Benchmark

The following graph displays the Council's planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant or equipment).

Because Statistics New Zealand projects the Council's population will grow more slowly than the national population is expected to grow, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its revenue.



*Additional information or comment*

## Significant forecasting assumptions

Assumption	Level of uncertainty	Reason for uncertainty	Effects of the uncertainty
<p><b>1. COVID-19</b></p> <p>From March 2020, a COVID-19 lockdown impacted the DCC, the local economy and the community.</p> <p>Dunedin will face challenges if a significant or protracted COVID-19 community outbreak occurs within the city or region. Migration, visitor numbers and the economy have been, and will continue to be, impacted as a result of the pandemic.</p> <p><i>COVID-19 vaccines are starting to be rolled out in New Zealand to border workers and is a plan in place for vaccinating the broader community. This will reduce the chance of future outbreaks and starts to signal the potential end point of this phase of the COVID-19 pandemic.</i></p>	<u>Medium/High</u>	A number of factors contribute to the uncertainty, including the extent of community transmission over time, new COVID variants, the timing of a vaccine rollout and the extent of on-going border restrictions.	The potential impacts of the uncertainty arising from COVID-19 are described below.
<p><b>Impacts of COVID-19 on DCC revenue</b></p> <p>In the 2020/21 Annual Plan, the DCC anticipated a reduction in operating revenue of \$6.5 million. The DCC may experience further revenue challenges as a result of a significant or protracted outbreak of COVID-19.</p> <p>There is also a risk of reduced revenue from the Waipori Fund and DCC companies as a result of national and global economic changes arising from COVID-19.</p> <p><i>It is assumed that revenue will slowly recover as visitor numbers return to pre-COVID levels.</i></p>	<u>High-Medium</u>	A number of factors contribute to the uncertainty, including the extent of community transmission over time, new COVID variants, the timing of a vaccine rollout and the extent of on-going border restrictions.	<p>Potential impacts of a significant or protracted outbreak on DCC's revenue are:</p> <ul style="list-style-type: none"> <li>• loss in revenue due to reduced activity</li> <li>• financial impacts on the DCC, Waipori Fund and DCC companies as a result of changing market conditions</li> </ul>

Assumption	Level of uncertainty	Reason for uncertainty	Effects of the uncertainty
<p><b>Impacts of COVID-19 on DCC services and capital delivery</b></p> <p>In 2019/20, there was a delay in delivery of some services and capital programmes due to COVID-19 alert levels.</p> <p>DCC services and delivery would be impacted by escalating COVID-19 alert levels and continuing impacts on supply chains.</p>	High-Medium	A number of factors contribute to the uncertainty, including the extent of community transmission over time, new COVID variants, the timing of a vaccine rollout and the extent of on-going border restrictions.	<p>Potential impacts of a significant or protracted outbreak are:</p> <ul style="list-style-type: none"> <li>delay in critical DCC work, including the delivery of infrastructure projects, and impacts from disruptions in the supply chain</li> <li>increased pressure and risk to the DCC's digital infrastructure</li> <li>increased costs to respond to changes in central government, Council and community needs, priorities and obligations.</li> </ul>
<p><b>Impacts of COVID-19 on DCC staff</b></p> <p>During 2020, DCC staff faced increased pressure to deliver functions under stringent business continuity protocols. This included working from home, managing changes, delays or the closure of business activities, ensuring health and safety and wellbeing of staff and contractors, redeployment and adopting civil defence roles in a changing environment.</p> <p>A significant or protracted outbreak will impact DCC staff and recruitment.</p>	High-Medium	A number of factors contribute to the uncertainty, including the extent of community transmission over time, new COVID variants, the timing of a vaccine rollout and the extent of on-going border restrictions.	<p>Potential uncertainty in planning for and responding to a changing environment and working conditions for DCC staff.</p> <p>Potential for recruitment challenges due to on-going border restrictions.</p>
<p><b>Impacts of COVID-19 on DCC population, dwelling and rating projections</b></p> <p>The DCC's growth scenarios were reviewed in June 2020 by external consultants Infometrics to assess the potential impact of the pandemic on the growth assumptions. Infometrics suggested minimal impact on population, dwelling and rating unit projections post-COVID-19 outbreak, in part due to the longer term planning horizons for these projections. Infometrics projected the increase in returning New Zealanders would offset a decline in international migration.</p>	High	A number of factors contribute to the uncertainty, including the extent of community transmission over time, new COVID variants, the timing of a vaccine rollout and the extent of on-going border restrictions.	Impacts of higher or lower growth than projected are an increase or decrease in demand for services and infrastructure creating potential for under or overspend of the 10 year plan budget.

Assumption	Level of uncertainty	Reason for uncertainty	Effects of the uncertainty												
<p><b><i>Impacts of COVID-19 on projected visitor numbers on a peak day</i></b></p> <p>In June 2020, Infometrics prepared post-COVID-19 visitor projections.</p> <p>Infometrics predicts international visitors to Dunedin are not expected to return to pre-COVID-19 (2019) levels until 2031, although total visitors will recover earlier due to growth in domestic visitors.</p> <table><tr><th>2018</th><th>2028</th><th>2038</th><th>2048</th><th>2058</th><th>2068</th></tr><tr><td>24,490</td><td>26,250</td><td>28,713</td><td>30,382</td><td>32,209</td><td>34,420</td></tr></table> <p>Source: DCC Post COVID-19 growth projections update</p>	2018	2028	2038	2048	2058	2068	24,490	26,250	28,713	30,382	32,209	34,420	High	<p>There is increased uncertainty over projected visitor numbers post COVID-19.</p> <p>Uncertainty over the timing of the border reopening will influence visitor numbers.</p>	<p>The potential impact of lower or higher than anticipated visitor growth are impacts on the timing/demand for infrastructure and on the composition of the Dunedin economy.</p>
2018	2028	2038	2048	2058	2068										
24,490	26,250	28,713	30,382	32,209	34,420										
<p><b><i>Impacts of COVID-19 on the Dunedin economy</i></b></p> <p>Economic activity in Dunedin city remained resilient in 2020 post-lockdown, despite the stringent public health restrictions put in place nationally.</p> <p>Although there is uncertainty regarding the pathway to recovery from COVID-19 and its impacts, the Dunedin economy is expected to hold up and recover relatively well due to public sector funded projects.</p> <p>In particular, the new Dunedin Hospital rebuild as well as Council and University led projects are likely to boost Dunedin’s wider economic activity.</p> <p>As the rebuild and other major projects get underway, increased demand within the construction, engineering, manufacturing, ICT and technology sectors is anticipated. This will likely further stimulate job opportunities in these sectors.</p> <p>Over the next 15 years Coastal Otago is expected to have \$3.3b of construction projects (valued at \$20m or over) almost all of which will be located in Dunedin. Current forecasts suggest this work is 90% public sector driven, with the new Dunedin Hospital expecting to make up 42% of spend and the remainder coming from investment in infrastructure and education.</p>	High	<p>The medium to longer term impacts of COVID-19 on the Dunedin economy are unknown.</p>	<p>Potential impacts of slower than anticipated economic growth are:</p> <ul style="list-style-type: none"><li>• Increased unemployment</li><li>• Financial pressure on DCC and communities</li><li>• Longer term changes in the composition of the Dunedin economy</li><li>• Greater need for support for Dunedin businesses and workers</li></ul> <p>Young people, Māori, Pasifika, and women are more likely to be disproportionately impacted by job losses in a recession when compared to other groups, based on historical trends. The extent of this impact and on longer term outcomes is yet to be determined.</p>												

Assumption	Level of uncertainty	Reason for uncertainty	Effects of the uncertainty																																								
<p><b>Impacts of COVID-19 on the community</b></p> <p>The Dunedin community will be impacted by a significant or protracted outbreak of COVID-19.</p> <p>Māori, Pasifika, and other groups may be disproportionately impacted by COVID-19.</p>	High <u>Medium</u>	Impact of the pandemic on groups within the community is unknown	<p>The potential impacts on the community of a significant outbreak include pressure on community wellbeing, including increased demands on support services and agencies.</p> <p>Greater monitoring of the socio-economic impacts of the pandemic is needed.</p>																																								
<p><b>2. DEMOGRAPHIC CHANGE</b></p> <p><b>Projected usually resident population growth</b></p> <p>Dunedin’s population will grow at a higher rate until 2038 reaching 142,318. From 2038 onwards the population rate will then return to a medium growth scenario.</p> <table><tr><th>2018</th><th>2028</th><th>2038</th><th>2048</th><th>2058</th><th>2068</th></tr><tr><td>130,520</td><td>138,674</td><td>142,318</td><td>142,985</td><td>143,616</td><td>144,249</td></tr></table> <p>Source: DCC Post COVID-19 growth projections update</p>	2018	2028	2038	2048	2058	2068	130,520	138,674	142,318	142,985	143,616	144,249	Medium/ High	<p>That resident population growth is higher or lower than projected.</p> <p>There is increased uncertainty post-COVID-19.</p>	<p>Potential impacts of higher or lower than anticipated population growth are:</p> <ul style="list-style-type: none"><li>increased or decreased demand on regulatory services</li><li>increased or decreased demand for services</li><li>higher or lower demand for housing and infrastructure</li><li>higher or lower city emissions</li><li>a larger or smaller than anticipated rating base to fund services.</li></ul>																												
2018	2028	2038	2048	2058	2068																																						
130,520	138,674	142,318	142,985	143,616	144,249																																						
<p><b>Ageing population</b></p> <p>Dunedin’s population is ageing, with 21% of the population projected to be 65 years or over by 2028 (compared to 16% in 2018). By 2038 the 65 years and over demographic will be Dunedin’s second largest age group (after the 25 years and under age group).</p> <p><b>Dunedin's age groups overtime</b></p> <table><caption>Dunedin's age groups overtime</caption><thead><tr><th>Year</th><th>25 and under</th><th>25 to 44</th><th>45 to 64</th><th>65 and over</th></tr></thead><tbody><tr><td>2018</td><td>36</td><td>23</td><td>25</td><td>16</td></tr><tr><td>2023</td><td>37</td><td>22</td><td>23</td><td>18</td></tr><tr><td>2028</td><td>36</td><td>22</td><td>21</td><td>21</td></tr><tr><td>2033</td><td>35</td><td>23</td><td>20</td><td>22</td></tr><tr><td>2038</td><td>34</td><td>23</td><td>19</td><td>23</td></tr><tr><td>2043</td><td>34</td><td>23</td><td>19</td><td>24</td></tr><tr><td>2048</td><td>34</td><td>23</td><td>19</td><td>23</td></tr></tbody></table> <p>■ 25 and under ■ 25 to 44 ■ 45 to 64 ■ 65 and over</p> <p>Source: DCC Post COVID-19 growth projections update</p>	Year	25 and under	25 to 44	45 to 64	65 and over	2018	36	23	25	16	2023	37	22	23	18	2028	36	22	21	21	2033	35	23	20	22	2038	34	23	19	23	2043	34	23	19	24	2048	34	23	19	23	Low	Demographic changes are influenced by many external variables and may happen faster than projected, changing demand for DCC services.	<p>Potential impacts of the population ageing at a faster rate than anticipated are:</p> <ul style="list-style-type: none"><li>increased demand for services and infrastructure for older people</li><li>higher demand for housing suitable for an older population</li><li>a higher than anticipated proportion of ratepayers on a fixed income.</li></ul>
Year	25 and under	25 to 44	45 to 64	65 and over																																							
2018	36	23	25	16																																							
2023	37	22	23	18																																							
2028	36	22	21	21																																							
2033	35	23	20	22																																							
2038	34	23	19	23																																							
2043	34	23	19	24																																							
2048	34	23	19	23																																							

Assumption	Level of uncertainty	Reason for uncertainty	Effects of the uncertainty												
<b>3. GROWTH AND URBAN DEVELOPMENT</b> <b>National Policy Statement for Urban Development</b> Under the National Policy Statement for Urban Development (NPS-UD), Dunedin is categorised as a tier 2 urban environment.  It is assumed the DCC will meet its requirements to provide sufficient development capacity under the NPS-UD.	Low	That dwelling growth is higher than anticipated resulting in more demand than anticipated.  That infrastructure delivery/ funding constraints result in a delay in provision of serviced land.	Potential effects of Dunedin not meeting its NPS-UD requirements are constrained growth (population and economic) resulting in greater housing affordability issues, widening wealth inequality due to high house prices and potential risk of legal challenge (such as appeals on planning decisions e.g. plan changes).												
<b>Projected dwelling growth</b> Dunedin’s dwelling numbers will grow until 2038 reaching a total of 60,511 dwellings. Dwelling growth will then slow. <table><tr><th>2018</th><th>2028</th><th>2038</th><th>2048</th><th>2058</th><th>2068</th></tr><tr><td>52,747</td><td>57,381</td><td>60,511</td><td>60,777</td><td>61,045</td><td>61,314</td></tr></table> <i>Source: DCC Post COVID-19 growth projections update</i>	2018	2028	2038	2048	2058	2068	52,747	57,381	60,511	60,777	61,045	61,314	Medium/ High	That dwelling growth is higher or lower than projected.  There is increased uncertainty post-COVID-19.	Potential effects of higher or lower than anticipated dwelling growth are increased or decreased demand on regulatory services to process resource and building consents, increased or decreased demand for services and higher or lower demand for new infrastructure.  Slower than anticipated growth may result in a delay in recovering growth infrastructure costs through development contributions.
2018	2028	2038	2048	2058	2068										
52,747	57,381	60,511	60,777	61,045	61,314										
<b>4. CLIMATE CHANGE</b> <b>Carbon Zero 2030 target</b> The DCC has declared a climate emergency and adopted a ‘Zero Carbon 2030’ target for Dunedin’s emissions, in two parts: <ul style="list-style-type: none"><li>- net zero emissions of all greenhouse gases other than biogenic methane by 2030, and</li><li>- 24 to 47 per cent reduction below 2017 biogenic methane emissions by 2050, including 10 per cent reduction below 2017 biogenic methane emissions by 2030.</li></ul> The DCC also has a commitment to reduce emissions from its own operations, with targets currently under review.  It is assumed the DCC will meet its organisational and city-wide carbon emission targets.	High	The steps and funding needed to achieve the internal and city-wide emissions targets have not been fully scoped.  The DCC faces higher than anticipated financial costs to reduce emissions.  The DCC has difficulty aligning business practices and activity with emissions reduction targets and plans.	The potential impacts of Dunedin not meeting its emissions reduction targets are: <ul style="list-style-type: none"><li>• misalignment with national emissions reduction targets and policy direction</li><li>• misalignment with community expectations, leading to negative effects on political and organisational reputation</li><li>• potential increase in financial costs due to the need to offset emissions to meet targets or legislative requirements.</li></ul>												

Assumption		Level of uncertainty	Reason for uncertainty	Effects of the uncertainty
			Potential lack of community support for emissions reduction plans and projects.	
<p><b>Climate change projections:</b>            The DCC projections are based on two RCPS (global climate models), RCP4.5 and RCP8.5 (outlined below) and are calculated on a 1986 – 2005 baseline year. RCPs are scenarios that describe the alternative pathways of greenhouse gas emissions and are based on different assumptions about population, economic growth, energy consumption and land use over this century.</p> <ul style="list-style-type: none"> <li>• <b>RCP 4.5:</b> Global emissions peak around mid-century at around 50% higher than 2000 levels and then decline rapidly over 30 years. Population and economic growth are moderate.</li> <li>• <b>RCP 8.5:</b> Global emissions continue to increase rapidly through the early and mid-parts of the century stabilising at 2100 at just over 4 times 2000 levels. Population reaches 12 billion by centuries end. Economic growth is high but assumes much lower incomes and per capita growth in developing countries.</li> </ul>		Medium/ High	Climate change may occur at a faster or slower rate than anticipated.	<p>The potential impacts of greater than projected climate change, particularly sea level rise and extreme rain events are:</p> <ul style="list-style-type: none"> <li>• a rapid change in the environment and ecosystems</li> <li>• a requirement for the DCC to accelerate its adaptation plans to reduce the harm on communities</li> <li>• an increased cost of adaptation in the short to medium term</li> <li>• less time for engagement, and planning with the community</li> <li>• potential for widening wealth inequality and a reduction in social cohesion in affected communities.</li> </ul>
Mean temperature change	By 2040: +0.5c to +0.6c By 2090: +0.9c to +1.8c			
Sea level Rise (SLR) (metres above baseline)	By 2040: +0.19m to +0.27m SLR By 2090: +0.49m to +0.9m SLR			
Average number of hot days per year [temperature >30c] (relative to average present, 1 extreme hot day every 5 years)	By 2040: On average, <u>0.5 to 0.6</u> extreme hot days every 2 years By 2090: On average, <u>0.8 to 1.8</u> extreme hot days every year			
Average number of frost days per year [temperature <0c] (relative to average present 9.3 frost days per year)	By 2040: On average, 7.5 to 7.4 frost days every year By 2090: On average, 6.4 to 3.3 frost days per year			
Annual Rainfall volume	By 2040: +2% By 2090: +5% to +13%			
Volume of rain during 1hr duration 1:100-year extreme rainfall event (mm)	By 2040: +3.2mm to +3.7mm in an hour period By 2090: +5.2mm to +11.2mm in an hour period			

Assumption		Level of uncertainty	Reason for uncertainty	Effects of the uncertainty
of rain increases relative to present (32mm)				
Snow Days	Under all scenarios the number of snow days reduces everywhere in Otago.			
Waves and Storm Surges	Under all scenarios storm surge peaks for the south Otago coast are estimated to increase over the century.			
Source: NIWA 2019 <sup>28</sup> . <i>Otago Climate Change Projections for the Otago Region</i> . Wellington  Source: Ministry for the Environment 2017. <i>Coastal Hazards and Climate Change Guidance for Local Government Change</i> . Wellington				
<b>5. RESILIENCE AND CIVIL DEFENCE</b> <b>Resilience to emergencies</b> Dunedin is at risk of natural disasters, the key risks for the city are: <ul style="list-style-type: none"> <li>• flooding due to heavy rain event</li> <li>• tsunami due to offshore earthquake</li> <li>• earthquakes and land instability due to fault line shifts</li> <li>• fires due to hot days.</li> </ul> It is assumed the DCC and community will be impacted by civil defence emergencies.		High	The number and scale of civil defence emergencies is unknown.	If a significant disaster occurs that exceeds the DCC's ability to respond, this will result in: <ul style="list-style-type: none"> <li>• risks to infrastructure, property and essential services</li> <li>• risks to DCC supply chains</li> <li>• increased pressure on DCC staff to respond while continuing to provide DCC services</li> <li>• financial impact</li> <li>• changes to Council priorities in response to emergencies.</li> </ul>
<b>6. RESOURCE CONSENTS FOR DCC PROJECTS</b> Where resource consents are required for DCC projects, it is assumed the conditions of those resource consents will not significantly alter the operating or capital expenditure required to undertake the programmes or projects.		Low	That unexpected resource consent conditions are imposed on DCC projects.	Unexpected resource consent conditions could result in unbudgeted capital and/or operating expenditure to progress impacted projects.
<b>7. LEVELS OF SERVICE</b> While there are some levels of service changes in this 10 year plan e.g. kerbside and Mosgiel Pool, it is assumed existing levels of service will be maintained unless otherwise stated for the duration of the 10 year plan.		Low	That unexpected changes to levels of service occur.	Unplanned improvements to service levels require unbudgeted capital and/or operating expenditure.

Assumption	Level of uncertainty	Reason for uncertainty	Effects of the uncertainty
<b>8. FUTURE LEGISLATIVE CHANGES</b> <b>Proposed 3 Waters reform</b> <p>The detail of the 3 Waters reform is still being developed.</p> <p>In line with central government guidance, for the purposes of this 10 year plan it is assumed that the DCC will deliver 3 Waters services over the life of the 10 year plan.</p> <p>Any flow on impacts of the 3 Waters reform on the DCC will be assessed as part of the analysis of the proposal from central government.</p>	High	The scope and timing of 3 Waters reform is unknown.	The 10 year plan financial assumptions and infrastructure strategy plans specific to 3 Waters do not account for potential changes resulting from future 3 Waters reforms.
<b>Proposed RMA changes</b> <p>Significant changes to the Resource Management Act (RMA) have been signalled by central government. A comprehensive review (New Directions for Resource Management in New Zealand) has proposed replacing the RMA with three separate pieces of legislation:</p> <ul style="list-style-type: none"> <li>• Natural Built Environments Act</li> <li>• Strategic Planning Act</li> <li>• Managed Retreat and Climate Change Adaptation Act.</li> </ul> <p>It is assumed that reform of the RMA will impact on the DCC's activities.</p>	Low	The scope, specifics and timing of RMA changes are unknown.	<p>Potential impacts of significant RMA reform include:</p> <ul style="list-style-type: none"> <li>• Revision of the District Plan or district planning framework</li> <li>• changes to DCC consenting processes</li> <li>• unforeseen requirements for additional operating and capital expenditure.</li> </ul>
<b>Proposed building regulation changes</b> <p>Changes to building regulations and/or consenting requirements have been signalled by central Government. Some changes include the Building Law Reform programme and Building for Climate Change.</p>	Medium	The scope and timing of building regulation changes are unknown.	Any changes to building regulations and or consenting requirements would impact the DCC as a Building Consent Authority.
<b>Climate change related legislative changes</b> <p>Changes in legislation related to climate change have been signalled by central government.</p>	Medium	The scope and timing of changes in climate change related legislation are unknown.	Significant changes to the climate change related legislation may impact (positively or negatively) on the DCC's ability to both mitigate and adapt to climate change.
<b>9. WASTE DISPOSAL FACILITIES</b> <p>Green Island landfill's existing resource consents will in October 2023. Provision has been made for the operating costs of securing a possible extension to this resource consent.</p> <p>Capacity issues mean a new landfill or alternative waste disposal facility will be required to accommodate Dunedin's residual waste in future.</p>	Low	The timing of a resource consent extension for the Green Island landfill and the new landfill is uncertain (see also the assumption regarding 'resource consents' above).	There may be delays or increased costs due to consenting issues and community unease about the location of the new landfill.

Assumption	Level of uncertainty	Reason for uncertainty	Effects of the uncertainty
The capital programme includes provision for a new landfill at Smooth Hill.		The lead time for the development of a new landfill or alternative waste disposal facility is significant and work is currently underway.	
<b>10. FINANCIAL ASSUMPTIONS</b> <b>Capital expenditure budget for renewals</b> The levels of renewals budgeted in this 10 year plan and 50 year Infrastructure Strategy will ensure the long term integrity of infrastructure assets.	Low	Generally, the DCC can determine budgets for renewals, subject to market forces, and legislative and regulatory changes.	Long term deferral of renewals poses a risk of asset deterioration and compromise of network integrity and requires unbudgeted capital and/or operating expenditure.
<b>Internal capacity and capability</b> Ongoing improvements to work and procurement practices will allow delivery of operational and capital expenditure programmes and projects. The COVID-19 pandemic may impact on internal capacity and capability to deliver.	Low/ Medium	Generally, the DCC can determine resourcing for programme and project delivery, subject to market forces. There is uncertainty about the impact of the pandemic on internal capacity.	Failure to adequately resource capital expenditure programmes and projects may impact on delivery, which may result in future unbudgeted capital and/or operating expenditures. A significant or protracted outbreak of COVID-19 and flow on effects from the pandemic may impact the delivery of the capital programme.
<b>External capacity and capability</b> Sufficient design, engineering and construction capacity, including availability of construction materials, exists to undertake contracted operational and capital expenditure programmes. The COVID-19 pandemic may impact on external capacity and capability to deliver.	Low/ Medium	That other large-scale national or local projects (e.g. Christchurch or Dunedin Hospital rebuilds) impact on local industry capacity and capability. There is uncertainty about the impact of the pandemic on external capacity.	Issues with the availability of contractors may cause delays or require unbudgeted capital and/or operating expenditures. A significant or protracted outbreak of COVID-19 and flow on effects from the pandemic may impact the delivery of the capital programme.

Assumption	Level of uncertainty	Reason for uncertainty	Effects of the uncertainty
<b><i>Useful lives of significant assets</i></b> The useful lives of significant assets shown in accounting policies and asset management plans have been appropriately assessed.	Low	Appropriate practices are followed.	An unexpected failure of an asset due to an inadequate assessment of the remaining useful life may require unbudgeted capital and/or operating expenditures.
<b><i>Fixed asset valuations</i></b> Scheduled revaluations of assets and forecast asset values in the budget are based on the DCC's valuation policies, which are consistent with accounting standards for Public Benefit Entities.	Low	Revaluations are scheduled regularly to ensure minimal variation of asset values between valuations. The DCC's Statement of Accounting policies describes how potential variances are managed within the financial statements.	Revaluations are significantly different from the forecasts, which would impact depreciation.
<b><i>Inflation</i></b> Inflation adjustors are applied as per the price level adjustors schedule provided below.	Low	Inflation levels and prices may vary from those projected.	Unexpected inflation may require unbudgeted capital and/or operating expenditures.
<b><i>Borrowing Costs</i></b> Interest on existing and new debt is calculated at 2.85% per annum for floating debt.	Low	There is uncertainty on the floating rate debt, but the expectation is that interest rates will stay relatively low for a considerable period.	Interest rates may vary from those projected and require unbudgeted financing expenditures.

Assumption	Level of uncertainty	Reason for uncertainty	Effects of the uncertainty
<p><b>Waka Kotahi New Zealand Transport Agency subsidy rates</b></p> <p>Revenue from the Waka Kotahi New Zealand Transport Agency (Waka Kotahi) is calculated at the normal funding assistance rates. These are 53% for 2021/22, 52% for 2022/23 and 51% per annum from the 2023/24 year.</p> <p>Subsidy rates vary depending on the nature of the work being completed.</p> <p>Waka Kotahi funding constraints (partly driven by the impact of the COVID-19 pandemic and current income shortfalls in petrol tax) along with changing priorities for Waka Kotahi funding, means that in the short term at least, renewals funding will be limited to \$7 - \$8 million per annum, short of the \$10 - \$14 million per annum based on standard Waka Kotahi subsidy rates of 51% – 53%. We need to continue investing in the renewal of the network to ensure levels of service are maintained, therefore it is anticipated that in the short term at least there will be an additional funding requirement from the DCC. This will be financed through a combination of debt and rates funding over the course of the 10 year plan.</p>	Medium	Subsidy levels may vary from those projected and NZTA agency priorities areas may differ from the DCC's renewal and capital programme.	Subsidy revenue may be less than expected and require changes to levels of service and/or unbudgeted capital and expenditures.
<p><b>Forecast return on investments</b></p> <p>Refer to the Financial Strategy for information on returns from Council-owned companies, the Waipori Fund and the Investment property portfolio.</p> <p>The target from the Waipori Fund is inflation adjusted using the price level adjustor provided below. The return from Council-owned companies is not inflation adjusted.</p>	Low	Income from investments may vary from those projected.	Investment income may be less than expected requiring changes to levels of service and/or an increase in revenue.
<p><b>Sources of funds for future replacement of significant assets</b></p> <p>The Revenue and Financing Policy outlines the funding sources for capital expenditure.</p> <p>The Financial Strategy outlines the use of debt and other sources to deliver the capital programme while limiting debt to within the debt limits outlined in the Financial Strategy.</p>	Low	The timing and/or cost of the capital expenditure programme may vary.	Variation to the timing and/or cost of the capital expenditure programme may require changes to levels of service and/or an increase in revenue.

**Price level adjustors schedule – BERL<sup>1</sup> medium scenario**

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>Index Value</b>										
Roading	1042	1075	1107	1139	1172	1206	1241	1277	1315	1353
Water and environmental	1019	1055	1082	1112	1144	1176	1213	1254	1297	1337
LGCI Opex	1030	1059	1086	1113	1141	1169	1199	1231	1264	1297
LGCI Capex	1030	1061	1089	1117	1147	1177	1209	1244	1279	1314
CPI	1081	1099	1117	1135	1156	1179	1204	1231	1259	1287
<b>Inflation Adjustors - Cumulative</b>										
Roading	100.0%	103.2%	106.2%	109.3%	112.5%	115.7%	119.1%	122.6%	126.2%	129.8%
Water and environmental	100.0%	103.5%	106.2%	109.1%	112.3%	115.4%	119.0%	123.1%	127.3%	131.2%
LGCI Opex	100.0%	102.8%	105.4%	108.1%	110.8%	113.5%	116.4%	119.5%	122.7%	125.9%
LGCI Capex	100.0%	103.0%	105.7%	108.4%	111.4%	114.3%	117.4%	120.8%	124.2%	127.6%
CPI	100.0%	101.7%	103.3%	105.0%	106.9%	109.1%	111.4%	113.9%	116.5%	119.1%
<b>Inflation Adjustors - Annual</b>										
Roading		3.2%	3.0%	2.9%	2.9%	2.9%	2.9%	2.9%	3.0%	2.9%
Water and environmental		3.5%	2.6%	2.8%	2.9%	2.8%	3.1%	3.4%	3.4%	3.1%
LGCI Opex		2.8%	2.5%	2.5%	2.5%	2.5%	2.6%	2.7%	2.7%	2.6%
LGCI Capex		3.0%	2.6%	2.6%	2.7%	2.6%	2.7%	2.9%	2.8%	2.7%
CPI		1.7%	1.6%	1.6%	1.9%	2.0%	2.1%	2.2%	2.3%	2.2%
Roading NZTA Operating Revenue		2.2%	2.0%	2.9%	2.9%	2.9%	2.9%	2.9%	3.0%	2.9%
Standard NZTA Subsidy Rate:	53%	52%	51%	51%	51%	51%	51%	51%	51%	51%

<sup>1</sup> Source: BERL Local government cost adjustor forecasts: Three scenarios, March 2020

### Rating unit projections

The projections have been developed to comply with Schedule 10 section 15A of the LGA 2002 and to allow DCC to use these projections in their long term planning process.

Rating unit categories	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031
Residential and lifestyle	52,676	53,153	53,630	54,106	54,494	54,882	55,269	55,657	56,045	56,385	56,725
Non-residential	4,395	4,435	4,475	4,515	4,515	4,514	4,513	4,512	4,512	4,521	4,529
Other	1,994	1,994	1,994	1,994	1,994	1,994	1,994	1,994	1,994	1,994	1,994
<b>Total rating units</b>	<b>59,065</b>	<b>59,582</b>	<b>60,099</b>	<b>60,616</b>	<b>61,003</b>	<b>61,390</b>	<b>61,777</b>	<b>62,164</b>	<b>62,551</b>	<b>62,899</b>	<b>63,248</b>

The average annual increase in total rating units for the 10 year plan 2021-31 period is just under 418 rating units per year, approximately 0.7% per year. The approach differs for each type of rating unit, which is discussed below. The growth projection data used is from the *2020 Post COVID-19 DCC Growth Projections 2018 to 2068*.

**Residential and Lifestyle** - the assumption is that each new dwelling creates a new rating unit. This means that in the long term, the current provision of vacant properties will be replenished as they are utilised. The 2018 rating unit base data is calculated using the DCC's rating information on land uses. The number of Residential and Lifestyle rating units was then increased by the percentage of growth in dwellings for each five-year period.

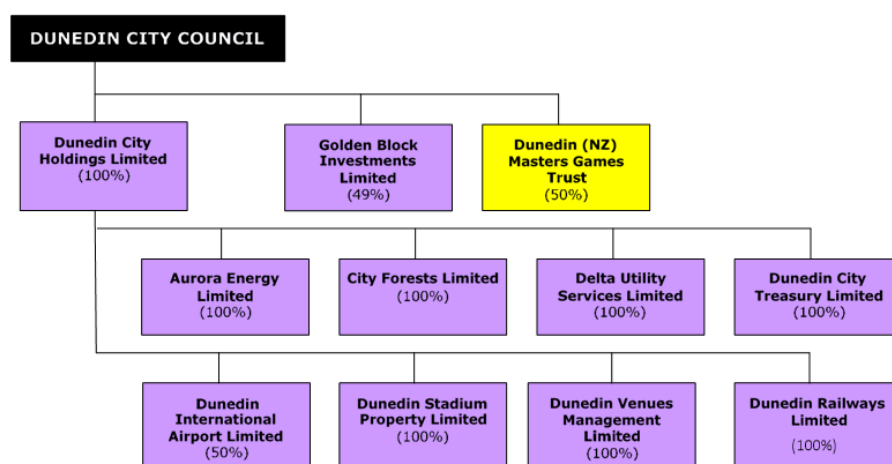
**Commercial Rating Units** - The future demand for Commercial rating units is based on the projected number of people working within the applicable industry sectors. The projected growth rate of commercial rating units is assumed to be equivalent to the projected growth rate in the modified employee count. This presumes that the ratio of commercial rating units to employees remains static. The unit of employment is the Modified Employment Count developed by Market Economics using the Economic Futures Model.

**Other rating units** - The remaining rating unit categories (Farmland, Churches, Schools, other) make up less than 4% of the total rating units. For simplicity, these rating units are assumed to remain the same.

## 4.5 Council controlled organisations | He ohu nā te Kaunihera

In order to achieve key strategic objectives for Dunedin, the Council owns a number of Council Controlled Organisations (CCOs). These CCOs manage facilities, assets and/or deliver significant services on behalf of the Council and the wider Dunedin community. There are three kinds of CCOs – Council Controlled Trading Organisations (CCTOs); not-for-profit CCOs; and non-trading CCOs. Each of the trading CCOs prepares a “Statement of Intent” which sets out its mission, objectives and performance targets for each financial year.

The following diagram illustrates the current structure and ownership of the CCOs.



### Dunedin City Holdings Limited and subsidiaries

Dunedin City Holdings Limited (DCHL) is the parent company of many of the Council Controlled Trading Organisations and has the primary role of monitoring the operating performance of its subsidiary and associated companies to ensure each company provides the maximum advantages in all respects to the Council.

The Statement of Intent for DCHL identifies specific objectives and performance targets for 2021/22.

The following table sets out the key financial targets for DCHL.

	Interest and dividends provided to DCC
2020/21	\$ 5.9 million
2021/22	\$ 5.9 million
2022/23	\$ 5.9 million

Every year, all DCHL's subsidiary companies prepare a Statement of Intent (SOI). DCHL reviews each SOI and then makes recommendations to Council that they be accepted. It should be noted that each CCTO has financial, social, and environmental performance measures.

The following table lists DCHL's subsidiary and associated companies and outlines their main activities.

Nature and scope of activities	Objectives	Key performance measures*
<b>Aurora Energy Limited</b>		
The company undertakes activities related to the ownership, development and strategic management of electricity distribution network assets and other infrastructural assets	To support the future growth and wellbeing of communities in the Otago region by supplying electricity when and where it is needed – safely, reliably and efficiently.	To deliver electricity supplies to consumers on the Aurora network of a reliability standard that meets the service level targets in the company's 2020-2030 Asset Management Plan.  Contribute to Council's Strategic Framework and Climate Change and Carbon Neutrality initiatives.  Engage with the Shareholder annually on opportunities for the Company to contribute, or assist where possible, with Council's community outcomes (as listed in the Annual Plan).
<b>City Forests Limited</b>		
The Company's forests are principally located in the Coastal Otago Region while the products produced from its activities are sold on local and international markets. The Company's scope of activities includes expansion of opportunities in forest ownership and activities across the value chain.	Maintain and enhance the values of the Forest Estate investment, including economic, social and environmental values, through a strategy of sustainable forest management, sustainable harvest levels, fit for purpose asset maintenance, maintaining a safe and capable workforce of both staff and contract employees, and caring for and enhancing environmental values, particularly carbon sequestration, water quality and rare threatened and endangered species.	The Company will achieve a 6% return (or greater) on Shareholders' funds measured on a post-tax 3 year rolling average basis.  The Company will participate in the NZ ETS and may realise returns from the sales of carbon stored in the Company forests in compliance with its Carbon Policy.  The company will meet its annual supply commitment to domestic customers taking into account any mutually agreed variations.  Opportunities for expanding the Company's scale will continue to be investigated including joint ventures. The company will report annually on the hectares of land acquired / divested including joint ventures.

Nature and scope of activities	Objectives	Key performance measures*
<b>Delta Utility Services Limited</b>		
The principal activity of the Company is the provision of contracting services, which include the construction, operation and maintenance of essential energy and environmental infrastructure.	To deliver innovative, high quality infrastructure services, by providing smart, sustainable thinking to its customers and always working safe, therefore ensuring the vision of being a leading infrastructure specialist.	Contribute to Council's Strategic Framework, Climate Change and Carbon Neutrality initiatives.  Bring to the attention of the Shareholder any strategic or operational matters where there may be conflict between the Council's community outcomes and those of the Company and seek the Shareholder's view on these.
<b>Dunedin City Treasury Limited (DCTL)</b>		
The company is responsible for managing the funding the Council and its CCOs, and includes cash and liquidity management, group banking and investment management.	Ensure adequate funds are available to meet ongoing obligations, minimising funding costs and maximising return on surplus funds, within acceptable levels of risk.	Manage the liquidity risk of the DCC Group and use a variety of funding sources to achieve appropriate levels of funds as required by the DCC group.  Securely invest surplus cash available from within the DCC Group, ensuring funds deposited outside the DCC Group are compliant with the DCC Treasury Risk Management Policy.  Manage the 'Waipori Fund' fully in accordance with policy and objectives set by Council to achieve the investment objectives.
<b>Dunedin International Airport Limited</b>		
The primary activity of the company is to operate a safe and efficient airport utilising sound business principles, for the benefit of both commercial and non-commercial aviation users, and in accordance with the terms of its aerodrome certificate issued by the Civil Aviation Authority of NZ. The company is also responsible for managing assets not currently used for airport activities, but which may be used in the	To make safety and security first priority.  To be environmentally responsible.  To optimise commercial return to our shareholders.  Increase passenger numbers on regular scheduled services.  To develop and strengthen our partnerships.  To provide the best customer service experience.	Work with staff and stakeholders to maximise safety on site for all staff, passengers and visitors.  In a cost-effective manner, establish systems to measure and publicly report our environmental footprint from our waste, energy, fuel, water and noise by the end of 2021-22 financial year.  Achieve increased non-aeronautical activities revenues from activities compared to the previous year.

Nature and scope of activities	Objectives	Key performance measures*
future, e.g., land held for airport expansion, environmental control purposes, or commercial operations inside the airport zone.		Produce quarterly reports from continuous customer satisfaction surveys.  No delays to regular scheduled passenger operations are incurred as a result of airside infrastructure.
<b>Dunedin Stadium Property Limited</b>		
The primary purpose is ownership of Forsyth Barr Stadium.	Ensure this asset remains a fit for purpose venue for public and private events.	Asset maintenance is compliant with the Asset Management Plan schedules and principles, including condition based assessments.  Ensure an appropriate debt repayment programme is in place.
<b>Dunedin Railways Limited</b>		
The company previously operated tourist train services. The company is now in hibernation, maintaining assets pending evaluation and consideration of options for the Company and its assets.	Manage the Hibernation Plan to protect and maintain Dunedin Railways Limited's assets.	Hibernation Plan is prepared and reported on to the Board on a quarterly basis.
<b>Dunedin Venues Management Limited (DVML)</b>		
The principal activities of DVML are: source and secure appropriate events for all venues under its management; plan, host and deliver exceptional events; manage the assets and facilities for which it is responsible; facilitate community access to the venues for which it is responsible.	DVML will contribute to the growth and vitality of Dunedin City by driving strong and sustainable business performance, building a reputation for innovation and excellence in venue management and demonstrating our commitment to the delivery of outstanding event experiences.	Achieve a 15:1 return on investment of the Event Attraction Fund.  Achieve a minimum of \$5m visitor spend per each major event (>10,000 pax) for Dunedin City.  Achieve minimum 80% satisfaction rating through surveys of all major events (>10,000 pax).  60% of attendees of all major events (>10,000 pax) to come from outside of Dunedin City.

\* the key performance measures are from the 2020/21 Statement of Intent for each company and are reviewed annually.

**Council Controlled Organisations (not for profit)**

Not-for-profit organisations are also considered Council Controlled Organisations if the Council and other local authorities have the power to appoint 50% of the trustees to the Board.

**Small organisations**

Dunedin (New Zealand) Masters Games Trust

On 10 August 2011, the Council granted an exemption under section 7 of the Local Government Act 2002 after consideration of the size of the organisation and the nature and scope of the Trust activities. This exemption was reconfirmed on 31 October 2017.

**Minority Shareholdings**

Golden Block Investments Limited

Golden Block Investments Limited owns and manages a retail property in central Dunedin with the Council being a 49% shareholder. Major tenants include Starbucks, Fisher and Paykel, Millers and Barkers.

## Group Information

### Table of Contents

Roading and Footpaths Funding Impact Statement.....	2
Sewerage and Sewage Funding Impact Statement.....	3
Stormwater Funding Impact Statement.....	4
Water Supply Funding Impact Statement .....	5
Waste Management Funding Impact Statement .....	6
Reserves and Recreational Facilities Funding Impact Statement.....	7
Property Funding Impact Statement.....	8
Ara Toi (Libraries and Museums) Funding Impact Statement.....	9
Regulatory Services Funding Impact Statement.....	10
Community and Planning Funding Impact Statement.....	11
Economic Development Funding Impact Statement.....	12
Governance and Support Services Funding Impact Statement .....	13

**Dunedin City Council**  
**Funding Impact Statement**  
**for the Years Ended 30 June 2022 - 2031 for Roothing and Footpaths**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	Annual Plan	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	17,380	20,351	21,325	22,078	23,510	25,041	26,648	28,210	29,860	31,164	32,417
Targeted rates	30	30	32	34	36	38	40	42	45	47	48
Subsidies and grants for operating purposes	10,539	10,801	11,040	11,263	11,590	11,926	12,272	12,627	12,994	13,383	13,772
Fees and charges	1,183	1,126	1,162	1,196	1,231	1,267	1,303	1,341	1,380	1,422	1,463
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	933	846	873	899	925	952	980	1,008	1,037	1,069	1,100
<b>Total operating funding</b>	<b>30,065</b>	<b>33,154</b>	<b>34,432</b>	<b>35,470</b>	<b>37,292</b>	<b>39,224</b>	<b>41,243</b>	<b>43,228</b>	<b>45,316</b>	<b>47,085</b>	<b>48,800</b>
<b>Application of operating funding</b>											
Payments to staff and suppliers	24,522	25,078	25,974	26,823	27,652	28,560	29,431	30,302	31,197	32,139	33,062
Finance costs	1,191	2,530	2,703	3,148	3,597	4,030	4,464	4,833	5,154	5,422	5,694
Internal charges and overheads applied	1,828	1,826	1,877	1,924	1,973	2,022	2,072	2,126	2,184	2,243	2,301
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total application of operating funding</b>	<b>27,541</b>	<b>29,434</b>	<b>30,554</b>	<b>31,895</b>	<b>33,222</b>	<b>34,612</b>	<b>35,967</b>	<b>37,261</b>	<b>38,535</b>	<b>39,804</b>	<b>41,057</b>
<b>Surplus/(deficit) of operating funding</b>	<b>2,524</b>	<b>3,720</b>	<b>3,878</b>	<b>3,575</b>	<b>4,070</b>	<b>4,612</b>	<b>5,276</b>	<b>5,967</b>	<b>6,781</b>	<b>7,281</b>	<b>7,743</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	28,409	15,386	14,794	18,112	17,836	13,859	16,262	15,219	13,309	11,853	12,697
Development and financial contributions	344	120	120	120	120	120	120	120	120	120	120
Increase/(decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding</b>	<b>28,753</b>	<b>15,506</b>	<b>14,914</b>	<b>18,232</b>	<b>17,956</b>	<b>13,979</b>	<b>16,382</b>	<b>15,339</b>	<b>13,429</b>	<b>11,973</b>	<b>12,817</b>
<b>Application of capital funding</b>											
Capital expenditure											
- to meet additional demand	1,264	859	1,072	1,435	1,372	987	1,055	783	636	552	603
- to improve the level of service	18,996	14,408	14,344	17,978	19,212	16,130	17,306	12,344	8,458	6,462	7,086
- to replace existing assets	12,220	21,633	27,886	31,827	30,507	28,589	30,636	29,832	31,036	31,589	32,997
Increase/(decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) of investments	(1,203)	(17,674)	(24,510)	(29,433)	(29,065)	(27,115)	(27,339)	(21,653)	(19,920)	(19,349)	(20,126)
<b>Total application of capital funding</b>	<b>31,277</b>	<b>19,226</b>	<b>18,792</b>	<b>21,807</b>	<b>22,026</b>	<b>18,591</b>	<b>21,658</b>	<b>21,306</b>	<b>20,210</b>	<b>19,254</b>	<b>20,560</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(2,524)</b>	<b>(3,720)</b>	<b>(3,878)</b>	<b>(3,575)</b>	<b>(4,070)</b>	<b>(4,612)</b>	<b>(5,276)</b>	<b>(5,967)</b>	<b>(6,781)</b>	<b>(7,281)</b>	<b>(7,743)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Dunedin City Council**  
**Funding Impact Statement**  
**for the Years Ended 30 June 2022 - 2031 for Se erage and Se age**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	Annual Plan	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	32,291	34,915	37,357	39,971	42,368	44,909	47,602	50,219	52,980	55,205	57,357
Subsidies and grants for operating purposes	41	41	41	42	43	45	46	47	49	50	52
Fees and charges	824	856	886	909	934	961	988	1,019	1,054	1,090	1,123
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
<b>Total operating funding</b>	<b>33,156</b>	<b>35,812</b>	<b>38,284</b>	<b>40,922</b>	<b>43,345</b>	<b>45,915</b>	<b>48,636</b>	<b>51,285</b>	<b>54,083</b>	<b>56,345</b>	<b>58,532</b>
<b>Application of operating funding</b>											
Payments to staff and suppliers	14,988	14,893	15,586	15,855	16,382	17,103	17,422	18,054	18,945	19,257	19,895
Finance costs	3,987	2,381	1,508	1,756	2,007	2,248	2,490	2,696	2,875	3,024	3,176
Internal charges and overheads applied	2,465	2,913	2,995	3,069	3,146	3,225	3,305	3,391	3,483	3,577	3,670
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total application of operating funding</b>	<b>21,440</b>	<b>20,187</b>	<b>20,089</b>	<b>20,680</b>	<b>21,535</b>	<b>22,576</b>	<b>23,217</b>	<b>24,141</b>	<b>25,303</b>	<b>25,858</b>	<b>26,741</b>
<b>Surplus/(deficit) of operating funding</b>	<b>11,716</b>	<b>15,625</b>	<b>18,195</b>	<b>20,242</b>	<b>21,810</b>	<b>23,339</b>	<b>25,419</b>	<b>27,144</b>	<b>28,780</b>	<b>30,487</b>	<b>31,791</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	200	200	200	200	200	200	200	200	200	200	200
Increase/(decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>
<b>Application of capital funding</b>											
Capital expenditure											
- to meet additional demand	16	1,228	1,951	2,755	2,865	3,192	3,230	3,302	3,392	3,187	2,876
- to improve the level of service	84	2,626	2,700	4,190	542	390	2,001	-	-	-	-
- to replace existing assets	5,166	10,067	10,748	6,783	13,758	12,189	18,519	20,175	23,042	24,484	22,416
Increase/(decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) of investments	6,650	1,904	2,995	6,713	4,845	7,768	1,870	3,867	2,546	3,016	6,699
<b>Total application of capital funding</b>	<b>11,916</b>	<b>15,825</b>	<b>18,395</b>	<b>20,442</b>	<b>22,010</b>	<b>23,539</b>	<b>25,619</b>	<b>27,344</b>	<b>28,980</b>	<b>30,687</b>	<b>31,991</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(11,716)</b>	<b>(15,625)</b>	<b>(18,195)</b>	<b>(20,242)</b>	<b>(21,810)</b>	<b>(23,339)</b>	<b>(25,419)</b>	<b>(27,144)</b>	<b>(28,780)</b>	<b>(30,487)</b>	<b>(31,791)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Dunedin City Council**  
**Funding Impact Statement**  
**for the Years Ended 30 June 2022 - 2031 for Storm Water**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	Annual Plan	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	6,201	6,705	7,174	7,676	8,137	8,625	9,142	9,645	10,176	10,603	11,017
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	125	122	126	130	133	137	141	145	150	155	160
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
<b>Total operating funding</b>	<b>6,326</b>	<b>6,827</b>	<b>7,300</b>	<b>7,806</b>	<b>8,270</b>	<b>8,762</b>	<b>9,283</b>	<b>9,790</b>	<b>10,326</b>	<b>10,758</b>	<b>11,177</b>
<b>Application of operating funding</b>											
Payments to staff and suppliers	4,127	4,052	4,213	4,369	4,559	4,782	5,025	5,235	5,452	5,647	5,834
Finance costs	68	41	566	659	753	843	934	1,011	1,078	1,134	1,191
Internal charges and overheads applied	514	495	509	522	535	548	562	576	592	608	624
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total application of operating funding</b>	<b>4,709</b>	<b>4,588</b>	<b>5,288</b>	<b>5,550</b>	<b>5,847</b>	<b>6,173</b>	<b>6,521</b>	<b>6,822</b>	<b>7,122</b>	<b>7,389</b>	<b>7,649</b>
<b>Surplus/(deficit) of operating funding</b>	<b>1,617</b>	<b>2,239</b>	<b>2,012</b>	<b>2,256</b>	<b>2,423</b>	<b>2,589</b>	<b>2,762</b>	<b>2,968</b>	<b>3,204</b>	<b>3,369</b>	<b>3,528</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	20	20	20	20	20	20	20	20	20	20	20
Increase/(decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>
<b>Application of capital funding</b>											
Capital expenditure											
- to meet additional demand	295	1,316	2,236	2,294	2,610	2,829	2,564	2,516	2,623	2,670	2,874
- to improve the level of service	1,118	2,251	4,892	5,316	7,286	9,091	4,914	5,323	1,787	1,787	2,681
- to replace existing assets	2,312	3,752	14,035	11,569	4,217	4,759	5,755	5,957	5,526	6,009	8,284
Increase/(decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) of investments	(2,088)	(5,061)	(19,131)	(16,902)	(11,671)	(14,069)	(10,451)	(10,807)	(6,713)	(7,077)	(10,291)
<b>Total application of capital funding</b>	<b>1,637</b>	<b>2,259</b>	<b>2,032</b>	<b>2,276</b>	<b>2,443</b>	<b>2,609</b>	<b>2,782</b>	<b>2,988</b>	<b>3,224</b>	<b>3,389</b>	<b>3,548</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(1,617)</b>	<b>(2,239)</b>	<b>(2,012)</b>	<b>(2,256)</b>	<b>(2,423)</b>	<b>(2,589)</b>	<b>(2,762)</b>	<b>(2,968)</b>	<b>(3,204)</b>	<b>(3,369)</b>	<b>(3,528)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Dunedin City Council**  
**Funding Impact Statement**  
**for the Years Ended 30 June 2022 - 2031 for Water Supply**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	Annual Plan	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	22,086	23,880	25,551	27,340	28,981	30,719	32,562	34,353	36,243	37,765	39,238
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	5,470	5,915	6,122	6,281	6,457	6,644	6,830	7,042	7,281	7,529	7,762
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
<b>Total operating funding</b>	<b>27,556</b>	<b>29,795</b>	<b>31,673</b>	<b>33,621</b>	<b>35,438</b>	<b>37,363</b>	<b>39,392</b>	<b>41,395</b>	<b>43,524</b>	<b>45,294</b>	<b>47,000</b>
<b>Application of operating funding</b>											
Payments to staff and suppliers	13,035	13,625	14,121	14,513	14,976	15,487	16,014	16,581	17,238	17,908	18,510
Finance costs	1,361	813	1,382	1,609	1,839	2,060	2,282	2,471	2,635	2,772	2,911
Internal charges and overheads applied	1,453	1,516	1,559	1,598	1,638	1,679	1,721	1,765	1,813	1,862	1,910
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total application of operating funding</b>	<b>15,849</b>	<b>15,954</b>	<b>17,062</b>	<b>17,720</b>	<b>18,453</b>	<b>19,226</b>	<b>20,017</b>	<b>20,817</b>	<b>21,686</b>	<b>22,542</b>	<b>23,331</b>
<b>Surplus/(deficit) of operating funding</b>	<b>11,707</b>	<b>13,841</b>	<b>14,611</b>	<b>15,901</b>	<b>16,985</b>	<b>18,137</b>	<b>19,375</b>	<b>20,578</b>	<b>21,838</b>	<b>22,752</b>	<b>23,669</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	150	150	150	150	150	150	150	150	150	150	150
Increase/(decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>
<b>Application of capital funding</b>											
Capital expenditure											
- to meet additional demand	58	1,000	1,450	1,736	1,887	1,817	1,902	2,162	2,555	2,175	2,436
- to improve the level of service	502	9,548	2,095	2,131	7,462	6,489	7,865	13,687	20,498	16,990	21,902
- to replace existing assets	7,227	10,002	4,739	4,868	7,419	6,735	7,279	8,859	12,108	12,224	17,326
Increase/(decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) of investments	4,070	(6,559)	6,477	7,316	367	3,246	2,479	(3,979)	(13,173)	(8,487)	(17,845)
<b>Total application of capital funding</b>	<b>11,857</b>	<b>13,991</b>	<b>14,761</b>	<b>16,051</b>	<b>17,135</b>	<b>18,287</b>	<b>19,525</b>	<b>20,728</b>	<b>21,988</b>	<b>22,902</b>	<b>23,819</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(11,707)</b>	<b>(13,841)</b>	<b>(14,611)</b>	<b>(15,901)</b>	<b>(16,985)</b>	<b>(18,137)</b>	<b>(19,375)</b>	<b>(20,578)</b>	<b>(21,838)</b>	<b>(22,752)</b>	<b>(23,669)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Dunedin City Council**  
**Funding Impact Statement**  
**for the Years Ended 30 June 2022 - 2031 for Waste Management**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	Annual Plan	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	576	-	-	-	-	-	-	-	-	-	-
Targeted rates	2,899	4,650	7,774	12,786	13,222	13,666	14,127	14,608	15,107	15,626	16,167
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	8,187	11,390	11,243	10,629	9,862	8,549	9,349	9,737	10,156	10,585	11,005
Internal charges and overheads recovered	1,200	1,674	1,721	1,764	1,808	1,854	1,900	1,949	2,002	2,056	2,109
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
<b>Total operating funding</b>	<b>12,862</b>	<b>17,714</b>	<b>20,738</b>	<b>25,179</b>	<b>24,892</b>	<b>24,069</b>	<b>25,376</b>	<b>26,294</b>	<b>27,265</b>	<b>28,267</b>	<b>29,281</b>
<b>Application of operating funding</b>											
Payments to staff and suppliers	12,047	14,625	17,925	22,325	23,389	22,568	25,219	26,076	26,977	27,905	28,847
Finance costs	179	309	782	1,076	1,299	1,663	1,846	2,022	2,211	2,401	2,582
Internal charges and overheads applied	882	898	923	946	970	994	1,019	1,046	1,074	1,103	1,132
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total application of operating funding</b>	<b>13,108</b>	<b>15,832</b>	<b>19,630</b>	<b>24,347</b>	<b>25,658</b>	<b>25,225</b>	<b>28,084</b>	<b>29,144</b>	<b>30,262</b>	<b>31,409</b>	<b>32,561</b>
<b>Surplus/(deficit) of operating funding</b>	<b>(246)</b>	<b>1,882</b>	<b>1,108</b>	<b>832</b>	<b>(766)</b>	<b>(1,156)</b>	<b>(2,708)</b>	<b>(2,850)</b>	<b>(2,997)</b>	<b>(3,142)</b>	<b>(3,280)</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Application of capital funding</b>											
Capital expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	449	17,167	11,446	5,389	10,697	21,334	8,703	8,832	10,148	1,390	5,100
- to replace existing assets	351	300	294	481	472	474	497	534	525	2,248	3,108
Increase/(decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) of investments	(1,046)	(15,585)	(10,632)	(5,038)	(11,935)	(22,964)	(11,908)	(12,216)	(13,670)	(6,780)	(11,488)
<b>Total application of capital funding</b>	<b>(246)</b>	<b>1,882</b>	<b>1,108</b>	<b>832</b>	<b>(766)</b>	<b>(1,156)</b>	<b>(2,708)</b>	<b>(2,850)</b>	<b>(2,997)</b>	<b>(3,142)</b>	<b>(3,280)</b>
<b>Surplus/(deficit) of capital funding</b>	<b>246</b>	<b>(1,882)</b>	<b>(1,108)</b>	<b>(832)</b>	<b>766</b>	<b>1,156</b>	<b>2,708</b>	<b>2,850</b>	<b>2,997</b>	<b>3,142</b>	<b>3,280</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Dunedin City Council**  
**Funding Impact Statement**  
**for the Years Ended 30 June 2022 - 2031 for Reserves and Recreational Facilities**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	Annual Plan	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	25,757	27,254	28,559	29,567	31,485	33,535	35,688	37,779	39,989	41,736	43,414
Targeted rates	4,936	4,703	4,835	4,955	5,079	5,206	5,336	5,475	5,623	5,775	5,925
Subsidies and grants for operating purposes	320	285	293	300	308	316	323	332	341	350	359
Fees and charges	4,647	5,264	6,391	6,647	6,813	6,983	7,158	7,344	7,542	7,746	7,947
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	50	30	31	32	32	33	34	35	36	37	38
<b>Total operating funding</b>	<b>35,710</b>	<b>37,536</b>	<b>40,109</b>	<b>41,501</b>	<b>43,717</b>	<b>46,073</b>	<b>48,539</b>	<b>50,965</b>	<b>53,531</b>	<b>55,644</b>	<b>57,683</b>
<b>Application of operating funding</b>											
Payments to staff and suppliers	28,192	28,648	30,737	31,575	32,294	32,813	33,633	34,501	35,425	36,364	37,288
Finance costs	729	981	1,047	1,219	1,393	1,561	1,729	1,872	1,996	2,100	2,205
Internal charges and overheads applied	3,025	3,026	3,111	3,189	3,269	3,350	3,434	3,523	3,618	3,716	3,813
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total application of operating funding</b>	<b>31,946</b>	<b>32,655</b>	<b>34,895</b>	<b>35,983</b>	<b>36,956</b>	<b>37,724</b>	<b>38,796</b>	<b>39,896</b>	<b>41,039</b>	<b>42,180</b>	<b>43,306</b>
<b>Surplus/(deficit) of operating funding</b>	<b>3,764</b>	<b>4,881</b>	<b>5,214</b>	<b>5,518</b>	<b>6,761</b>	<b>8,349</b>	<b>9,743</b>	<b>11,069</b>	<b>12,492</b>	<b>13,464</b>	<b>14,377</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	559	-	-	-	-	-	-	-	-	-
Development and financial contributions	112	76	76	76	76	76	76	76	76	76	76
Increase/(decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding</b>	<b>112</b>	<b>635</b>	<b>76</b>	<b>76</b>	<b>76</b>	<b>76</b>	<b>76</b>	<b>76</b>	<b>76</b>	<b>76</b>	<b>76</b>
<b>Application of capital funding</b>											
Capital expenditure											
- to meet additional demand	13	946	465	121	296	59	40	40	40	40	40
- to improve the level of service	1,542	15,009	9,027	1,853	3,310	1,626	1,110	2,028	738	740	842
- to replace existing assets	1,000	11,354	10,375	8,973	12,501	5,210	4,722	5,984	4,921	5,088	5,948
Increase/(decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) of investments	1,321	(21,793)	(14,577)	(5,353)	(9,270)	1,530	3,947	3,093	6,869	7,672	7,623
<b>Total application of capital funding</b>	<b>3,876</b>	<b>5,516</b>	<b>5,290</b>	<b>5,594</b>	<b>6,837</b>	<b>8,425</b>	<b>9,819</b>	<b>11,145</b>	<b>12,568</b>	<b>13,540</b>	<b>14,453</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(3,764)</b>	<b>(4,881)</b>	<b>(5,214)</b>	<b>(5,518)</b>	<b>(6,761)</b>	<b>(8,349)</b>	<b>(9,743)</b>	<b>(11,069)</b>	<b>(12,492)</b>	<b>(13,464)</b>	<b>(14,377)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Dunedin City Council**  
**Funding Impact Statement**  
**for the Years Ended 30 June 2022 - 2031 for Property**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	Annual Plan	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	8,091	9,441	9,893	10,243	10,907	11,617	12,363	13,087	13,853	14,458	15,039
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	60	62	63	65	67	68	70	72	74	76
Fees and charges	16,673	17,091	17,608	18,087	18,580	19,085	19,604	20,157	20,745	21,351	21,952
Internal charges and overheads recovered	8,081	7,659	7,873	8,150	8,380	8,590	8,804	9,033	9,277	9,528	9,775
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
<b>Total operating funding</b>	<b>32,845</b>	<b>34,251</b>	<b>35,436</b>	<b>36,543</b>	<b>37,932</b>	<b>39,359</b>	<b>40,839</b>	<b>42,347</b>	<b>43,947</b>	<b>45,411</b>	<b>46,842</b>
<b>Application of operating funding</b>											
Payments to staff and suppliers	18,418	19,995	20,651	22,514	23,166	25,045	25,993	26,742	30,528	31,611	32,437
Finance costs	2,766	1,332	1,412	1,649	1,876	2,063	2,294	2,506	2,660	2,745	2,831
Internal charges and overheads applied	2,984	2,559	2,631	2,697	2,764	2,833	2,904	2,980	3,060	3,143	3,224
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total application of operating funding</b>	<b>24,168</b>	<b>23,886</b>	<b>24,694</b>	<b>26,860</b>	<b>27,806</b>	<b>29,941</b>	<b>31,191</b>	<b>32,228</b>	<b>36,248</b>	<b>37,499</b>	<b>38,492</b>
<b>Surplus/(deficit) of operating funding</b>	<b>8,677</b>	<b>10,365</b>	<b>10,742</b>	<b>9,683</b>	<b>10,126</b>	<b>9,418</b>	<b>9,648</b>	<b>10,119</b>	<b>7,699</b>	<b>7,912</b>	<b>8,350</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	6	6	6	6	6	6	6	6	6	6	6
Increase/(decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>
<b>Application of capital funding</b>											
Capital expenditure											
- to meet additional demand	5	259	502	457	162	534	534	304	94	94	94
- to improve the level of service	2,995	4,806	8,567	8,971	6,518	10,266	11,966	3,996	1,106	1,106	1,106
- to replace existing assets	3,264	15,735	13,613	16,295	16,406	15,596	16,002	16,436	16,912	17,388	19,012
Increase/(decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) of investments	2,419	(10,429)	(11,933)	(16,034)	(12,954)	(16,972)	(18,848)	(10,611)	(10,407)	(10,670)	(11,856)
<b>Total application of capital funding</b>	<b>8,683</b>	<b>10,371</b>	<b>10,748</b>	<b>9,689</b>	<b>10,132</b>	<b>9,424</b>	<b>9,654</b>	<b>10,125</b>	<b>7,705</b>	<b>7,918</b>	<b>8,356</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(8,677)</b>	<b>(10,365)</b>	<b>(10,742)</b>	<b>(9,683)</b>	<b>(10,126)</b>	<b>(9,418)</b>	<b>(9,648)</b>	<b>(10,119)</b>	<b>(7,699)</b>	<b>(7,912)</b>	<b>(8,350)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Dunedin City Council**  
**Funding Impact Statement**  
**for the Years Ended 30 June 2022 - 2031 for Ara Toi (Arts and Culture)**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	Annual Plan	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	24,877	24,793	25,981	26,898	28,642	30,507	32,465	34,368	36,378	37,967	39,494
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	292	337	346	355	364	373	382	392	403	413	424
Fees and charges	988	1,138	1,920	1,956	1,998	2,029	2,061	2,095	2,131	2,169	2,206
Internal charges and overheads recovered	22	21	21	22	22	23	24	24	25	26	26
Local authorities fuel tax, fines, infringement fees, and other receipts	78	-	-	3	11	11	11	12	12	12	13
<b>Total operating funding</b>	<b>26,257</b>	<b>26,289</b>	<b>28,268</b>	<b>29,234</b>	<b>31,037</b>	<b>32,943</b>	<b>34,943</b>	<b>36,891</b>	<b>38,949</b>	<b>40,587</b>	<b>42,163</b>
<b>Application of operating funding</b>											
Payments to staff and suppliers	18,302	18,338	18,702	19,126	19,767	20,170	20,593	21,040	21,514	22,010	22,501
Finance costs	939	373	399	465	531	595	659	714	761	801	841
Internal charges and overheads applied	6,515	6,513	6,695	6,942	7,142	7,320	7,503	7,699	7,906	8,120	8,331
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total application of operating funding</b>	<b>25,756</b>	<b>25,224</b>	<b>25,796</b>	<b>26,533</b>	<b>27,440</b>	<b>28,085</b>	<b>28,755</b>	<b>29,453</b>	<b>30,181</b>	<b>30,931</b>	<b>31,673</b>
<b>Surplus/(deficit) of operating funding</b>	<b>501</b>	<b>1,065</b>	<b>2,472</b>	<b>2,701</b>	<b>3,597</b>	<b>4,858</b>	<b>6,188</b>	<b>7,438</b>	<b>8,768</b>	<b>9,656</b>	<b>10,490</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	30	30	31	32	32	33	34	35	36	37	38
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding</b>	<b>30</b>	<b>30</b>	<b>31</b>	<b>32</b>	<b>32</b>	<b>33</b>	<b>34</b>	<b>35</b>	<b>36</b>	<b>37</b>	<b>38</b>
<b>Application of capital funding</b>											
Capital expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	369	859	832	1,455	896	920	944	1,069	995	1,021	1,047
- to replace existing assets	1,092	1,505	1,420	621	678	662	783	2,106	730	751	1,014
Increase/(decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) of investments	(930)	(1,268)	251	658	2,055	3,309	4,495	4,299	7,079	7,921	8,467
<b>Total application of capital funding</b>	<b>531</b>	<b>1,095</b>	<b>2,503</b>	<b>2,733</b>	<b>3,629</b>	<b>4,891</b>	<b>6,222</b>	<b>7,473</b>	<b>8,804</b>	<b>9,693</b>	<b>10,528</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(501)</b>	<b>(1,065)</b>	<b>(2,472)</b>	<b>(2,701)</b>	<b>(3,597)</b>	<b>(4,858)</b>	<b>(6,188)</b>	<b>(7,438)</b>	<b>(8,768)</b>	<b>(9,656)</b>	<b>(10,490)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Dunedin City Council**  
**Funding Impact Statement**  
**for the Years Ended 30 June 2022 - 2031 for Regulatory Services**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	Annual Plan	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	16,053	15,994	16,313	16,605	16,905	17,212	17,527	17,863	18,221	18,588	18,952
Internal charges and overheads recovered	98	102	105	108	110	113	116	119	122	125	129
Local authorities fuel tax, fines, infringement fees, and other receipts	2,103	2,127	2,335	2,342	2,349	2,356	2,364	2,372	2,380	2,389	2,398
<b>Total operating funding</b>	<b>18,254</b>	<b>18,223</b>	<b>18,753</b>	<b>19,055</b>	<b>19,364</b>	<b>19,681</b>	<b>20,007</b>	<b>20,354</b>	<b>20,723</b>	<b>21,102</b>	<b>21,479</b>
<b>Application of operating funding</b>											
Payments to staff and suppliers	11,228	11,345	11,598	11,791	12,039	12,270	12,565	12,828	13,161	13,455	13,797
Finance costs	72	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	5,582	5,605	5,762	5,906	6,054	6,205	6,361	6,526	6,702	6,883	7,062
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total application of operating funding</b>	<b>16,882</b>	<b>16,950</b>	<b>17,360</b>	<b>17,697</b>	<b>18,093</b>	<b>18,475</b>	<b>18,926</b>	<b>19,354</b>	<b>19,863</b>	<b>20,338</b>	<b>20,859</b>
<b>Surplus/(deficit) of operating funding</b>	<b>1,372</b>	<b>1,273</b>	<b>1,393</b>	<b>1,358</b>	<b>1,271</b>	<b>1,206</b>	<b>1,081</b>	<b>1,000</b>	<b>860</b>	<b>764</b>	<b>620</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Application of capital funding</b>											
Capital expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	335	300	366	343	731	372	401	378	414	839	443
Increase/(decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) of investments	1,037	973	1,027	1,015	540	834	680	622	446	(75)	177
<b>Total application of capital funding</b>	<b>1,372</b>	<b>1,273</b>	<b>1,393</b>	<b>1,358</b>	<b>1,271</b>	<b>1,206</b>	<b>1,081</b>	<b>1,000</b>	<b>860</b>	<b>764</b>	<b>620</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(1,372)</b>	<b>(1,273)</b>	<b>(1,393)</b>	<b>(1,358)</b>	<b>(1,271)</b>	<b>(1,206)</b>	<b>(1,081)</b>	<b>(1,000)</b>	<b>(860)</b>	<b>(764)</b>	<b>(620)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Dunedin City Council**  
**Funding Impact Statement**  
**for the Years Ended 30 June 2022 - 2031 for Community and Planning**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	Annual Plan	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	12,199	12,557	13,165	13,624	14,514	15,452	16,451	17,407	18,434	19,230	20,013
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	138	140	144	148	151	155	159	163	168	172	177
Fees and charges	1,429	2,022	1,582	1,729	1,662	1,816	1,746	1,910	1,840	2,015	1,939
Internal charges and overheads recovered	197	203	209	214	219	225	230	236	243	249	256
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
<b>Total operating funding</b>	<b>13,963</b>	<b>14,922</b>	<b>15,100</b>	<b>15,715</b>	<b>16,546</b>	<b>17,648</b>	<b>18,586</b>	<b>19,716</b>	<b>20,685</b>	<b>21,666</b>	<b>22,385</b>
<b>Application of operating funding</b>											
Payments to staff and suppliers	11,892	12,950	12,427	12,749	12,875	13,240	13,413	13,817	14,025	14,473	14,688
Finance costs	209	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	1,957	1,964	2,019	2,069	2,121	2,174	2,229	2,286	2,348	2,412	2,474
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total application of operating funding</b>	<b>14,058</b>	<b>14,914</b>	<b>14,446</b>	<b>14,818</b>	<b>14,996</b>	<b>15,414</b>	<b>15,642</b>	<b>16,103</b>	<b>16,373</b>	<b>16,885</b>	<b>17,162</b>
<b>Surplus/(deficit) of operating funding</b>	<b>(95)</b>	<b>8</b>	<b>654</b>	<b>897</b>	<b>1,550</b>	<b>2,234</b>	<b>2,944</b>	<b>3,613</b>	<b>4,312</b>	<b>4,781</b>	<b>5,223</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Application of capital funding</b>											
Capital expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	1,650	350	970	400	200	500	200	500	200	500	200
- to replace existing assets	-	5	1	5	1	6	3	7	14	7	5
Increase/(decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) of investments	(1,745)	(347)	(317)	492	1,349	1,728	2,741	3,106	4,098	4,274	5,018
<b>Total application of capital funding</b>	<b>(95)</b>	<b>8</b>	<b>654</b>	<b>897</b>	<b>1,550</b>	<b>2,234</b>	<b>2,944</b>	<b>3,613</b>	<b>4,312</b>	<b>4,781</b>	<b>5,223</b>
<b>Surplus/(deficit) of capital funding</b>	<b>95</b>	<b>(8)</b>	<b>(654)</b>	<b>(897)</b>	<b>(1,550)</b>	<b>(2,234)</b>	<b>(2,944)</b>	<b>(3,613)</b>	<b>(4,312)</b>	<b>(4,781)</b>	<b>(5,223)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Dunedin City Council**  
**Funding Impact Statement**  
**for the Years Ended 30 June 2022 - 2031 for Economic Development**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	Annual Plan	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	4,917	4,830	5,062	5,240	5,580	5,944	6,325	6,696	7,087	7,397	7,694
Targeted rates	500	500	500	500	500	500	500	500	500	500	500
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	316	419	431	442	453	464	476	488	501	515	528
Internal charges and overheads recovered	3	3	3	3	3	3	3	3	4	4	4
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
<b>Total operating funding</b>	<b>5,736</b>	<b>5,752</b>	<b>5,996</b>	<b>6,185</b>	<b>6,536</b>	<b>6,911</b>	<b>7,304</b>	<b>7,687</b>	<b>8,092</b>	<b>8,416</b>	<b>8,726</b>
<b>Application of operating funding</b>											
Payments to staff and suppliers	4,774	4,613	4,716	4,812	4,909	5,017	5,129	5,249	5,378	5,512	5,644
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	1,107	1,115	1,146	1,175	1,204	1,234	1,265	1,298	1,333	1,369	1,405
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total application of operating funding</b>	<b>5,881</b>	<b>5,728</b>	<b>5,862</b>	<b>5,987</b>	<b>6,113</b>	<b>6,251</b>	<b>6,394</b>	<b>6,547</b>	<b>6,711</b>	<b>6,881</b>	<b>7,049</b>
<b>Surplus/(deficit) of operating funding</b>	<b>(145)</b>	<b>24</b>	<b>134</b>	<b>198</b>	<b>423</b>	<b>660</b>	<b>910</b>	<b>1,140</b>	<b>1,381</b>	<b>1,535</b>	<b>1,677</b>
<b>Total sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Application of capital funding</b>											
Capital expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	250	-	-	-	-	-	-	-	-	-
- to replace existing assets	-	15	5	16	5	84	6	-	-	6	-
Increase/(decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) of investments	(145)	(241)	129	182	418	576	904	1,140	1,381	1,529	1,677
<b>Total application of capital funding</b>	<b>(145)</b>	<b>24</b>	<b>134</b>	<b>198</b>	<b>423</b>	<b>660</b>	<b>910</b>	<b>1,140</b>	<b>1,381</b>	<b>1,535</b>	<b>1,677</b>
<b>Surplus/(deficit) of capital funding</b>	<b>145</b>	<b>(24)</b>	<b>(134)</b>	<b>(198)</b>	<b>(423)</b>	<b>(660)</b>	<b>(910)</b>	<b>(1,140)</b>	<b>(1,381)</b>	<b>(1,535)</b>	<b>(1,677)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Dunedin City Council**  
**Funding Impact Statement**  
**for the Years Ended 30 June 2022 - 2031 for o ernance and Support Ser ices**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	Annual Plan	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	88	4,854	4,811	4,537	4,861	5,213	5,574	5,926	6,301	6,589	6,861
Targeted rates	643	513	518	523	468	393	377	337	266	215	179
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	10,765	9,684	9,645	9,335	9,246	9,479	9,358	9,494	9,876	9,743	9,851
Internal charges and overheads recovered	25,580	25,637	26,356	27,013	27,692	28,379	29,091	29,848	30,652	31,482	32,300
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
<b>Total operating funding</b>	<b>37,076</b>	<b>40,688</b>	<b>41,330</b>	<b>41,408</b>	<b>42,267</b>	<b>43,464</b>	<b>44,400</b>	<b>45,605</b>	<b>47,095</b>	<b>48,029</b>	<b>49,191</b>
<b>Application of operating funding</b>											
Payments to staff and suppliers	35,613	32,595	33,963	33,953	34,778	36,208	36,750	37,541	39,194	39,760	40,975
Finance costs	549	1,230	1,497	1,715	1,935	2,147	2,361	2,542	2,700	2,832	2,966
Internal charges and overheads applied	6,869	6,869	7,061	7,237	7,418	7,603	7,793	7,996	8,212	8,434	8,653
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total application of operating funding</b>	<b>43,031</b>	<b>40,694</b>	<b>42,521</b>	<b>42,905</b>	<b>44,131</b>	<b>45,958</b>	<b>46,904</b>	<b>48,079</b>	<b>50,106</b>	<b>51,026</b>	<b>52,594</b>
<b>Surplus/(deficit) of operating funding</b>	<b>(5,955)</b>	<b>(6)</b>	<b>(1,191)</b>	<b>(1,497)</b>	<b>(1,864)</b>	<b>(2,494)</b>	<b>(2,504)</b>	<b>(2,474)</b>	<b>(3,011)</b>	<b>(2,997)</b>	<b>(3,403)</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	7,222	77,601	76,234	63,695	72,620	69,058	60,480	50,774	48,890	36,186	49,484
Gross proceeds from sale of assets	120	165	120	120	120	120	120	120	120	120	120
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding</b>	<b>7,342</b>	<b>77,766</b>	<b>76,354</b>	<b>63,815</b>	<b>72,740</b>	<b>69,178</b>	<b>60,600</b>	<b>50,894</b>	<b>49,010</b>	<b>36,306</b>	<b>49,604</b>
<b>Application of capital funding</b>											
Capital expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	417	975	2,009	2,058	2,408	1,525	775	775	775	875	775
- to replace existing assets	2,941	4,152	3,143	2,856	2,709	2,851	4,526	3,651	3,822	3,862	2,757
Increase/(decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) of investments	(1,971)	72,633	70,011	57,404	65,759	62,308	52,795	43,994	41,402	28,572	42,669
<b>Total application of capital funding</b>	<b>1,387</b>	<b>77,760</b>	<b>75,163</b>	<b>62,318</b>	<b>70,876</b>	<b>66,684</b>	<b>58,096</b>	<b>48,420</b>	<b>45,999</b>	<b>33,309</b>	<b>46,201</b>
<b>Surplus/(deficit) of capital funding</b>	<b>5,955</b>	<b>6</b>	<b>1,191</b>	<b>1,497</b>	<b>1,864</b>	<b>2,494</b>	<b>2,504</b>	<b>2,474</b>	<b>3,011</b>	<b>2,997</b>	<b>3,403</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 2.4 Financial strategy | He rautaki pūtea

### At a glance

Gross Debt Limit: 250% of revenue

Rate increases limited as follows:

Year 1: limited to no more than 10%

Years 2-10 limited to 6.5% on average annually over the period

Average Dunedin rates for Dunedin residents will be less than the national average for city councils around the country.

Forecast total operating surplus is greater than zero for each year of the plan

Council aims to ensure everyday costs of running the city can be funded from the everyday revenue (excluding any non-recurring/non-cash items) consistently by the end of the 10 years

The following liquid assets held by Council will be retained as a partial hedge against the gross debt:

- Waipori Fund
- Investment Property Portfolio
- Interest-bearing shareholder advance to Dunedin City Holdings Limited (DCHL).

Income from Group companies is limited to \$5.9 million annually, being the current interest earned from the interest-bearing shareholder advance to Dunedin City Holdings Limited (\$112.0 million)

### **The financial landscape**

In 2018, Council's Financial Strategy focused on investing in our great small city, with plans to invest in infrastructure, both above and below ground, to build resilience and enhance and improve our city. It recognised the competing tensions of affordability, maintaining assets and investing for the future.

The focus has not changed, but Dunedin's environment has. For example, Dunedin city is now predicted to have higher population growth over the next 10 years – compared to estimates in 2018 that predicted low to medium growth. We are now living through a pandemic - the impacts of COVID-19 have been and continue to be felt throughout New Zealand. The serious challenges of climate change and its impacts are forefront in everyone's minds, and our response to reduce emissions and adapt to climate change needs to speed up.

This Financial Strategy does not change the direction of the 2018 strategy but builds on it. The Council has an important role to play in the economic and social recovery of the city from COVID-19, by investing in both services and capital projects for our city. At the same time, the Council needs to help foster social wellbeing and stimulate economic activity at a local level.

A lot of planning has been undertaken over the last three years, and now it is time to deliver. The Council is planning to invest \$1.5~~2515~~ billion on capital projects over the next 10 years, compared with \$878 million in the last 10 year plan. Of this, \$950 million is dedicated to renewals, primarily replacing key 3 waters and transport infrastructure, building the resilience of these essential assets. \$~~488~~497 million will be invested in new capital projects that will improve the city, and \$77 million will be used to build new three waters infrastructure needed for the growth that is being experienced.

To fund this level of capital investment, the debt limit has been reviewed. The last 10 year plan had a fixed debt limit of \$350 million. This Financial Strategy has changed the debt limit, setting it at 250% of revenue. This revised debt level will be responsive to change and will move in line with the level of activities.

### **What might impact us over the next 10 years**

There are a number of factors that may have an impact on what and how much Council does, and how services are delivered over the next 10 years. These are discussed below.

#### **COVID-19**

Since February 2020, the New Zealand economy has undergone a significant period of upheaval due to the COVID-19 pandemic. This has created uncertainty around Dunedin's growth and economic performance into the future.

Growth projections that were developed prior to COVID-19, have been reviewed to assess what impact COVID-19 may have had on those projections. These are discussed below in "*Changing population, land use and rating base*".

The review also concluded that the Dunedin economy is expected to hold up and recover reasonably well. Dunedin has the new Hospital rebuild and other major infrastructure projects that will stimulate job opportunities. Tourism is expected to recover and return to pre COVID-19 levels by 2031.

These outcomes are of course based on many assumptions. While New Zealand is currently experiencing no community transmission of COVID-19, and is living at Alert level 1, there is no certainty of the path that COVID-19 may take, and any possible further impacts on Dunedin and the rest of New Zealand.

#### ***Climate Change and Zero Carbon***

During 2019, Council declared a climate emergency and established a dedicated work programme to meet climate change mitigation and adaptation planning needs. It also set 2030 as the target for achieving zero carbon. Council's focus is mirrored at a national level, with the government making changes including increased carbon prices, and growing expectations of local government to work with communities on solutions.

The climate change work programme has two work streams, Climate Change Adaptation and Zero Carbon 2030 (the later focused on climate change mitigation).

In terms of adapting to climate change, we face significant risks, especially relating to sea level rise and adverse weather events causing flooding.

Of particular concern is the South Dunedin area, which sits on reclaimed land, has high groundwater levels, and is extremely vulnerable to sea level rise from climate change. It has around 4,500 homes, housing 10,000 people. As part of the Climate Change Adaptation work, the "South Dunedin Future" programme is being developed with the Otago Regional Council, to respond to these issues. This is also being done in consultation with the community, central government and other stakeholders.

The Zero Carbon 2030 work programme has targets in two parts as follows:

- net zero emissions of all greenhouse gases other than biogenic methane by 2030, and
- 24% to 47% reduction below 2017 biogenic methane emissions by 2050, including 10% reduction below 2017 biogenic methane emissions by 2030.

While the target is for the whole city, it also includes reducing emissions from Council's own activities, which have been measured since 2013/14.

To achieve this target, the way services are delivered needs to change. The focus to date has been on developing policies and processes to ensure that emissions are considered in all decision making on major projects, and in the Council's procurement practices. For this 10 year plan, transport and waste have been identified as priority areas for investment to reduce emissions. While the cost of capital is likely to be higher for solutions that will reduce emissions, it is anticipated that there will be savings in the ongoing associated operating costs.

Council's Zero Carbon 2030 target will only be achieved by the whole community working together. A key focus during 2021/22 will be the development of a Zero Carbon Plan for Dunedin, where the community and key stakeholders will help Council decide how to invest and partner to achieve its target.

Until the Zero Carbon Plan has been developed, an assumption has been made that the target will be able to be met without the need to purchase carbon offsets. Potential implications of not achieving this are discussed in the Significant Forecasting Assumptions section of the 10 year plan.

### **3 Waters Reform**

In July 2020, the Government launched the 3 Waters Reform Programme, a three-year programme to change the way three waters service (drinking water, wastewater and stormwater) are delivered.

Rather than having 67 individual councils providing three water services, the Government plans to have a small number of larger regional entities that would provide these services, to realise economic, public health, environmental, and other benefits.

In July 2020, the Government announced a \$761 million stimulus funding package to maintain and improve three waters infrastructure, support the three-year reform programme, and support the establishment of Taumata Arowai, the new Water Services Regulator.

Funding has been given to those councils that have agreed to participate in the first stage of the reform programme. This included Council signing a Memorandum of Understanding with the Government, agreeing to work together to help identify an approach to the delivery of water services.

The Council's share of the stimulus funding is being used to improve Dunedin's three waters pipeline infrastructure networks.

At this time there is not enough information to meaningfully engage on what the reform means for Dunedin, and so this 10 year plan provides for the Council to continue to provide three waters services throughout the 10 year period. This approach is being taken by all Councils as recommended by the local government sector.

### **Changing population, land use and rating base**

We have undertaken a review of growth projections that we had developed prior to COVID-19. That review suggests that net migration (international and domestic) is expected to be near zero during 2020 – 2024 because of COVID-19 border restrictions. Domestic migration is expected to be relatively resilient with strong inflows of students moving to Dunedin to go to study. Dunedin's population is predicted to grow at a higher rate from 2024 until 2038, when it could reach 142,318. From 2038 onwards, the population rate is predicted to return to a medium growth rate.

Dunedin's population is ageing, with 21% of the population projected to be 65 years or over by 2068, compared to 16% in 2018. Most of the growth in this population group is forecast to occur between 2018 and 2038.

Housing is projected to grow from 52,747 in 2018 to 60,511 in 2038, as a result of population growth, an ageing population and the changing make up of families and households.

Land use changes are expected to allow for housing growth. Investment of \$77 million for essential

services to enable growth has been provided for in the 10 year plan, for water assets. The work on transport growth has yet to be factored in.

Any impacts of these projections being different are discussed in the Significant Forecasting Assumptions section of the 10 year plan.

***Ability to deliver on the planned capital programme***

The Council's planned capital expenditure programme represents a significant uplift from the last 10 year plan, with renewals a key area of focus. The challenge for Council will be its ability to deliver this programme, acknowledging that the annual targets are higher than previous achievements, and the lead time for delivery is always longer than anticipated. These risks will be managed through improved forward planning, early contractor engagement, innovative procurement strategies, and strong disciplines around project management and monitoring to ensure progress is on track.

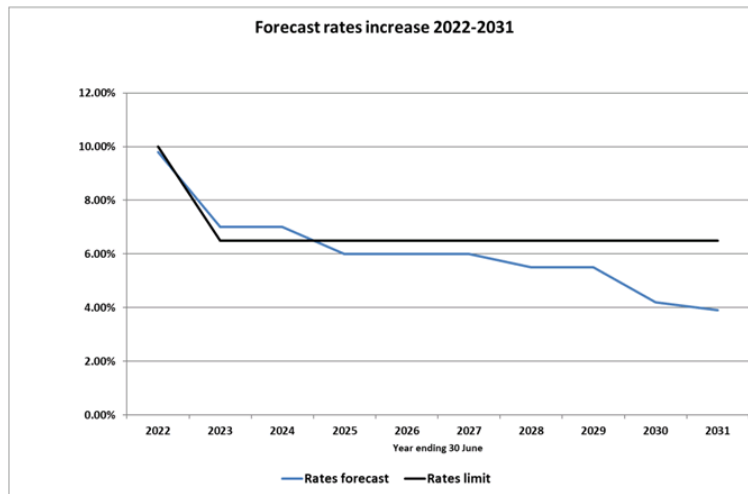
**Strategic financial limits**

***Rates***

The Council recognises that rates need to be at an affordable level overall, and that it needs to balance affordability with increasing costs of delivering core services. This strategy assumes that affordability will be maintained, and that the Dunedin average residential rates are below the national average for city councils around the country.

The Council will limit the rate increase to 10% for the first year of the 10 year plan and an average of 6.5% per annum across years 2 to 10. These increases are due to the operating impacts of the capital expenditure programme, inflationary pressures on Council costs and ensuring the Council has a sustainable operating result after removal of non-recurring/non-cash revenue items.

As part of this 10 year plan, we will be consulting on an enhanced kerbside waste collection service. This will come at an additional cost and recovery from rates revenue is included in the limits discussed above.



Residents on low incomes will continue to be encouraged to access the rates rebate scheme offered by central government as a means of offsetting the cost of rates. We will also continue to maintain our rates remission and rates postponement policies.

#### **Debt**

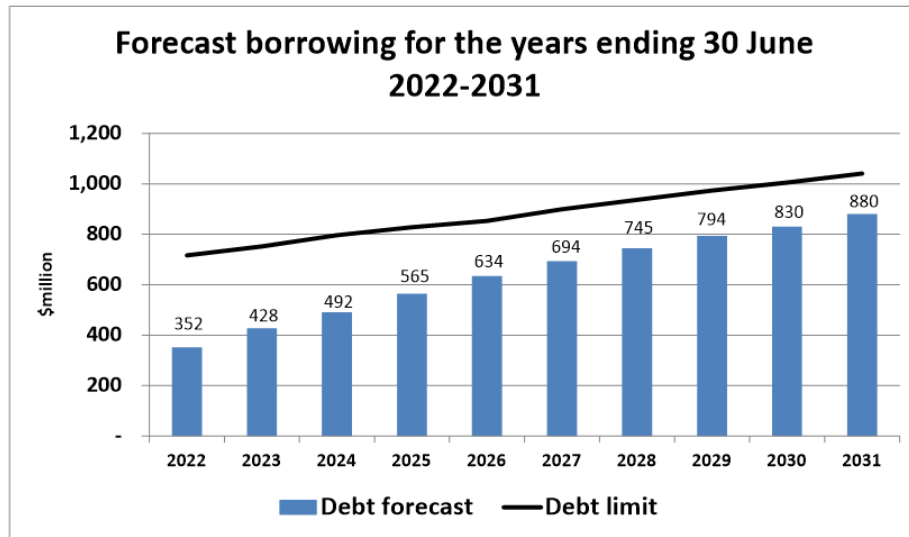
The use of debt allows the financial burden of new capital expenditure to be spread across a number of financial years, recognising that the expenditure is on intergenerational assets, i.e., the assets have a long life and generate benefits both now and to future generations.

Debt is also used to fund the portion of capital renewals that is not covered by funded depreciation.

In the last 10 year plan, the debt limit was fixed at \$350 million. This limit is not sufficient to fund planned investment in capital projects and does not recognise the impact of changing costs and/or activity.

In response to this, Council approved changing the debt limit from a fixed amount to a variable amount calculated as a percentage of revenue. The gross debt limit for this 10 year plan is set as 250% of revenue. This means that our debt level will be responsive to change and will move in line with the level of our activities. This revised debt limit will allow flexibility to deliver the planned capital expenditure programme, while also having capacity to fund potential unplanned events.

The following chart shows the forecast 10 year borrowing from 2021 to 2031.



Over the 10 year period, the debt required to fund the planned capital investment does not reach the 250% of revenue limit.

This debt limit is considered financially prudent, as it sits within the lending limits set by the Local Government Funding Authority (LGFA). The LGFA equivalent metric is based on net debt, where net debt is defined as gross debt less liquid financial assets and investments.

The Council has significant liquid assets and investments to provide a partial offset to gross debt. As at 30 June 2020, these included the Waipori Fund of \$94.2 million, an investment property portfolio of \$95.7 million, and a Dunedin City Holdings Ltd interest-bearing shareholder advance of \$112.0 million. Further detail on these assets is provided below.

#### **Operating surplus**

The Local Government Act 2002 requires councils to have a balanced budget unless it is prudent to do otherwise. This Financial Strategy will ensure that each year of the 10 year plan has a positive operating surplus.

Further to this requirement, the Council needs to ensure that the everyday costs of running the city can be funded from the everyday revenue. For the purposes of achieving this, everyday revenue excludes some capital expenditure funding items (e.g., Development Contributions, Non-Recurring Waka Kotahi NZ Transport Agency capital subsidies) and any non-cash income (e.g., Vested Assets, fair values gains related

to the Waipori Fund investments) as these items are not 'everyday revenue' and/or cash generating. The 10 year plan will aim achieve this requirement within the period of the plan and ensure it is sustainable into the future.

**Surplus funds**

In general, any surplus funds will be used to repay debt, invest in Dunedin, and help pay for priority projects.

In deciding to dispose of an asset, the Council may consider the option of using the proceeds to invest in an income generating asset (e.g., Waipori Fund) rather than pay down debt. The Council would elect to do this at the time of the approval to dispose.

**Security for debt**

Council's policy is to give rates as security for our debt. Most of our borrowing will be done through our group company Dunedin City Treasury Limited.

**Strategic asset investment**

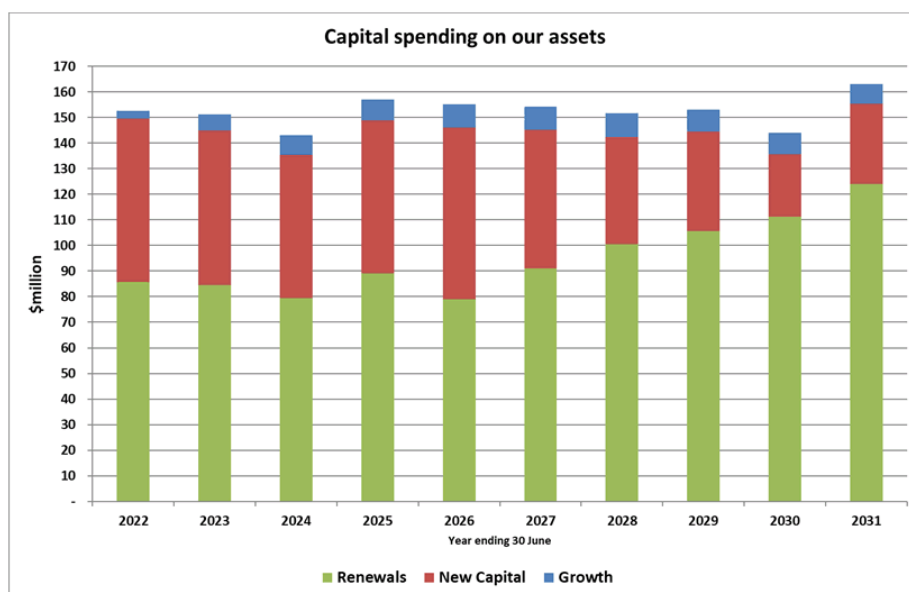
Council will prioritise funding maintenance and renewals as per its Asset Management Plans. These are regularly updated to reflect changing needs and emerging risks that will ensure resilience of Council assets and services. Asset management planning focuses on asset condition, risk assessment, planning and delivery opportunities, and long term asset solutions that provide value for residents, businesses and the environment.

This Financial Strategy is closely linked to the Infrastructure Strategy so significant issues such as these can be properly considered. Updated information has been used to make decisions about assets that need renewing over the 10 year plan. The Infrastructure Strategy expands this timeframe out to 50 years and gives greater confidence around how this work can be paid for in the longer term.

The Council is planning to invest in projects that will provide resilience for our city and enhance amenity levels. Some of the significant projects to upgrade or continue to improve services include:

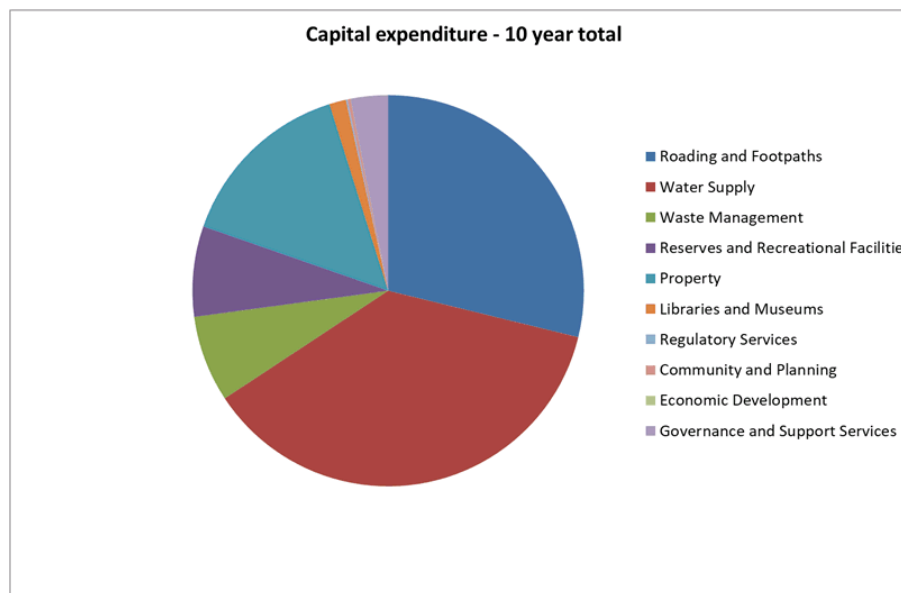
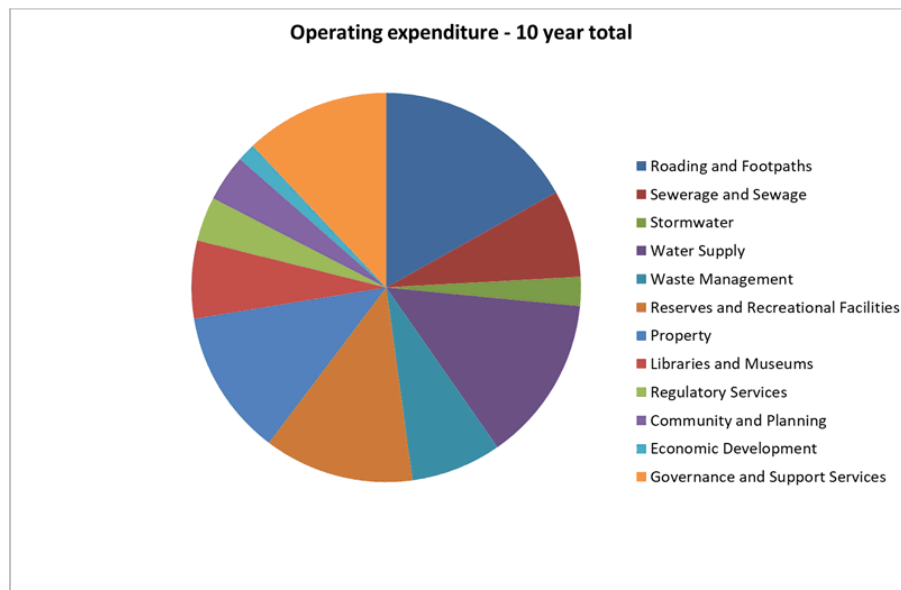
- improving the resilience of Dunedin's transport system, water supply and stormwater infrastructure
- responding to infrastructure needs for our growing population
- minimising transport disruption during and after the construction of the new Dunedin Hospital
- upgrading the central city area
- investing in flood alleviation in South Dunedin
- investing in reducing our carbon emissions through waste minimisation initiatives
- investing in a new modern landfill to replace the current facility at Green Island

The graph below shows planned capital investment over the next 10.

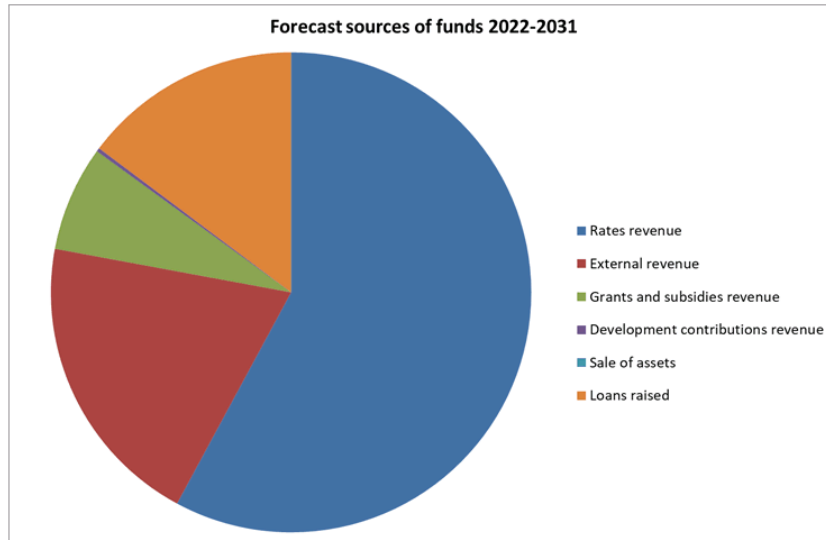


#### Maintaining services

The Council will continue to fund and deliver the full range of services currently being offered, maintaining current levels of service over the 10 year period. In some areas, there will be some increased levels of service with planned investment in new projects, building resilience and preparing for future growth.



The Council's activities and services provided, and investment in infrastructure will be paid for using the following sources of funds over the 10 year period.



#### Financial Resilience

The Council needs to have the ability to respond to unplanned events, such as natural disasters, civil defence emergencies and pandemics. These events can result in significant unplanned operating and capital costs.

If a significant event occurs, the Council has a range of options for funding unbudgeted expenditure within the financial strategy limits, including rates, debt, insurance, Government funding for infrastructure assets, financial assets and reprioritisation of existing budgets.

#### Managing investments and Council-owned companies

The Council holds a range of investments, including Council-owned companies, investment property and the Waipori Fund. These investments are designed to provide ongoing non-rates income over the medium to long term as well as a partial offset to gross debt as discussed above.

#### Investments

##### ***Waipori Fund***

Established in 1999, using proceeds from the sale of the Waipori electricity generation assets, the Waipori Fund is a diversified investment portfolio comprising both fixed interest deposits and equity investments.

The Fund is managed by Dunedin City Treasury Limited on behalf of Council, using the Statement of Investment Policy and Objectives (SIPO) approved by Council. The SIPO defines the primary objectives of the fund to be:

- Maximise its income, subject always to a proper consideration of investment risk and;
- Grow the Fund's base value, while maintaining an agreed cash distribution to Council.

The fund value at 30 June 2020 was \$94.2 million.

#### ***Investment property portfolio***

Council owns an investment property portfolio comprising a mixture of property types, including a number located outside of Dunedin.

The minimum target return from Council's investment properties is to be greater than the weighted average cost of funds.

The portfolio value at 30 June 2020 was \$95.7 million, broken down as follows:

<b>Investment property</b>	<b>\$ million</b>
Dunedin retail	28.500
Dunedin parking	25.000
Dunedin other	10.690
Christchurch	7.900
Wellington	15.400
Auckland	8.250
<b>Total</b>	<b>95.740</b>

#### ***Shareholder Advance***

Council has provided an interest-bearing shareholder advance to Dunedin City Holdings Limited of \$112.0 million, which has an associated annual income stream of \$5.9 million.

#### ***Council-owned companies***

Council-owned companies are an important component in this Financial Strategy.

While they are valuable assets in terms of their capital value, the income they generate can be used to keep down the levels of funding required from ratepayers. In more recent years, the revenue Council has expected to receive from the companies has been unrealistic. This, coupled with stadium-related debt pressure and the need for group companies to re-invest, has created a degree of financial uncertainty for the Council when trying to adopt budgets and set rates.

Group companies are in a rebuilding phase and investing in their own infrastructure - particularly important in the case of lines company Aurora Energy which has infrastructure that needs to be replaced. In addition, Dunedin City Holdings Limited (DCHL), which owns the companies on behalf of the Council, continues the process of building financial headroom so that the Council can receive a steady income stream in the future. Any volatility in group annual earnings will be absorbed by DCHL so that the Council can be certain about the money it will receive.

The 10 year plan assumes income from CCO's of \$5.9 million per annum being the current interest on the shareholder advance to DCHL (\$112.0 million). In the event the interest rate is renegotiated down, it is anticipated any difference to the \$5.9 million would be made up by a compensating dividend stream.

The 10 year plan does not include any additional revenue in the form of dividends from group companies. The Council will continue to work with Dunedin City Holdings Limited to explore the option of a dividend stream in the future, on the basis that any dividend delivered can be sustained.

**Dunedin City Council**  
**Financial Strategy Information**

	Draft Budget 2022 \$000	Draft Budget 2023 \$000	Draft Budget 2024 \$000	Draft Budget 2025 \$000	Draft Budget 2026 \$000	Draft Budget 2027 \$000	Draft Budget 2028 \$000	Draft Budget 2029 \$000	Draft Budget 2030 \$000	Draft Budget 2031 \$000	Overall 2022-31 \$000
<b>Debt</b>											
Debt forecast	352,224	428,458	492,153	564,773	633,831	694,311	745,085	793,974	830,160	879,644	
Debt limit (at 250% of revenue)	716,710	752,603	796,588	828,585	853,308	899,808	937,233	974,735	1,006,030	1,042,078	
Total revenue	286,684	301,041	318,635	331,434	341,323	359,923	374,893	389,894	402,412	416,831	
Gross debt limit (less than 250% of revenue)	122.9%	142.3%	154.5%	170.4%	185.7%	192.9%	198.8%	203.6%	206.3%	211.0%	
Target Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	
<b>Rates Increase</b>											
Rates revenue	179,123	191,663	205,077	217,372	230,424	244,235	257,663	271,825	283,233	294,293	2,195,785
Increase	9.80%	7.00%	7.00%	6.00%	6.00%	5.99%	5.50%	5.50%	4.20%	3.90%	5.68%
Limit (less than 10% in 2022 then 6.5% on average for 2023-2031)	10.00%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
Target Achieved	Achieved										Achieved
<b>Operating Surplus</b>											
Operating surplus greater than zero	118	1,376	4,820	5,448	5,496	11,169	13,127	11,280	11,489	12,403	
Target Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	
<b>Balanced Budget</b>											
Operating surplus	118	1,376	4,820	5,448	5,496	11,169	13,127	11,280	11,489	12,403	
Less:											
Development Contributions	(572)	(572)	(572)	(572)	(572)	(572)	(572)	(572)	(572)	(572)	
Vested Assets	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	
External Subsidies for new capital projects	(8,934)	(7,916)	(11,366)	(10,476)	(6,500)	(8,903)	(7,344)	(5,434)	(3,978)	(4,641)	
Gain on fair value of investments	(1,026)	(1,063)	(1,102)	(1,142)	(1,183)	(1,226)	(1,271)	(1,317)	(1,365)	(1,415)	
Balanced budget surplus/(deficit)	(13,414)	(11,175)	(11,220)	(9,742)	(5,759)	(2,532)	940	957	2,574	2,775	
Target Achieved	Not achieved	Not achieved	Not achieved	Not achieved	Not achieved	Not achieved	Achieved	Achieved	Achieved	Achieved	
<b>Group Financial Income</b>											
Dividend received - Dunedin City Holdings Limited	-	-	-	-	-	-	-	-	-	-	
Shareholder Advance Interest received - Dunedin City Holdings Limited	5,902	5,902	5,902	5,902	5,902	5,902	5,902	5,902	5,902	5,902	
Total income from group companies	5,902	5,902	5,902	5,902	5,902	5,902	5,902	5,902	5,902	5,902	
Target Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	

## **CONSULTATION DOCUMENT - 10 YEAR PLAN 2021-31**

Department: Corporate Policy

### **EXECUTIVE SUMMARY**

- 1 The consultation document explains the Council's proposals for the 10 year plan in plain English and is based on the decisions made by Council at its 14 - 15 December 2020 meeting, 27 – 29 January 2021 meeting and 23 February 2021 meeting. A copy of the consultation document is at Attachment A.
- 2 Audit New Zealand (Audit NZ) is currently auditing the consultation document and the supporting documents and will provide the Council with an 'Independent Auditor's report' on completion of the audit.

### **RECOMMENDATIONS**

That the Council:

- a) **Approves** 'The future of us - 10 year plan consultation document 2021-31', subject to Audit New Zealand changes.
- b) **Delegates** the Chief Executive the authority to make any minor editing required to the approved consultation document.
- c) **Receives** the 'Independent Auditor's Report' from Audit New Zealand.
- d) **Adopts** 'The future of us - 10 year plan consultation document 2021-31' for consultation with the community.

### **BACKGROUND**

- 3 The Council is required under the Local Government Act 2002 to have a consultation document, to support community engagement and participation in the Council's decision-making processes relating to the content of the 10 year plan.

### **DISCUSSION**

- 4 The consultation document explains the Council's proposals for the 10 year plan in plain English, and is based on the decisions made at the Council meetings on 14-15 December 2020, 27-29 January 2021 and 23 February 2021, and legislative requirements for the document.
- 5 Audit NZ and the Office of the Auditor General (OAG) are auditing the draft consultation document and the 10 year plan supporting documents for legislative compliance. Feedback will

be received from the OAG and Audit NZ by 5 March 2021. If changes to the consultation document are recommended by the OAG or Audit NZ, these will be tabled at the meeting.

- 6 An 'Independent Auditor's Report' will be included in the final consultation document.
- 7 The consultation document will be delivered to all Dunedin homes, and will support the community engagement on the 10 year plan. The supporting documents that contain more detailed information will be available on the Council's website.
- 8 Feedback from the community on the proposals for the 10 year plan and consultation document will be sought from 30 March to 29 April 2021. There will be a range of community feedback activities and events held during this period.

## OPTIONS

- 9 There are no options.

## NEXT STEPS

- 10 The consultation document will be printed and delivered to every Dunedin home. The formal consultation period commences from 30 March to 29 April 2021.

## Signatories

Author:	Sharon Bodeker - Corporate Planner
Authoriser:	Sandy Graham - Chief Executive Officer

## Attachments

	<b>Title</b>	<b>Page</b>
<a href="#">A</a>	Draft 10 Year Plan Consultation Document	148

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

The consultation document contains content that contributes to the objectives and priorities across all areas of the strategic framework.

### ***Māori Impact Statement***

The consultation document includes discussion on working with mana whenua. There has been pre-engagement with mana whenua as part of the process and hui are planned with both mana whenua and taurahere in the next phase of the consultation.

### ***Sustainability***

Major issues and implications for sustainability are discussed in the consultation document, specifically in the responding to climate change and reducing our waste sections of the document. The consultation process also focuses on how consultation can be delivered more sustainably.

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

This report requests approval of the 10 year plan 2021-2031 consultation document.

### ***Financial considerations***

This report requests approval of the 10 year plan 2021-2031 consultation document.

### ***Significance***

Approval of the consultation document is considered to be of low significance in terms of the Council's Significance and Engagement Policy.

### ***Engagement – external***

There will be extensive external engagement from 27 March to 29 April 2021 on the content of the 10 year plan consultation document, which is a key tool of the external engagement programme.

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

Councillors and staff have been involved in the development of the 10 year plan and consultation document.

## **SUMMARY OF CONSIDERATIONS**

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

There are no known risks.

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

There are no known conflicts of interest.

### ***Community Boards***

There are a range of issues relating to community board areas discussed in the consultation document. Boards will have opportunities to participate during the consultation and submission phases of the process.

# tō tātou eke whakamuri the future of us

ōtepoti | dunedin

10 year plan  
consultation document  
**2021-31**



[www.thefutureofus.nz](http://www.thefutureofus.nz)

# he aha te maheré kahuru tau? what is the 10 year plan?

The 10 year plan helps shape our city for the future. The plan outlines the services and activities the DCC aims to provide, the things we want to do and the level of service the community can expect.

The plan also includes how much we expect things to cost, how we will pay for them and what it all means for rates and debt.



## Key dates

**23 March**

Feedback starts

**27 March – 29 April**

Feedback activities and events

**29 April**

Feedback closes

**10 May – 13 May**

Hearings

**31 May – 4 June**

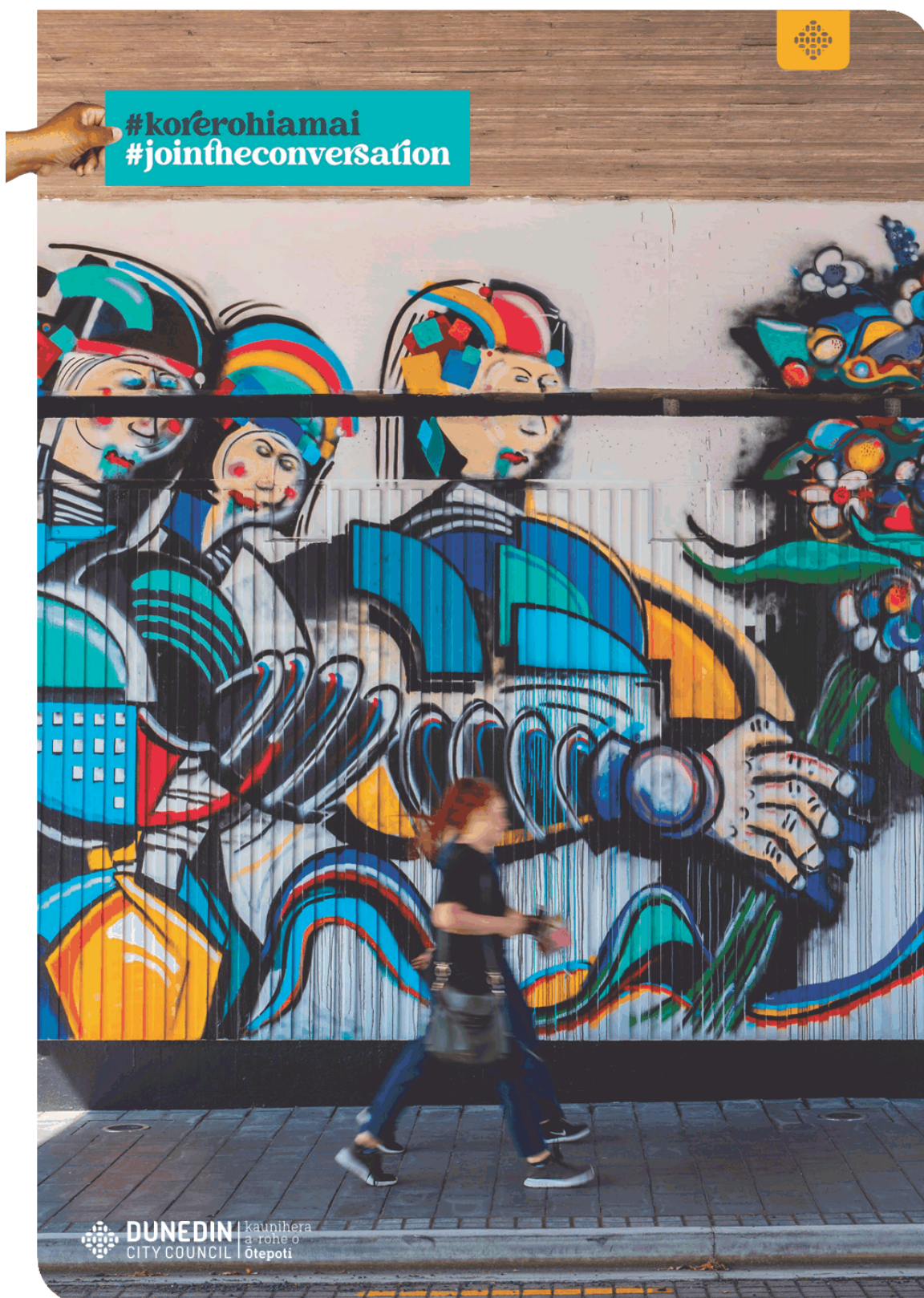
The Council considers your feedback

**30 June**

10 year plan approved



This booklet highlights the key points you need to know. For more information about our plans, such as finances, policies, projects and the services we provide, visit [www.thefutureofus.nz](http://www.thefutureofus.nz) or ask at the DCC's Civic Centre reception or any of our libraries or service centres.





## te rāraki upoko contents

- 03 Join the conversation
- 04 Mayor's message
- 06 Rates
- 07 Debt
- 08 10 year budget
- 09 Impact of COVID-19  
3 Waters reform
- 10 Looking after what  
we have
- 12 Working with mana  
whenua
- 14 Responding to climate  
change
- 15 Reducing our waste
- 18 Moving around our city
- 20 Growth
- 22 Our great small city
- 26 Replacing road and more
- 27 Here are some of the  
things we do
- 28 Where we get our  
money from
- 29 Fees  
Development  
contributions  
Rates remission and  
postponements policy
- 30 Independent auditor's  
report

## korērohia mai join the conversation

This consultation document sets out the key issues and proposals that are included in the 10 year plan. We've got some ideas about what the priorities should be, based on what you've told us before and the challenges we're facing. However, it's really important that you tell us what you think about the ideas.

We want to know what you think about the proposed spending and projects for the next 10 years. We've got some specific questions

that we're keen to get your feedback on. They relate to kerbside collection, moving around our city, community housing, a performing arts venue and public toilets. There are different ways to share your views on all the things we're planning. These include completing the feedback form online or at the back of this booklet, having a chat with Councillors or getting in touch on social media.

We are holding hearings – where you can talk directly to your Councillors about your views.

For a list of activities and events, and all the ways you can join the conversation, go to our website [www.thefutureofus.nz](http://www.thefutureofus.nz).

### your mayor and councillors ko tō koromatua me kā kaikaunihera



To do what we're planning, we have proposed a rates rise of 9.8% in the first year of the plan and an average of 5.7% over the following nine years. We would also need to take on much more debt.

## he kōrero nā te koromatua mayor's message



“Kia ora, nau mai ki te tuhinga  
hukihuki o te Mahere Kahuru Tau: Tā  
tātou eke whakamuri.

He tuhika whakamārama tēnei i kā take  
matua kai te Kaunihera, ā, kai tēnei tāone nei  
hoki i te kahuru tau e heke mai nei, ā, i tua  
atu rā hoki. Ka kitea mārika i te tohe nui o kā  
momo take nui.

E marohi ana mātou ki te whakapau i te \$1.5  
piriona tāra hai kā tau kahuru e heke mai  
nei ki te whakahou i kā kōrero me kā rori, ki  
te whakapai i kā puna kaukau me kā papa  
tākaro, ā, ki te kōkiri whakamua tou te tāone.

Tata te rua-hau-toru o tēnei mahi e aro  
atu ana ki te whakahoutaka o te hakaaka e  
pakeke haere ana, i taua wā tou e whakatūria  
ana te pūnaha hou ki te kohi para, ā, e mātua  
whakarite ana i te whakawhitika pono ki te  
oraka toutaka o te taiao.

Kai te haka hoki i ētahi rauhaka hapori pēnei  
i te wharepukapuka ki Rakiātea, Ōtepoti ki  
te Toka, i te puna kaukau hou ki Te Kōnika a  
Matamata, ā, kai te maheretia hoki he whare  
tāpere hou.

Haere tahi ana ki te whakahoutaka o ō tātou  
ake rawa, me mātua toko i te whakakunetaka  
e rakona ai e te tāone nei i tēnei wā tou.

E marohi ana mātou ki te haka i ētahi whare  
noho ano hai urupare i te pikika o te taupori,  
ā, ka tuku pūtea hoki ki kā rauara waka kia  
nui ake anō ai te whirika o te momo waka, te  
rere hoki o aua waka me te whakatika ake

anō hoki o kā rauhaka waka kē kai a tātou  
pērā i kā tauraka waka.

Ekari he utu anō i ēnei āhuataka katoa, koia  
e marohitia ana te whakapiki i te utu rēti, me  
te tono pūtea.

Kai te marama pū nei mātou he  
whakaaweawe nui te marohitaka whakapiki  
tāke Kaunihera ki te huka mahimoni iti, ki  
te huka mahimoni māhoi hoki. Kai te mōhio  
hoki mātou te tōmuri o ēnei mahi, me te mea  
nei ki te kore e whakatika ināiane ka nui kē  
ake te utu ki a mātou i kā tau e heke mai nei.

Hai hoa haere i kā wero ōhaka, tūtakarerewa  
ana i te hua o kā whakahoutaka Kāwana ki  
kā whakahaeretaka o kā rawa, me tā mātou  
tuku tika i te wai hai inu, te whakaputa tika i  
te para takata, me te wai āwhā.

He tuhika mahere wawata nui tēnei i tāna  
e whai ai. Ka hoki atu anō mātou ki te moni  
tōpū hai te Mātahi-o-te-Tau, i mua i te  
whakaae matua ki tēnei mahere nei.

Marama pū ana mātou he taumaha tou kai  
te kawea e ō tātou taupori. Ara te whakahau  
mō te wai ki kā hapori ki Waikouaiti, ki  
Karitāne ki Pā Tamariki hoki kia 'kauraka  
e inu', tae anō atu rā ki te mānukanuka ki  
KOWHEORI-19.

Tēnā, tukuna mai tō reo ki tēnei matapakī,  
me whakamōhio mai ki ō wawata, me  
āwhina mai hoki kia whao ai he āpōpō  
whakamiharo mō tēnei tāone nei.

“Kia ora and welcome to our draft 10  
year plan: Tā tātou eke whakamuri –  
the future of us.

This document outlines the key issues for  
the Council and the city over the next decade  
and beyond. As you'll see, there are many  
competing priorities.

We plan to spend \$1.5 billion over 10 years  
renewing pipes and roads, upgrading pools  
and playgrounds, and planning for the future.

Nearly two thirds of this work is focused  
on renewing our ageing infrastructure, at  
the same time as introducing a new and  
improved kerbside collection system, and  
ensuring a just transition towards a safer  
climate future.

We're also building new community  
facilities such as a library in South Dunedin,  
a swimming pool in Mosgiel and we're  
planning a new mid-sized theatre.

As well as improving what we already have,  
we need to support the continued growth the  
city is experiencing.

We're proposing to build more community  
housing units in response to growing  
demand and invest in our transport network  
to create greater mode choice, better traffic  
flow and more efficient use of existing  
resources like parking.

But all of this comes at a cost, which is  
why we're proposing rates rises and  
increased borrowing.

We're conscious of the impact the proposed  
rates rises will have, on low and fixed  
income earners especially. We also know  
that a lot of the work is overdue and inaction  
now will only cost us all more in the long run.

Alongside the economic challenges, there's  
uncertainty about what will happen as  
a result of Government reform in areas

such as resource management and how  
we deliver drinking water, wastewater and  
stormwater services.

This draft plan is ambitious in terms of what  
we want to achieve. We will be reviewing the  
capital budget figures in May, before the final  
plan is adopted.

We're aware our residents have got a  
lot to cope with at the moment. There's  
the 'do not drink' water notice for the  
Waikouaiti, Karitane and Hawksbury Village  
communities, and the general uncertainty  
created by COVID-19.

We hope you will join the conversation, let  
us know what's important to you and help  
shape the future of this great small city.

Aaron Hawkins | Mayor of Dunedin  
Te Koromatua o Ōtepoti

08

## kā tāke kaunihera rates

If you own property, then you pay rates. The level of rates set by the Council depends mainly on what services and facilities the community wants.

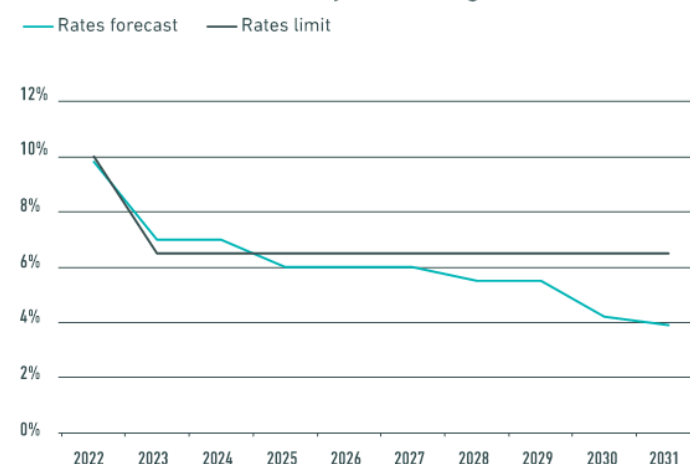
An overall rates rise of 9.8% is proposed for the first year of this 10 year plan. After that, the increase varies, but will be 5.7% on average across the following nine years. We know higher rates can be hard for people to afford and the DCC will be doing its bit too. Staff need to save \$4 million in the first year of the plan, so we'll be looking at how we can improve the way we do things.

As well as outlining what overall rates rises are planned, we have to have rates limits so our community is clear about what to expect over the next 10 years. We propose limiting the rates increase to 10% in the first year to help us cover the costs of running the city. The rates limit will be 6.5% on average over the next nine years.

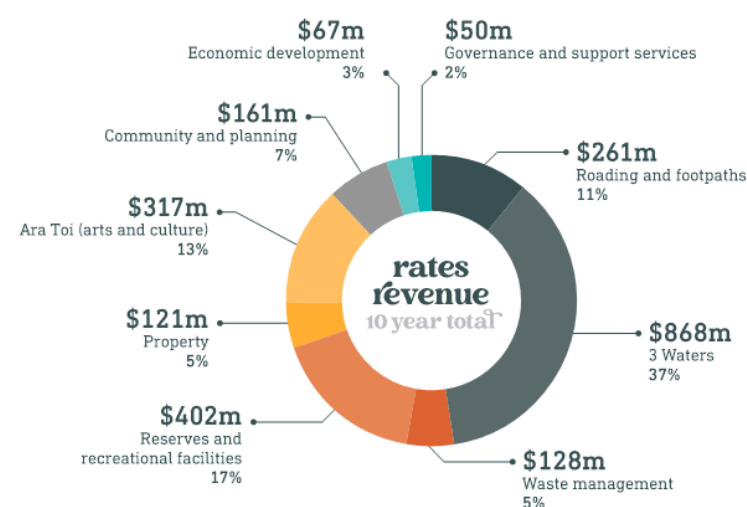
We know these are big increases, but we can't keep rates low and still do the things the community wants and that we need to do, such as replace old pipes.

This graph shows what we're proposing.

**Forecast rates increase for years ending 30 June**



This diagram shows what we spend your rates on.



**FIND OUT MORE**  
[www.thefutureofus.nz](http://www.thefutureofus.nz)

09

## kā nama debt

Currently we have debt of \$257 million. We need to be able to borrow more money so that we can deliver what we need to do. Our last 10 year plan had a fixed amount that we could borrow of \$350 million. We need to increase the amount we spend on renewing and building new assets, and this borrowing limit will not be enough to let us do that.

Spending to maintain and renew our assets is a big priority and we need debt to help us do this.

Our draft Financial Strategy sets our debt limit differently, allowing us to borrow up to 250% of our revenue. This new way to set our debt limit is commonly used by big councils across New Zealand. It means we will be able to deliver our planned capital projects, and we could fund any emergency work if we needed to.

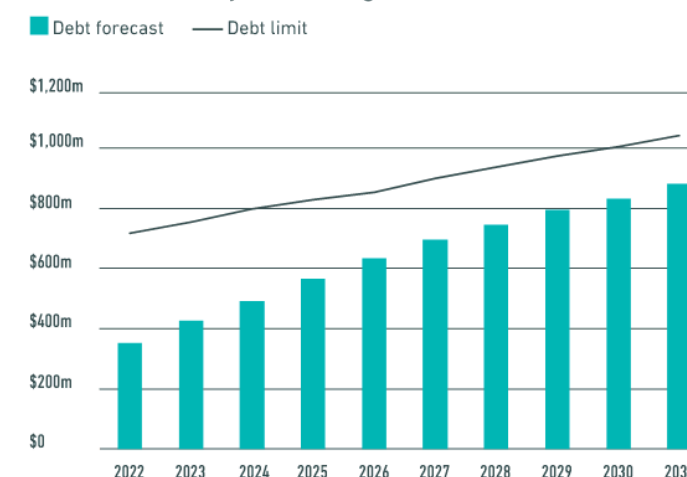
The 250% of revenue is a debt limit, not a goal or target. We will only borrow money if we need it. Setting a flexible debt limit will help us deliver our big capital programme for the next 10 years.

The current plans mean we would be borrowing 211% (\$880 million) of revenue by the end of the 10 years. We do have investments that we can use to offset our debt. These investments, worth about \$300 million, are the Waipori Fund, an investment property portfolio and our investment in Council companies.

There is always a trade-off between doing stuff and paying for it, and borrowing is one way to try to find a balance. Borrowing spreads the load across generations – some people think this is fair, some don't.

This graph shows what we're proposing.

**Forecast debt for years ending 30 June**



10



## te tahua mō te kahurutaka 10 year budget

### capital costs for the next 10 years

	<b>\$440m</b> Roading and footpaths 29%
	<b>\$562m</b> 3 Waters 37%
	<b>\$109m</b> Waste management 7%
	<b>\$113m</b> Reserves and recreational facilities 8%
	<b>\$225m</b> Property 15%
	<b>\$20m</b> Ara Toi (arts and culture) 1%
	<b>\$5m</b> Regulatory services
	<b>\$4m</b> Community and planning
	<b>\$0</b> Economic development
	<b>\$47m</b> Governance and support services 3%

**total = \$1.5b**

### operating costs for the next 10 years

	<b>\$581m</b> Roading and footpaths 17%
	<b>\$808m</b> 3 Waters 23%
	<b>\$257m</b> Waste management 7%
	<b>\$429m</b> Reserves and recreational facilities 12%
	<b>\$420m</b> Property 12%
	<b>\$223m</b> Ara Toi (arts and culture) 7%
	<b>\$127m</b> Regulatory services 4%
	<b>\$135m</b> Community and planning 4%
	<b>\$51m</b> Economic development 2%
	<b>\$415m</b> Governance and support services 12%

**total = \$3.4b**

11

## te pātaka mai o KOWHEORI-19 impact of COVID-19

Everyone is grappling with what the ongoing impact of COVID-19 will be.

This means there's uncertainty for the DCC, the local economy and the community about what will happen over the next few years.

The DCC has an important role to play in the way the city recovers, economically and socially. However, the uncertainty created by COVID-19 means developing long term budgets is a big challenge.

Lockdowns or alert level changes are likely to affect the economy, change how we talk to our community and possibly hold up work on big projects because of supply chain delays.

Revenue from some of our activities has been impacted by COVID-19, but we think it will slowly recover as international visitors return to our city.

It's a big challenge to balance all the things that need to be taken into account.

## kā whakahoutaka e tōru o te wai 3 waters reform

In July 2020, the Government launched the Three Waters Reform Programme, a three year programme to change the way drinking water, wastewater and stormwater are regulated and delivered.

One of the proposed changes is for a small number of larger, regional bodies to run these services instead of councils.

Funding has been given to councils which agreed to take part in the first stage of the reform programme. The DCC is using its share

of the funding to improve the performance of our water, wastewater and stormwater systems in the Dunedin city area.

At the moment there's not enough information to talk to the community about what the reforms mean for the city. For that reason our 10 year plan includes all of our three waters activities for the whole 10 year period. The community will get to have a say on what's planned at a later date.

12

## tiakina ā tātou rawa looking after what we have

It's the DCC's job to provide safe drinking water, treat and get rid of wastewater, and dispose of stormwater. It's also our job to look after the city's assets, including public roads, footpaths and bridges, unless they are part of the state highway network, and parks and reserves.

We have a plan for managing DCC three waters and transport networks for the next 50 years.

We've looked 50 years ahead so we can prepare for what the city will need in the future. Once we get past the first 10 years, it's harder to be certain about what will need to be done and when.

We also need to respond to anything that comes up, such as the recent issue of elevated lead readings in the drinking water at Waikouaiti, Karitane and Hawksbury Village. We are working hard to try to find the source of the lead. We are replacing about 5km of old pipe with lead joins in the area. The upgrade of the local treatment plant is planned for the first year of the 10 year plan. That work is being prioritised.

Replacing assets such as ageing water and wastewater pipes is critical. We now know more about our assets than we did three years ago. We're continuing our work to get even better information on their condition, recognising that most of our pipes are underground. So in this 10 year plan, we are proposing to spend the full amount that we should to maintain them.



This means that of our \$1.5 billion capital budget, we'd be spending about \$950 million on replacing things, compared to \$520 million included in our last 10 year plan. This is more than we put aside for the entire capital budget in the last 10 year plan.

13

The \$950 million will be spent on:



**Replacing**  
old water, wastewater and stormwater pipes, mains and sewers



**Resealing**  
roads and footpaths, kerb and channel work, and maintaining bridges and retaining walls



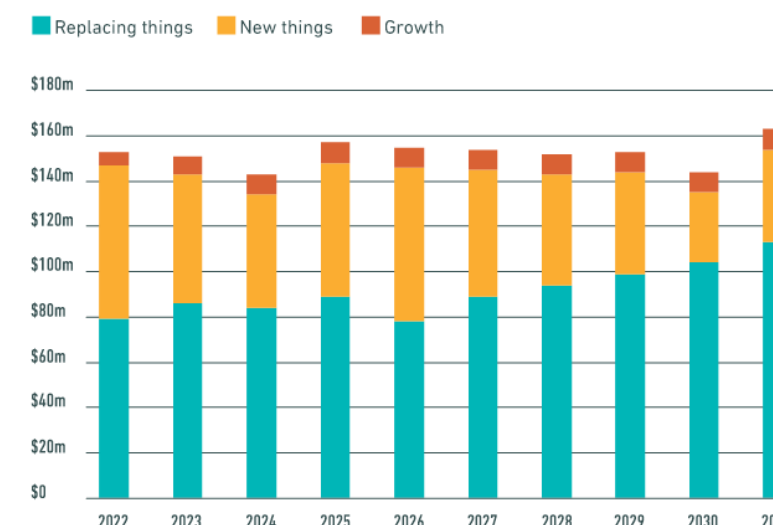
**Maintaining**  
public facilities such as playgrounds, swimming pools, toilets, gardens and sportsfield lighting



**Looking after**  
our properties, such as our community housing units

This graph shows how much we plan to spend on replacing and improving things, and on providing for growth in Dunedin.

Capital spending on our assets for years ending 30 June



### Investing in the right way

We've taken a lot into account when we've looked at what our capital spending programme should be. We've considered:

- our assets and their condition
- prioritising replacing things over new projects
- possible impacts on climate change and zero carbon targets
- what we're required to do by law
- our ability to deliver – in terms of staff and contractors
- timing – what we can get done over the 10 years

- how we would pay for the work.

We know delivering a \$1.5 billion work programme will be a big challenge. We're doing a range of things to try to make this happen, such as improving our planning, talking to contractors earlier and doing a better job of managing projects. We are also entering into long term contracts with both designers and construction contractors, to help secure delivery of our projects.

We'll also be reviewing the capital budget figures in May, before the final plan is adopted.

image to come

## Kia mahi tahi me mana whenua working with mana whenua

He nui whakaharahara te akitū me te rakapū haere ake nei ki a Kāi Tahu me te iwi Māori.

Kai te aro manawanui mātou ki te Tiriti o Waitangi mā tō tātou rakapū ki mana whenua me kā rūnaka e rua, arā ko Te Rūnaka o Ōtākou me Kāti Huirapa ki Puketeraki, waihoki ki a mataawaka (nō waho atu) mā te marae o Āraiteuru. He tini ara i whakatinanahia tō tāua rakapū o te Tiriti ki te taha rautaki me te taha mahi.

Anei ētahi tino kaupapa rakapū-ā-rautaki:

- Te whakatū i tētahi tuka, arā he Kaiwhakamaherehere i te tau 2019 ki te Kaunihera-a-rohe o Ōtepoti. He tuka whakahaere tēnei hei āwhina-ā-rautaki, hei ārahi hoki ki te Kaunihera, kia whakaahua kā āheika i waeka i mana whenua me mataawaka ki Ōtepoti.
- I whakarite tētahi honoka whakaaetaka i 2019 i waeka i te Kaunihera-a-rohe o Ōtepoti me Aukaha Ltd (he kamupene o kā rūnaka o te rohe nei). Mā te mahi tahi me Aukaha Ltd te honoka mahi e mātua aro atu ki kā whakaarotau o Kāi Tahu.

Ka tutaki tou te honoka ki mana whenua mā tā mātou mahi, ā, ki te whakaahuataka o kā whanoka o te honoko tiriti me te arahi rautaki whakamarumaru mō Kāi Māori ki Ōtepoti ki te rautaki pou tarāwaho o te Kaunihera-a-rohe o Ōtepoti. Me tutuki ka tika te pou tarāwaho kā hiahia o te iwi Māori ki Ōtepoti, kia mārama ai, kia uru ai ki kā whāika-ā-tikaka, ā-pūtea, ā-taiao, ā-takata ki te taone nei.

Ka mahi-tahi tātou ko mana whenua ki kā tino kaupapa, arā, ko te whakamohoa o te Tiriti o George, kā Kaupapa-ā-para, te wā-heke o Ōtepoti ki te toka, te Pokapū matahiko hiraka me tōna pou tarāwaho tikaka kia tūwhera ai kā ara rerekē mō kā kaimahi o te Kaunihera-a-rohe o Ōtepoti hai akoraka mō te tiriti, te ao Māori me te hitori o Kāi Tahu.

Long term success and an enduring partnership with Kāi Tahu and Māori are important to us.

We're committed to the Treaty of Waitangi through our partnership with mana whenua by way of the two local papatipu rūnaka – Te Rūnanga o Ōtākou and Kāti Huirapa ki Puketeraki – and with mataawaka (non-Kāi Tahu) through Āraiteuru Marae. There are a number of ways in which we express our treaty partnership at both strategic and operational levels.

Here are a couple of the key strategic partnership projects.

- Establishing a Kaiwhakamaherehere position in 2019 within the DCC. This is an executive position that provides strategic advice and direction for Council strategies and works to develop partnership opportunities with mana whenua and mataawaka in Ōtepoti.
- Creating a partnership agreement in 2019 between the DCC and rūnaka-based consultancy service Aukaha Ltd. Working with Aukaha provides operational level engagement that reflects the priorities and interests of Kāi Tahu.

We continue to engage with mana whenua through our work on the development of treaty partnership principles and the development of an overarching strategic direction for Māori in Ōtepoti as part of the DCC's strategic framework. The framework will ensure Māori development aspirations in Ōtepoti are understood and incorporated into the city's cultural, economic, environmental and social outcomes.

Operationally, we continue to work with mana whenua on key issues such as the George Street upgrade, waste initiatives, South Dunedin Future, Kaupapa Centre of Digital Excellence and a cultural framework that will provide different ways for DCC staff to learn more about the treaty, Te Ao Māori and Kāi Tahu history.

16

# uruparē ana ki te hurika āhuaraki responding to climate change

Climate change is the biggest challenge facing communities across the world, including Dunedin. The DCC began work to adapt to a changing environment (adaptation) more than a decade ago, and reduce emissions (mitigation) soon after.

## Mitigation – our Zero Carbon 2030 target

In June 2019, the Council voted to declare a climate emergency and speed up efforts to become a net zero carbon city – bringing forward Dunedin's target for achieving that goal by 20 years, to 2030.

To meet our Zero Carbon 2030 target we need to cut carbon emissions.

In the 10 year plan we're prioritising investment to reduce emissions from transport (because it's our largest and fastest growing source of emissions), and waste (because we provide waste and recycling services, we can help make a difference).

At the same time, we're working hard to lead by example by reducing the DCC's own emissions.

Some of the practical things we're doing right now include upgrading the city's 15,000 streetlights to more energy efficient LEDs and replacing our vehicle fleet with EVs as they come up for replacement. Keep an eye out for New Zealand's first electric mobile library here in Dunedin.

In the 10 year plan we've included budget to cut the DCC's LPG use by about 80%. This includes:

- \$3.3 million to install a second heat recovery heat pump at Moana Pool (cutting 75% of our LPG use at the facility) and then installing either a wood pellet boiler or an air source heat pump (which would mean using no LPG at all)
- working with other organisations to look at a low-emissions district energy scheme for parts of the central city. It works if several of the DCC's facilities could join the scheme.

### We're also:

- considering our zero carbon target when we make decisions about any big projects, such as the new Mosgiel Pool
- making sure Dunedin's voice is heard at a national level by making submissions to Government on key legislation
- reaching out to mana whenua and other key partners to start working collaboratively on city-wide emissions reductions.

We can only achieve the Zero Carbon 2030 target if we all work together. In 2021-22, we'll be working with the community to develop a zero carbon plan for Dunedin so we're all clear about what needs to be done and how we'll get there.

We've put \$831,000 each year in the draft budget to progress this work.

## Adaptation – South Dunedin Future

In terms of adapting to climate change, we face significant challenges, especially relating to sea level rise and more frequent severe storms causing flooding.

We've had a big project underway for several years that focuses on South Dunedin, which has been built on reclaimed land, has high groundwater levels and is vulnerable to sea level rise. We're working with the community, the Otago Regional Council, central government and others on ways to adapt to these changes in the longer term.

Part of this project involves us spending about \$37 million over the next decade, improving our stormwater systems to reduce South Dunedin's flooding risk. We're also developing a separate, but closely related, adaptation plan for the area's coastline, which will look at coastal erosion and provide a long-term vision of how we could manage our coastline.



**FIND OUT MORE**  
[www.thefutureofus.nz](http://www.thefutureofus.nz)

17

# ka mimiti i te para reducing our waste

We want to improve Dunedin's whole waste system, including what we collect, what we recycle or re-use, and what has to go to a landfill.

The Council has committed to being part of a national and global movement to cut carbon emissions and reduce the amount of waste that goes to landfills.



## Waste goals

Dunedin aims to be a zero waste city by 2030, and the DCC actively encourages waste reduction and recycling. The city will still need a way to dispose of some waste for many years to come. We are required to have a plan that sets both the direction for reducing waste and our goals for managing rubbish and recycling.

The Council adopted a new Waste Minimisation and Management Plan in 2020. The goals include:

- being less reliant on overseas markets for recyclable items
- advocating for, and educating people about, waste minimisation
- protecting people's health and the environment from the harmful effects of waste.

### Here are some key things we're working on to help us meet our goals.

We're planning to spend about \$22 million on new facilities to help us better manage and reduce our waste, and reduce emissions. These include:

- a facility, such as a worm farm, to process food waste and garden waste separately into a material that can be re-used, e.g. compost

- new, improved equipment to sort the items from our yellow-lidded recycling bins so we reduce contamination and can more easily find markets for these recyclables
- a second Rummage store, located in the central city/North Dunedin area to sell second-hand items
- a facility where construction material that can be recycled is separated out and processed, e.g. crushing concrete so it can be used as a base for new roads
- equipment to turn recycled plastics into pellets that can be made into new plastic products.

## Smooth Hill/Green Island Landfill

We've got \$56 million in the budget to develop a new landfill at Smooth Hill, south of the city. Smooth Hill has been identified as a suitable site and we are working through the resource consent process.

With the Green Island Landfill coming to the end of its life, we need to develop a new, modern landfill. When the Green Island Landfill closes, we hope to put a solar farm on the site.



## kerbside rubbish and recycling collection

Currently, the DCC provides a kerbside collection for rubbish and recycling in urban areas and rural townships. We're looking at changes to this service because we want to encourage more recycling and less waste. We're also getting rid of DCC black plastic rubbish bags.

In March/April last year, we asked you what you thought about ideas for a future kerbside collection service. Based on community feedback, and a Ministry for the Environment report recommending standardised kerbside collections across the country, we are asking

what you think about two options for the future. With both options, we would replace the black rubbish bag with a red-lidded wheelie bin, keep the existing blue crate for glass and keep the yellow-lidded wheelie bin for mixed recycling.

Separating out food waste from green waste would provide better options for processing and reusing the materials. Food waste should be reduced as people become more aware of how much food they are throwing away. Taking food and green waste out of our landfill will also help us reduce our carbon emissions.

### Preferred option: Four bins plus one

- Keep blue crate for glass and yellow-lidded recycling bin
- Replace the current black rubbish bag with a red-lidded wheelie bin
- Separate food bin
- Optional green waste bin paid for separately

#### Cost:

Estimated rates in the first year of the new service.

Four bins: **\$270 – \$310**

Optional garden waste bin (additional cost): **\$140 – \$180**

#### KEEP THESE



Fortnightly  
glass recycling



Fortnightly  
mixed recycling

#### PLUS NEW



Fortnightly  
general waste



Weekly  
food waste

#### NEW optional



Fortnightly  
garden waste

### Alternative option: Three bins

- Keep blue crate for glass and yellow-lidded recycling bin
- Replace the current black rubbish bag with a red-lidded wheelie bin

#### Cost:

Estimated rates in the first year of the new service.

**\$260 – \$300**

#### KEEP THESE



Fortnightly  
glass recycling



Fortnightly  
mixed recycling

#### PLUS NEW



Weekly  
general waste

#koreroHiaMai  
#jointheconversation

Have your say online at [www.thefutureofus.nz](http://www.thefutureofus.nz)  
or at the end of this booklet.



# te nuku i te tō tātōu tāone moving around our city

We want to make sure people can get around the city as safely and easily as possible.

It's good news that our population is growing and that some big projects, such as the new hospital, are planned for the city, but this will have an impact on how we get around. We're doing our best to co-ordinate projects so they happen in the right order and we keep things moving as well as

we can. Construction of the new Dunedin Hospital is expected to start next year. Since 2018, we've been working with Waka Kotahi NZ Transport Agency and the Otago Regional Council on the best ways for people to get around the city during, and after, the hospital construction. This package of work is called the Shaping Future Dunedin Transport (SFDT) programme.

Our key aims are improving public transport, creating good alternative routes and providing

clear information so we have an accessible city while the hospital is being built and afterwards.

As part of the SFDT programme, the DCC is proposing to carry out six projects totalling just over \$50 million – some of the projects are partly funded by Waka Kotahi. For each project, our share of the capital costs would be funded by debt.

The ongoing costs that are paid for by rates include interest, depreciation and maintenance.

## The proposed six projects



### Harbour arterial improvements

**\$16.6 million**  
(our share is \$8.1 million)

Completion of the harbour arterial route so traffic has an alternative route which bypasses the central city. This route will be particularly useful to divert heavy vehicles from the city centre.

When finished, the harbour arterial will run along Frederick, Ward, Thomas Burns and Wharf Streets.

There will also be real-time signs showing motorists the quickest routes to take around the city.

\$900,000 ongoing costs each year, paid by rates.



### Central city parking management

**\$11 million**  
(we pay the full cost)

We know people are concerned about the availability of parking in the city centre and around the new hospital. We plan to improve the way we provide and manage parking by:

- providing ways to help motorists find a parking spot, e.g. electronic signs showing where and how many parks are available across the city
- improving technology to make it easier to manage parking
- extending paid parking areas in the central city.

\$800,000 ongoing costs each year, paid by rates.



### Park and ride facilities at Mosgiel and Burnside

**\$10.3 million**  
(our share is \$5 million)

Most of the car trips (65%) into the city are made by people coming from the south. We want to provide parking so people from areas such as Mosgiel and Burnside can leave their cars and take an express bus into the city. This would reduce traffic congestion in the city, particularly at peak times.

\$500,000 ongoing costs each year, paid by rates.



### Princes Street bus lane

**\$6.6 million**  
(our share is \$3.2 million)

Princes Street is a busy road for commuters and has a high road safety risk. The aim of this proposed project is to provide a separate bus lane along Princes Street, from South Road to Manse Street and then to Moray Place, so bus trips would be faster, encouraging more people to take public transport. We plan to install pedestrian crossings along Princes Street connecting each side of the road and providing good access to bus stops. We also want to make improvements so it's safer and easier for people who want to walk and cycle into the city from the south.

\$300,000 ongoing costs each year, paid by rates.



### Central cycle and pedestrian improvements

**\$5 million**  
(our share is \$2.4 million)

We plan to fill gaps in the central cycle network by providing cycleways in St Andrew, Bank/George and Albany Streets.

As the cycleway network has been completed on the harbour side, there would then be a direct link from the harbour to the city centre via the University of Otago. We will also be improving the footpaths in these areas to make it safer to walk along this route.

We propose putting in more Barnes Dance crossings to make it easier to access the new hospital.

\$300,000 ongoing costs each year, paid by rates.



### Central city bike hubs – parking and facilities

**\$2.5 million**  
(our share is \$1.2 million)

Currently, the central city doesn't have much secure and sheltered bike parking. We hope to encourage more people to cycle by installing hubs where bikes can be securely stored. The hubs, which would be in North Dunedin, the central city and South Dunedin/the Oval, would also have repair and charging services.

\$100,000 ongoing costs each year, paid by rates.



Which of these six projects do you support?

**#koreroiamai**  
**#jointheconversation**

Have your say online at [www.thefutureofus.nz](http://www.thefutureofus.nz)  
or at the end of this booklet.



22

## whakatipu growth

Dunedin is moving from a low to higher growth city. A major part of responding to growth is looking at housing.



As well as improving the situation for people who live here now, we also need to plan for our growing population.

### What we're doing

Dunedin needs to have more homes that are healthy and affordable. We know we can't do this on our own, so we're working with other organisations and developers to make this happen. We're also asking central government to do its part, including investing in more houses.

As part of our work, we're making it easier for developers by providing help with planning and building processes, and continuing to invest in the Cosy Homes Charitable Trust and Warm Dunedin programme.

visit: [www.dunedin.govt.nz/housing](http://www.dunedin.govt.nz/housing) for more information.

### Planning changes

We are proposing changes to the Second Generation Dunedin City District Plan (2GP) to provide for more housing. With the city's growing population, more capacity is needed.

If the rule and zoning changes go ahead, some areas will be rezoned so new houses can be built. The changes would also mean the density of housing could be increased in existing suburbs, through measures such as allowing smaller site sizes, providing for duplexes and removing the restrictions on who can live in family flats.

visit: [www.dunedin.govt.nz/variation-2](http://www.dunedin.govt.nz/variation-2) to find out more about these proposed planning changes, which are called Variation 2: Additional Housing Capacity.

### Services to cater for growth

The planning changes we're proposing to cater for growth have been developed in conjunction with work to make sure new homes will have access to services such as roads, water and wastewater. We must also make sure current pipes and roads can take any extra load from further development in existing suburbs.

We intend to spend \$77 million over 10 years to extend services into areas that will be developed for housing.

23



## our role as landlord

### DCC community housing

The DCC is the largest landlord for community housing in the city, with about 940 units. We want to hear from you about what direction we take with our housing.

DCC community housing is meant to break even, but in reality it costs us more to run and maintain the units than we get from rents. This means some rates funding is used to provide the service. We want to know if the DCC should aim to provide community housing at no cost to ratepayers. This would mean putting up rents for community housing tenants. Our rents are low compared with other centres and market rents.

Do you support rates being used to subsidise rents for the DCC's community housing?

While we continue to replace and upgrade existing units, we haven't built any new ones since 2010. We think it's time to develop some new community housing and we want your feedback on two options. Our preferred option is to spend \$1 million a year for the next 10 years, and this is what we've included in the draft budget. \$1 million will get us four new housing units each year. The other option is to spend double this – \$20 million over 10 years.

#### Preferred option

That the DCC spends \$10 million to build more community housing units  
**\$10 million** capital cost paid for by debt  
**\$2 million** from rates (in total over the 10 years)\*

#### Alternative option

That the DCC spends \$20 million to build more community housing units  
**\$20 million** capital cost paid for by debt  
**\$4 million** from rates (in total over the 10 years)\*

\*If rates continue to subsidise rents

At the moment, priority for our houses is given to people aged 55 and over. This age limit was decided when the demand for housing was lower. Now we have a larger waiting list, we are considering giving priority to people aged 65 and over. Most of our current tenants are in the 65+ age group and the number of people in that age category is projected to rise over the next 20 years.

Do you support the DCC prioritising its community housing for people aged 65 and over?

#koreroiamai  
#jointheconversation

Have your say online at [www.thefutureofus.nz](http://www.thefutureofus.nz)  
or at the end of this booklet.





## tō tātou tāone whakamiharo our great small city

A great quality of life is one of the things that makes Dunedin special. We want to make sure the city continues to be an attractive and interesting place to live in and visit.

We're planning to spend millions of dollars on our facilities, including pools and playgrounds, to make sure they are safe and meet the needs of the community. Here are some of our big priorities over the next 10 years.




## performing arts venue

Dunedin does not have a flexible, mid-sized auditorium of 350 – 450 seats. After discussion with mana whenua, the arts sector and funding organisations, we're asking the community about two options, the Athenaeum in the Octagon and the Mayfair Theatre in South Dunedin. Neither site is currently owned or operated by the DCC. The Athenaeum would be a partnership project with developer Zeal Land Ltd. The Mayfair Theatre option would mean redeveloping the existing theatre, which is owned by the Mayfair Theatre Charitable Trust but could possibly be bought by the DCC.

The Council's preferred option is the Athenaeum. Developing a theatre there would support our plan to develop the wider Octagon area into a creative precinct. The Athenaeum is also close to restaurants and bars, and the bus hub.

Redeveloping the Mayfair Theatre would support our efforts to regenerate South Dunedin and would be a boost for businesses in the area.

### Preferred option: The Athenaeum

**\$17.1 million** capital cost, paid by debt  
**\$4.6 million** ongoing costs each year,  
paid by rates

### Alternative option: The Mayfair Theatre

**\$31.2 million** capital cost, paid by debt  
**\$3.7 million** ongoing costs each year,  
paid by rates

#koreroiamai  
#jointheconversation

Have your say online at [www.thefutureofus.nz](http://www.thefutureofus.nz)  
or at the end of this booklet.



26



## mosgiel pool

**Cost: \$19.2 million**

Construction of a new pool for the Mosgiel and Taieri community starts in June. It will be completed and open at the beginning of the 2022-23 summer.

Community support for the new pool has been strong with the Taieri Community Facilities Trust raising more than \$4 million and the DCC paying the rest.

The new complex will include an eight-lane main pool, hydrotherapy pool, learn to swim pool with a toddlers area and spa pool. There will also be family and accessible changing rooms, and a community meeting space.

The new pool will be built next to the current pool at the western end of Memorial Park. It will be open all year, compared to the current pool which is open seven months of the year. The existing pool will be demolished before construction of the new facility begins, so this season will be its last.

The new pool has been designed with energy efficiency in mind and will be heated using boilers run on wood chips.



## south dunedin library and community complex

**\$11.6 million**

The South Dunedin library and community complex has been planned for a long time. Now we are ready to start work on the new, purpose-built complex, located on the corner of Kind Edward Street and Macandrew Road.

This work will begin mid-2021. The facility will be a focal point for the community, and it will help with the regeneration of the South Dunedin area.

The new complex will be designed to at least a four Green Star environmental rating, and it will be built to minimise the risk of flooding.

We expect the facility to open in the 2023-24 year.

 [www.dunedin.govt.nz/southdlibrary](http://www.dunedin.govt.nz/southdlibrary)

## here's a couple of other things we're doing:



### moana pool

We're planning a multi-million dollar upgrade of Moana Pool over the next four years to make sure it remains the region's top aquatic facility.



### playgrounds, sportsfields and tracks

Over the next 10 years we're planning on spending **\$9.2 million** improving our parks, playgrounds, sportsfields, tracks and trails.



## public toilets

We're planning to spend **\$3.2 million** over the next 10 years to improve 65 existing public toilets, build a new Changing Places bathroom and put in two new toilets a year from 2022-23.



Where do you think the new public toilets should go?

A Changing Places bathroom is a place where people with multiple or complex disabilities can get changed in a safe, clean environment. It has toilet, shower and change facilities for adults or children, and their caregivers.

As well as the Changing Places bathroom we're planning to build in the central city in 2021-22, one will also be included in the new South Dunedin Library and Community Complex.



#koferohiamai  
#jointheconversation

Have your say online at [www.thefutureofus.nz](http://www.thefutureofus.nz)  
or at the end of this booklet.



## whakakapihia anōtia kā huanui me ētahi atu replacing roads and more

Over the next decade we plan to spend \$246 million on replacing sealed roads and footpaths, compared to the \$161 million we budgeted for last time. This is to help us maintain our roads.

Waka Kotahi helps pay for this work, but its funding is limited so any shortfall will come from debt and rates.

Here are some transport updates.



### Peninsula Connection

The low road around the Otago Peninsula is being widened and raised to make it safer and more attractive. Most of the road is being widened by 5-6m and a new rock seawall and shared cycle/pedestrian path are being built. Work is currently underway on the section of road between Company Bay and Broad Bay. We're planning to spend a further \$9.7 million to finish the section from Vauxhall to Portobello. There's no budget to complete the project beyond Portobello at this stage.



### The bridge

In the last 10 year plan we included \$20 million for an architectural pedestrian/cycleway bridge to link the city centre and the waterfront. Staff are working with mana whenua and other stakeholders to review the aims and scope of this project and will report back to the Council in May.



### Tertiary precinct

In the last 10 year plan we talked with you about upgrading the area around the University of Otago and Otago Polytechnic campuses. The aim was to improve the safety and accessibility of the area, as well as lifting the look and feel for students, staff and the wider community.

We still want to do this work, but it makes sense to delay it until after the central city upgrade work is done. We plan to spend \$1 million in 2030-31 on some preliminary planning work, with a view to starting work in the next 10 year period.

## ā mātou mahi here are some of the things we do



**3 Waters** – water and wastewater treatment plants, reservoirs, pipes and pumping stations.



**Roading and footpaths** – roads, footpaths, cycleways, traffic and street lights and street cleaning.



**Reserves and recreational facilities** – parks, swimming pools, sportsgrounds, the Dunedin Botanic Garden, cemeteries and public toilets.



**Property** – community housing, community centres and halls, and managing the properties we own.



**Ara Toi (arts and culture)** – libraries, Toitū Otago Settlers Museum, Lan Yuan Chinese Garden, Dunedin Public Art Gallery, Olveston and City of Literature.



**Waste management** – kerbside rubbish and recycling collections and landfills.



**Regulatory services** – building consents and inspections, dog registration, noise control, parking operations, environmental health and alcohol licensing.



**Community and planning** – the District Plan, resource consents, grants and events, and support for place-based groups.



**Economic development** – business advice, city marketing, i-Site visitor information and economic development.



**Governance and support services** – customer enquiries, communications, finance, human resources, policy, administration, Councillors and community boards, and IT.







## te puna pūtea where we get our money from

The DCC gets its money from a range of sources. About 67% comes from your rates, with the rest from fees, charges, rents, subsidies and grants, as well as some money from council-owned companies.

### Rates examples

The rates you pay are related to the capital value of your property. The following table shows what the proposed rates rise in 2021-22 means for a selection of different properties.

 Go to [www.dunedin.govt.nz/rates](http://www.dunedin.govt.nz/rates) to see your rates.

	Capital value	2020-21 Rates \$	2021-22 Rates \$	Increase \$	Increase %
 Residential	385,000	2,267	2,487	220	9.7%
	464,400	2,494	2,735	241	9.7%
	530,000	2,682	2,940	258	9.6%
 Commercial	750,000	3,311	3,627	316	9.5%
	495,000	5,892	6,401	509	8.6%
	1,605,000	17,579	19,127	1,548	8.8%
 Farmland (general and community services rates only)	5,500,000	58,589	63,781	5,192	8.9%
	1,265,000	2,994	3,263	269	9.0%
	4,230,000	9,778	10,672	894	9.1%
 Lifestyle (general and community services rates only)	7,250,000	16,688	18,219	1,531	9.2%
	510,000	1,485	1,616	131	8.8%
	725,000	2,069	2,254	185	8.9%
	930,000	2,626	2,863	237	9.0%

## fees and charges

Most of our fees are going up by 3%. This is mainly to cover extra costs.

We propose increasing the charge for on and off-street all day car parks from \$6 to \$7 a day.

In light of the new pool facilities that are coming, we plan to review pool charges over the next year.

## development contributions

When land is developed, we may need to install larger pipes, widen roads, make seal extensions and provide additional capacity for our treatment plants, storage and pumps. Developers contribute to the costs associated with providing these services and that is called a development contribution.

We have reviewed our Development Contributions Policy and charges and are proposing to make some changes. The revised policy and charges can be found at [www.dunedin.govt.nz/development-contributions](http://www.dunedin.govt.nz/development-contributions) in our 10 year plan supporting documents.

## rates remission and postponements policy

We have undertaken a review of our Rates Remission and Postponement Policy and minor changes to the policy are proposed. The revised policy can be found at [www.dunedin.govt.nz/rates-remissions](http://www.dunedin.govt.nz/rates-remissions) in our 10 year plan supporting documents.

32

Independent Auditor's Report

33

Independent Auditor's Report

# korero hia mai join the conversation

Feedback closes at noon on Thursday, 29 April 2021.

We want to know what you think of our plans for the next 10 years, and we need your help to make these decisions.

For more information, go to [www.thefutureofus.nz](http://www.thefutureofus.nz) or visit our community engagement space (at the Octagon entrance of the Civic Centre, opposite the i-SITE Visitor Centre), or any of our libraries or service centres.



## Online

Go to [www.thefutureofus.nz](http://www.thefutureofus.nz) and fill in the online feedback form.

- DunedinCityCouncil
- @DnCityCouncil
- #korero hiamai
- #jointheconversation



## Written feedback

Write a letter or use the feedback form and post to:

10 year plan  
Dunedin City Council  
PO Box 5045  
Dunedin 9054



## Talk with Councillors

Councillors will be coming to an event or public place near you, for face to face conversations. See our website for details of where and when.



## Hearings

You can also speak to all Councillors at the hearings on **10-13 May**. To register for the hearings go to [www.thefutureofus.nz](http://www.thefutureofus.nz) or phone us on 03 477 4000.



# te whakahoki kīero feedback form

Feedback closes at noon on Thursday, 29 April 2021.

## Contact details

Name: .....

Organisation (if applicable) .....

Postal address: .....

Postcode: .....

Telephone: .....

Email address: .....

Age group: ☐ under 20 years ☐ 21 – 30 ☐ 31 – 40 ☐ 41 – 50 ☐ 51 – 60 ☐ 61 – 70 ☐ 70+

Ethnicity: ☐ New Zealand European ☐ Māori ☐ Samoan ☐ Cook Islands Māori ☐ Tongan

☐ Niuean ☐ Chinese ☐ Indian ☐ Other (please state) .....

## Hearings

Do you want to speak to Councillors at the hearings? ☐ Yes ☐ No

Please tick your preferred time:

Monday, 10 May ☐ Morning ☐ Afternoon

Tuesday, 11 May ☐ Morning ☐ Afternoon

Wednesday, 12 May ☐ Morning ☐ Afternoon

Thursday, 13 May ☐ Morning ☐ Afternoon

## Kerbside collection (see page 17 for more details)

Option 1 (preferred option) – I support four bins ☐ Yes ☐ No

Option 2 – I support three bins ☐ Yes ☐ No

Do you have any comments about the proposed kerbside collection options?

**Moving around our city (see page 18 for more details)**

Which of the following projects do you support?

Harbour arterial improvements (\$16.6 million)

☐ Yes ☐ No

Central city parking management (\$11 million)

☐ Yes ☐ No

Park and ride facilities at Mosgiel and Burnside (\$10.3 million)

☐ Yes ☐ No

Princes Street bus lane (\$6.6 million)

☐ Yes ☐ No

Central cycle and pedestrian improvements (\$5 million)

☐ Yes ☐ No

Central city bike hubs – parking and facilities (\$2.5 million)

☐ Yes ☐ No

**Do you have any comments on these projects?**

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**Community housing (see page 21 for more details)**

Do you support rates being used to subsidise rents for DCC's community housing?

☐ Yes ☐ No

Should the DCC build more community housing units? If yes:

☐ Yes ☐ No

**Option 1 (preferred option)** – I support spending \$1 million each year to build more housing units

☐ Yes ☐ No

**Option 2** – I support spending \$2 million each year to build more housing units

☐ Yes ☐ No

Do you support the DCC prioritising its community housing for people aged 65 and over?

☐ Yes ☐ No

**Any other comments?**

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**Performing arts venue (see page 23 for more details)**

Do you support the DCC developing a mid-sized theatre? If yes:

☐ Yes ☐ No

**Option 1 (preferred option)** – I support the development of the Athenaeum (\$17.1 million)

☐ Yes ☐ No

**Option 2** – I support the development of the Mayfair Theatre (\$31 million)

☐ Yes ☐ No

**Any other comments?**

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**Public toilets (see page 25 for more details)**

The DCC is planning to have more public toilets in the city. Where do you think they should go?

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**General feedback**

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*The provision of your personal information is optional, however, should you provide this information please note your name and organisation may be included in papers for the public and media. Information you have provided will only be used for the purpose of the 10 year plan. This year the Council is also asking for your age (in age bands) and ethnicity. This information will be used to help us understand where we get our feedback from and help us plan future engagements.*

*The Council will collect, use and store your information in accordance with the Privacy Policy, which can be found on the Council website [www.dunedin.govt.nz/privacy-policy](http://www.dunedin.govt.nz/privacy-policy). If you would like a copy of the personal information we hold about you, or to have the information corrected, please contact us at [dcc@dcc.govt.nz](mailto:dcc@dcc.govt.nz) or 03 477 4000.*

**Remember, your feedback needs to reach the Council by noon on Thursday, 29 April 2021.**

**Thank you for joining the conversation.**





## **DCC SUBMISSION ON THE SMOKEFREE ENVIRONMENTS AND REGULATED PRODUCTS ACT 1990 - PROPOSALS FOR REGULATIONS**

Department: Corporate Policy

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### **EXECUTIVE SUMMARY**

- 1 This report seeks approval of a draft Dunedin City Council (DCC) submission (Attachment A) to the Ministry of Health (MOH) on the Smokefree Environments & Regulated Products Act 1990 – Proposals for regulations (the proposals).
- 2 The intent of the proposals is to shape the development of final regulations to help achieve the intent of the Smokefree Environments and Regulated Products Act 1990.
- 3 Submissions close on Monday 15 March 2021.

### **RECOMMENDATIONS**

That the Council:

- a) **Approves** the draft Dunedin City Council submission to the Ministry of Health on the Smokefree Environments & Regulated Products Act 1990 – Proposals for regulations, with any agreed amendments.

### **BACKGROUND**

- 4 The Smokefree Environments and Regulated Products (Vaping) Amendment Act 2020 came into force on 11 November 2020, with the aim to improve the regulation of vaping products in New Zealand. This amended the Smoke-free Environments Act 1990 and renamed it the Smokefree Environments and Regulated Products Act 1990 (the Act).
- 5 The MOH is seeking feedback on the proposals (see link [here](#) to the consultation document) that provide the operational detail to help achieve the intent of the new provisions of the Act set out to:
  - better support smokers to switch to regulated products that are less harmful than smoking
  - protect children, young people and non-smokers from the risks associated with vaping and smokeless tobacco products.

- 6 The DCC implemented the Smokefree Dunedin Policy in 2014. With the recent amendment to the Act to include vaping, the DCC will seek to update the policy following submission on the proposals and once the proposed regulations come into effect.

## DISCUSSION

- 7 The DCC submission acknowledges the benefits of the proposals and the impact it will have on long-term goals for the DCC which align with Smokefree / Auahi Kore Aotearoa 2025.
- 8 The submission is supportive of the MOH's proactive approach and commitment to consideration of a range of regulations that are workable and easy to administer to achieve the intent of the Smokefree Environments and Regulated Products Act 1990.
- 9 The submission also notes that the DCC's Trading in Public Places Bylaw 2020 aligns with the Act, making the promotion of Smokefree and vape-free outdoor hospitality a condition of all commercial use of footpaths permits.

OPTIONSOption One (Recommended Option) – Approve the submission (with or without amendment)

- 10 Approve the draft DCC submission to the MOH on the proposals, with any agreed amendments.

### *Advantages*

- Opportunity to show support for the MOU's commitment to achieving the intent of the new provisions of the Act.

### *Disadvantages*

- There are no identified disadvantages for this option.

## **Option Two – Do not approve the submission**

- 11 Do not approve the DCC submission to the MOH on the proposals.

### *Advantages*

- There are no identified advantages for this option.

### *Disadvantages*

- Missed opportunity to support the MOH's efforts to achieve the intent of new provisions of the Act.

## **NEXT STEPS**

- 12 If the Council approves the draft submission, it will be to be sent to the MOH for consideration.
- 13 Staff will seek to update the DCC's Smokefree Policy when the proposed regulations come into effect.

**Signatories**

Author:	Junichi Sugishita - Policy Analyst
Authoriser:	Suzie Ballantyne - Policy Manager Nicola Pinfold - Group Manager Community and Planning Robert West - Acting General Manager City Services

**Attachments**

	<b>Title</b>	<b>Page</b>
<a href="#">↓A</a>	DCC Submission on Smokefree Environments and Regulated Products Act 1990	175

## SUMMARY OF CONSIDERATIONS

### ***Fit with purpose of Local Government***

The decision enables democratic local decision making and action by, and on behalf of communities; and/or promotes the social and environmental 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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Environment Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Parks and Recreation Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other strategic projects/policies/plans	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

This submission is in alignment with the provisions in the Trading in Public Places Bylaw.

### ***Māori Impact Statement***

There are no known impacts for tangata whenua. It is acknowledged tangata whenua are disproportionately affected by these substances.

### ***Sustainability***

There are no known specific impacts for sustainability resulting from a decision to approve the draft DCC submission.

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

This has no implications for current levels of service included in 10 year plan.

### ***Financial considerations***

There are no financial impacts on the DCC from a decision to approve the draft DCC submission.

### ***Significance***

This decision has been assessed as low under the Council's Significance and Engagement Policy.

### ***Engagement – external***

There was no external engagement.

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

Staff who were involved with Smokefree Dunedin Policy and Trading in Public Places Bylaw were consulted in the preparation of the draft.

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

There are no known risks.

<b>SUMMARY OF CONSIDERATIONS</b>
<b><i>Conflict of Interest</i></b> There are no known conflicts of interest.
<b><i>Community Boards</i></b> There are no known impacts for Community Boards.



9 March 2021

Ministry of Health  
PO Box 5013  
Wellington 6140

By email: [Vaping@health.govt.nz](mailto:Vaping@health.govt.nz)

Tēnā koutou

**DUNEDIN CITY COUNCIL SUBMISSION: SMOKEFREE ENVIRONMENTS AND REGULATED PRODUCTS  
ACT 1990 – PROPOSALS FOR REGULATIONS**

1. The Dunedin City Council (DCC) appreciates the opportunity to submit on the Smokefree Environments and Regulated Products Act 1990 – Proposals for regulations (the Proposals).

**Submission**

2. The DCC supports the Ministry of Health's (MOH) commitment to achieve the Smokefree Environments and Regulated Products Act 1990, with the aim to better support smokers switching from smoking to less harmful, regulated products and protect children, young people and non-smokers from the risks associated with vaping and smokeless tobacco products.
3. Specifically, the DCC is supportive of regulations to implement and administer:
  - the extension of current prohibitions on smoking to vaping, by prohibiting vaping in indoor workplaces, early childhood centres and schools.
  - the enabling of product safety requirements for vaping products and smokeless tobacco products to be set in regulations.
  - the plan to set out processes for issuing health warnings and recalls of potentially harmful notifiable products.
4. The DCC is active in ensuring public health and safety in public places, noting that the promotion of smokefree and vape-free outdoor hospitality is a condition of all commercial use of footpaths permits under the Trading in Public Places Bylaw 2020.
5. The DCC commends the MOH's proactive thinking in consideration of regulations that are workable and easy to administer for the implementation of the Smokefree Environments and Regulated Products Act 1990 and focus on the goal of Smokefree / Auahi Kore 2025.

**Conclusion**

6. The DCC is committed to improving the lives and wellbeing of the people of Dunedin and ensuring a resilient and sustainable future, and is pleased to submit in overall support of the Proposals.

Yours faithfully

Aaron Hawkins  
**MAYOR OF DUNEDIN**

## DEVELOPMENT CONTRIBUTIONS POLICY UPDATE

Department: Executive Leadership Team

### EXECUTIVE SUMMARY

- 1 This report provides an updated Development Contributions Policy (the Policy) for consideration by Council. It incorporates the growth-related capital expenditure provided for in the 10 year plan 2021-2031 and the current growth projections for the city.
- 2 There are a number of proposed changes to the Policy, and the associated schedule of charges. A copy of the draft Policy with tracked changes is at Attachment A. Attachment B provides a clean copy of the draft Policy.
- 3 The draft Policy will be included in the 10 year plan 2021-2031 consultation.

### . RECOMMENDATIONS

That the Council:

- a) **Approves** the draft Development Contributions Policy (with any amendments) for the purposes of consultation as part of the 10 year plan 2021-31.
- b) **Notes** that the final Development Contributions Policy will be considered as part of 10 year plan deliberations.

### BACKGROUND

#### Development contributions – how they work

- 4 Development contributions are used to fund growth related infrastructure. The contribution is a one-off charge payable by developers. The subsequent operation and maintenance of such infrastructure is funded by the DCC through rates and other charges.
- 5 The following are examples of the types of infrastructure that can be funded through development contributions.

Activity	Examples of new or expanded infrastructure
Water	Treatment station, reservoirs, bulk main watermain, strategic pipe upsizes.
Wastewater	Treatment plant, interceptors, pump stations and upgrades.
Stormwater	Ponds, erosion control, attenuation, overland flow management, and pipes.
Reserves	Local parks, sport parks, park improvements, playgrounds, landscaping.
Transport	Major and minor arterials, bridges, collector roads, road upgrades.
Community infrastructure	Pools, libraries, museums, community halls, recreation facilities, playgrounds, public toilets.

## **DCC's Development Contributions Policy**

- 6 The Local Government Act (LGA) requires that a Development Contributions Policy (the Policy) is reviewed at least once every 3 years, using a consultation process that gives effect to the LGA requirements for consultation.
- 7 Under the LGA, areas of benefit within a Policy may be grouped in a manner that balances practical and administrative efficiencies with considerations of fairness and equity.
- 8 The DCC adopted a development contributions policy in the 10 year plan 2018-28, which requires development contributions for water, wastewater, stormwater, transportation, reserves and community infrastructure in certain defined geographical 'areas of benefit' calculated according to the size and type of development.

## **DISCUSSION**

### **Costs of growth**

- 9 The schedule of charges is calculated based on capital expenditure apportioned to growth and have been developed based on the draft 10 year plan capital budgets.

### **Proposed updates**

- 10 The following changes are proposed as part of the update to the Policy:
  - a) Greenfields/Brownfields contribution for water supply and wastewater in Dunedin central: developments in an existing or 'brownfields' area would pay a brownfields contribution and developments in new 'greenfields' areas would pay a greenfields contribution. This reflects the additional costs to provide infrastructure in new growth areas which may extend beyond existing scheme boundaries.
  - b) Removal of a separate category for family flats. Under the updated Policy, family flats will be treated the same as residential units with contributions assessed on the basis of the number of habitable rooms.
  - c) Removal of \$5,000 'caps' on contributions, which previously limited development contribution charges for a specific infrastructure type to \$5,000. Removal of the caps will ensure that development contributions recover the full cost of growth in areas which are more expensive to service with infrastructure.
  - d) Mosgiel Plan Change Area areas of benefit: It is proposed that developments within the Mosgiel Plan Change Areas be subject to a private development agreement. Charges will be a combination of the applicable city-wide charges and projects specific to the plan change area.
  - e) Change to scope of community infrastructure: In 2018, the definition of community infrastructure within the policy was limited to collecting contributions for community centres/halls, play equipment and toilets. An amendment to the LGA now allows for a broader scope of what can be collected including any 'land or development assets on land, owned or controlled by the territorial authority for the purposes of providing public amenities (see table at paragraph 5); and includes land that the territorial authority will acquire for that purpose.'

## OPTIONS

- 11 There are no options presented in this report. A Development Contributions Policy needs to be in line with the estimated expenditure in the 10 year plan to avoid potential legal challenge. The proposed is in line with the estimated expenditure in the 10 year plan.
- 12 It is recommended that Council approves the draft Development Contributions Policy (with any amendments) for consultation as part of the 10 year plan 2021-31.

## NEXT STEPS

- 13 The draft Policy (with any amendments), will be included in the 10 year plan 2021-31 consultation process. The draft Policy will be on the DCC website as supporting documentation, including a draft schedule of charges.
- 14 Targeted engagement with developers will take place to increase awareness of the opportunity to provide feedback on the draft Policy.
- 15 As part of the engagement, work will be done on how the Policy is administer, including appeals and remissions.

## Signatories

Author:	Gavin Logie - Acting General Manager Finance
Authoriser:	Sandy Graham - Chief Executive Officer

## Attachments

	Title	Page
<a href="#">A</a>	Draft Development Contributions Policy 2021 - track changes	182
<a href="#">B</a>	Draft Development Contributions Policy	229

## SUMMARY OF CONSIDERATIONS

### ***Fit with purpose of Local Government***

This decision enables democratic local decision making and action by, and on behalf of communities.

### ***Fit with strategic framework***

	Contributes	Detracts	Not applicable
Social Wellbeing Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Economic Development Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Spatial Plan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Integrated Transport Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Parks and Recreation Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other strategic projects/policies/plans	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Development Contributions Policy supports the infrastructure related strategies by providing a mechanism to fund infrastructure related growth costs.

### ***Māori Impact Statement***

There are no specific impacts for mana whenua. However, mana whenua will be engaged as part of the broader 10 year plan community consultation process.

### ***Sustainability***

Funding growth infrastructure through development contributions creates a mechanism for development to occur in an efficient and cost-effective way.

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

The Local Government Act (LGA) requires that a DCP is reviewed every three years in a way that gives effect to the principles of community engagement in the LGA. It is considered good practice for such policies to be reviewed in the context of a 10 year plan, given their relationship to decisions around capital expenditure, and the opportunity for community engagement.

### ***Financial considerations***

Development contributions aim to fund new or planned growth.

### ***Significance***

This decision is considered 'medium' in terms of Council's Significance and Engagement Policy.

### ***Engagement – external***

Engagement will occur through the 10 year plan consultation, including targeted consultation with developers.

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

Staff from Finance, Policy, Legal, Transport, 3 Waters, Parks and Recreation, Resource Consents and City Planning have been involved in the review.

## SUMMARY OF CONSIDERATIONS

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

By adopting the draft Policy for consultation, Council minimises the risk of legal challenge as the draft Policy is in line with the estimated expenditure in the 10 year plan.

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

There are no known conflicts of interest.

### ***Community Boards***

The application of the DCP may be of interest to Community Boards where growth/development is occurring within their Board areas.

## 5.4 Development contributions policy | Kaupapa here takoha whakawhanaketaka

### Overview

The Dunedin City Council (DCC) is expected to continue to experience growth in resident population, visitor numbers, development and economic activity. The DCC must make significant investment in additional assets and services, and assets of greater capacity, in order to meet the demands of growth. The Development Contributions Policy (this Policy) provides a transparent and consistent basis for requiring contributions from developers towards the capital expenditure incurred to provide for growth.

This Policy has been prepared in accordance with the Local Government Act 2002. Development Contributions are defined by the provisions of Part 8 Subpart 5 and Schedule 13 of the Local Government Act 2002. The DCC is required to have a Development Contributions Policy as a component of its Funding and Financial Policies in its 10 year plan under section 102(2)(d) of the Local Government Act 2002.

~~The schedule of charges for the Mosgiel Plan Change areas is calculated using a different methodology to the other 'areas of benefit' defined in this Policy, as set out in the Development Contributions Policy contained in the Dunedin City Council Community Plan 2009/10 – 2018/19 and the latest schedule of charges is included in this Policy.~~  
Development in the Mosgiel Plan Change Areas will be subject to a private development agreement. Charges will be a combination of the applicable city-wide charges and projects specific to the plan change area.

### Definitions

The terminology used in this Policy is consistent with the definitions in section 197 of the Local Government Act 2002.

### Purpose

The purpose of development contributions is to enable the DCC to recover from those persons undertaking development a fair, equitable, and proportionate portion of the costs of capital expenditure necessary to service growth. This Development Contributions Policy ensures that growth, and the cost to provide for growth, is funded in a fair and reasonable manner by those who create, or those who have created, the need for that cost. The DCC's baseline position is that it is inappropriate to burden the community as a whole, by way of rating or other payment means, to meet the cost of growth.

The DCC intends to entirely fund the portion of capital expenditure that is attributable to growth by development contributions wherever it is legislatively permitted, fair, equitable, and proportionate to do so.

Development contributions are not a tool to fund the cost of maintaining or improving/changing levels of service for existing users. These costs will be met from other sources.

### Principles and approach

The DCC is permitted by section 199 of the Local Government Act 2002 to require development contributions, subject to the limitations specified by section 200. The sustainable management of the DCC's network of community facilities is important. Growth through development places demands upon such networks in the form of increased use, additions or expansion. The District Plan seeks to ensure that such demands are managed in a planned and integrated manner. This Policy will ensure that the costs of additional community facilities are funded in a fair, equitable and proportionate manner by those who create the additional demand.

Under this Policy, development contributions may be required in relation to developments if the effect of the developments is to require new or additional assets or assets of increased capacity and, as a consequence, the DCC incurs capital expenditure to provide appropriately for community facilities. The effect includes the cumulative effects that a development may have in combination with another development.

A development contribution may be required for capital expenditure that the DCC has already incurred in anticipation of growth.

The DCC will adopt the following approach to fund the growth component of the capital expenditure for community facilities:

- A development contribution will be payable for any development which creates an additional unit of demand, within any area of Dunedin City, for: Water Supply; Transportation; Wastewater; Community Infrastructure; Stormwater, and; Reserves.
- A development contribution payable will be based on the development funding up to 100% of the assessed growth cost of community facilities attributable to the additional demand resulting from that development.
- The DCC may amend this Policy to require contributions for any development that creates additional units of demand:
  - in areas that have been identified for growth through a change made to the District Plan after 19 April 2004; and
  - in areas where capital expenditure has been or will be incurred to provide for additional capacity in network infrastructure in anticipation of future growth.

Schedules will identify the community facility and the relevant geographic area of benefit where development contributions will be required. Each schedule will contain the standard development contribution required and reference a map showing the area of benefit. Should the DCC approve a water supply or wastewater connection to a property outside the areas of benefit specified in this Policy, an applicable area of benefit will be determined by the DCC and the corresponding development contribution will apply.

#### **Reasons**

Section 106(2)(c) of the Local Government Act 2002 requires the DCC's development contributions policy to explain why the DCC has determined that it is appropriate to use development contributions as a funding source, by reference to the matters in section 101(3) of the Local Government Act 2002.

For the purposes of section 101(3)(a) community outcomes are as identified in 'Section 2.1 – Our Strategic framework' of the Dunedin City Council 10 year plan ~~2018-2021-2031~~ 2021-2031. For the purposes of this Policy, activities have been grouped into:

- Reserves and Community Infrastructure
- Utilities – Water Supply, Wastewater and Stormwater
- Transportation – Roading and Footpaths

This Policy has been established to support these activities and help deliver the community outcomes to which each group of activity primarily contributes as shown below:

<b>Relevant activity</b>	<b>Community Outcome</b>
Transportation (Roading and Footpaths)	A connected city with <u>a</u> safe, accessible and low-carbon transport systems
Utilities (Water Supply, Wastewater and Stormwater)	A healthy city with reliable and quality water, wastewater and stormwater systems
Reserves and Community Infrastructure (Parks and Reserves)	An active city with quality and accessible recreational spaces and opportunities

For each activity the DCC has determined that development contributions are an appropriate method of funding growth costs, following consideration of each matter specified in section 101(3) of the LGA 2001, and documented in Table 1.

Each matter has been considered for each activity, however in some cases the reasons given are valid for all activities. Where this is the case Table 1 shows the common reasons applicable to all activities.

**Table 1: Considerations of Section 101(3) of the Local Government Act 2002**

<b>Reserves and Community Infrastructure</b>	<b>Utilities (Water supply, wastewater and stormwater)</b>	<b>Transportation</b>
Reserves and Community Infrastructure are managed city-wide as a network providing a variety of active and passive recreation opportunities to all residents. The network also provides amenity, landscape and ecological benefits for City residents.	Water supply, Stormwater and Wastewater networks throughout the city are provided to levels appropriate to sustain the density of use provided for in that locality. These networks are recognised by the District Plan, which utilises zoning to provide for use and development to ensure sustainable management of existing infrastructure and any extensions. The three networks are grouped together as they share similarities in their management and in terms of the effects any extensions have upon them.	The Transportation network is maintained throughout the city at an appropriate level to ensure accessibility for all possible origins and destinations, and to provide for all possible activities.
<b>Section 101(3)(a)(i) the community outcomes to which the activity primarily contributes;</b>		
An active city with quality and accessible recreational spaces and opportunities	A healthy city with reliable and quality water, wastewater and stormwater systems	A connected city with a safe, accessible and low-carbon transport systems
<b>Section 101(3)(a)(ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals;</b>		
<p><i>Existing community and growth community</i></p> <p>Capital expenditure will provide capacity, and therefore benefit, to the existing community, the growth community, or both these groups. The DCC intends to recover the cost of growth from the growth community via development contributions. Improving levels of service, historical catch-up or asset renewal will be funded by other sources of revenue by the existing community. In determining the value of the benefits being received by the growth community, it is assumed that the value of those benefits is equal to the cost of providing them.</p> <p>Each item of capital expenditure undergoes a cost driver analysis to define the benefit, and the cost, attributed to each part of the community using one or many of the following cost drivers:</p> <ul style="list-style-type: none"> <li>○ Growth</li> <li>○ Level of Service</li> <li>○ Renewal</li> </ul> <p>The growth costs provide for new or additional assets or assets of increased capacity to meet the demands growth places on community facilities.</p>		
<p><i>Areas of benefit</i></p> <p>Each area of benefit is a defined geographic area with a separate development contribution. The areas of benefit reflect the variations in the cost of providing assets according to the characteristics of each particular locality and the nature of the works required.</p>		

264 | Section 5: Policies

<b>Reserves and Community Infrastructure</b>	<b>Utilities (Water supply, wastewater and stormwater)</b>	<b>Transportation</b>
<p>The DCC intends to use two areas of benefit for Reserves and Community Infrastructure to distribute the benefits:</p> <ul style="list-style-type: none"> <li>Dunedin Metropolitan</li> <li>Dunedin Other</li> </ul> <p>A decision was made that the Transportation area of benefit boundary should also apply to Community Infrastructure and Reserves. Areas that have a high utilisation of the inner-city transport network are likely to use the inner city Reserves and Community Infrastructure assets.</p> <p>The growth costs for each project have been apportioned to both areas based on the following variables:</p> <ul style="list-style-type: none"> <li>Location of capital works</li> <li>Cross border benefit/utilisation between the two areas</li> </ul>	<p>The DCC intends to use the scheme boundaries to define the areas of benefits for the Water Supply and Wastewater contributions. These are:</p> <p><b>Water Supply</b></p> <p>Dunedin Central (<del>Metropolitan, Mosgiel, Outram, Merton, Seaclyff, Waitati, Warrington</del> <u>Greenfields and Brownfields</u>) Rockland Rural Waikouaiti &amp; Karitane West Taieri</p> <p><b>Wastewater</b></p> <p>Dunedin Central (<del>Green Island, Tahuna, Mosgiel</del> <u>Greenfields and Brownfields</u>) Middlemarch Seaclyff Waikouaiti / Karitane Warrington</p> <p>Stormwater has a single city-wide area of benefit however it has been determined that this charge will not apply in the Allanton, Karitane, Merton, <u>Middlemarch, Outram</u>, Rockland Rural, Seaclyff, Warrington, Waitati and West Taieri areas of benefit which have no or minimal stormwater provision.</p>	<p>The DCC intends to use two areas of benefit for Transportation to distribute the benefits:</p> <p>Dunedin Metropolitan Dunedin Other</p> <p>The core philosophy behind this decision is that the Dunedin Metropolitan area of benefit defines an area in which there are a high proportion of commuters which travel into Dunedin's main urban area and that developments in this area should pay a different contribution to those that use mainly rural and township roads.</p> <p>The growth costs for each project have been apportioned to both areas based on the following variables:</p> <p>Location of capital works Cross border benefit / utilisation between the two areas</p>
<p><b>Section 101(3)(a)(iii) the period in or over which those benefits are expected to occur;</b></p> <p>Capital expenditure often has benefits extending beyond the ten year plan planning horizon. For each of the individual capital expenditure projects, the DCC determines the length of time over which the asset created by that expenditure will provide a benefit to the community. The DCC also determines the capacity of that asset and the amount of capacity that will be utilised by the growth community. The use of development contributions ensures that existing rate payers are not paying for the infrastructural capacity that they do not require, and this ensures intergenerational equity.</p> <p>Once a development contribution has been paid in relation to a development, the benefits of the asset, service, or environmental enhancement shall occur indefinitely.</p>		
<p><b>Section 101(3)(a)(iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity;</b></p> <p>The DCC has projected the extent of growth within the City. The DCC has also identified its capital expenditure necessary to meet the needs of the growth community. Funding the cost of providing increased capacity in community facilities through development contributions, rather than rates serviced debt, promotes equity between the existing community and the growth community.</p> <p>The areas of benefit discussed above in 101(3) (a) (ii) also ensures the growth costs are attributed to those which contribute to the need to undertake the activity.</p>		
<p><b>Land Use Categories</b></p> <p>The DCC will use land use categories to ensure the growth costs are attributed to identifiable parts of the growth community which contribute to the need to undertake the activity. Growth in each land use category generates a different demand for community facilities and therefore each land use shall pay appropriate fair, equitable and proportionate contribution.</p>		

<b>Reserves and Community Infrastructure</b>	<b>Utilities (Water supply, wastewater and stormwater)</b>	<b>Transportation</b>
The land use categories used for Reserves and Community Infrastructure (CI) are: Residential  Rural Residential Visitor Accommodation Commercial (CI only) Farming Industrial (CI only) University/Polytechnic – Accommodation University/Polytechnic – Other (CI only)	The land use categories used for Utilities are: Residential  Rural Residential Visitor Accommodation Commercial Farming Industrial Otago University/Polytechnic – Accommodation Otago University/Polytechnic – Other	The land use categories used for Transportation are: Residential  Rural Residential Visitor Accommodation Commercial Farming Industrial Otago University/Polytechnic – Accommodation Otago University/Polytechnic – Other
<b>Section 101(3)(a)(v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities;</b>		
Development contributions received for a specific activity will only be used for, or towards, the capital expenditure of that activity for which the contribution was required.  Using development contributions to fund the cost of providing additional community facilities provides greater transparency. This enables the DCC's growth costs to be recovered from developers through development contributions. The benefits of this approach are deemed to exceed the costs of assessing development contributions.		
<b>Section 101(3)(b) the overall impact of any allocation of liability for revenue needs on the community;</b>		
The liability for revenue falls directly with the growth community. At the effective date of this Policy, the DCC considers that any negative impact of the allocation of liability for revenue on this particular sector of the community is outweighed by a positive impact on the wider community. At any stage in the future where there may be impacts of this nature, the DCC may revisit this policy.		

The full methodology that demonstrates how the calculations for development contributions were derived is contained in the Detailed Supporting Document, which is available to the public as per section 106(3) of the Local Government Act 2002.

#### **When will contributions be required?**

Section 198 of the Local Government Act 2002 gives territorial authorities the power to require a contribution for developments.

The DCC will assess whether development contributions are payable when:

- a Resource Consent is granted.
- a Building Consent is granted.
- a Certificate of Acceptance is issued for building work situated in its district (whether issued by the territorial authority or by a building consent authority), or
- an Authorisation for a Service Connection is granted.

#### **Enforcement powers**

If payment of development contributions is not received the DCC will enforce powers outlined in Section 208 of the LGA 2002.

Until a development contribution required in relation to a development has been paid or made under section 198, the DCC may:

- in the case of a development contribution required under section 198(1)(a),—

- withhold a certificate under section 224(c) of the Resource Management Act 1991:
- prevent the commencement of a resource consent under the Resource Management Act 1991:
- in the case of a development contribution required under section 198(1)(b), withhold a code compliance certificate under section 95 of the Building Act 2004:
- in the case of a development contribution required under section 198(1)(b), withhold a certificate of acceptance under section 99 of the Building Act 2004:
- in the case of a development contribution required under section 198(1)(c), withhold a service connection to the development:
- in each case, register the development contribution under subpart 5 of Part 3 of the Land Transfer Act 2017, as a charge on the title of the land in respect of which the development contribution was required~~in each case, register the development contribution under the Statutory Land Charges Registration Act 1928, as a charge on the title of the land in respect of which the development contribution was required.~~

### **Financial contributions**

Councils have the option to use either the provisions of the Resource Management Act 1991 (Financial Contributions) or those of the Local Government Act 2002 (Development Contributions) or a combination of both to obtain funds or land from developers. Councils must ensure that they do not 'double dip' for the same infrastructure.

The DCC has decided to establish its Development Contributions Policy within the requirements of the Local Government Act 2002. ~~However one financial contribution currently provided for in the District Plan will remain in that document because it does not fall within the scope of the Local Government Act 2002 provisions for Development Contributions. The provision is: Section 10: Industrial Activities – Rule 10.6.2(vii) Industrial 2 Zone landscaping – requirements.~~

~~If situations arise in future where contributions not allowed by the Local Government Act 2002 would be permissible within the Resource Management Act 1991 provisions, the DCC will consider whether or not the event is of sufficient frequency and value to justify a change to the District Plan introducing the financial contribution – for the avoidance, remediation or mitigation of adverse environmental effects.~~

### **Which policy will apply**

It is proposed that this Policy will apply to applications for resource consent, building consent or service connection received after 1 July ~~2018~~2021.

In all other cases, the DCC will apply the provisions of the previous Development Contributions Policy.

### **Capital expenditure**

Only capital expenditure is considered in determining development contributions charges under this Policy. All operational expenditure is excluded, including internal overheads.

Capital expenditure is identified from two sources, namely.

- The latest Annual Plan/Long Term Plan – future capital expenditure
- Historic financial reports – historic capital expenditure. Historic growth-related capital expenditure will only be included:
  - Where there is a current debt balance, and
  - Where there is documented evidence that there was a growth component to the project. The documented evidence must have existed at the time of construction.

Capital expenditure is considered in nominal (current day) dollars, and interest considerations are included.

All third-party funding is excluded from the capital expenditure used in calculating development contributions charges.

### **Cost driver apportionments**

All capital expenditure has been apportioned into three cost drivers – Growth, Renewal and Level of Service. Only the growth portion is used for assessing development contributions. The cost drivers have been assessed using several methods.

These are:

- o Asset capacity.
- o Using design life of new assets to approximate growth percentage.
- o Assessed using professional judgment.

The growth related capital expenditure is referred to in this policy as growth costs.

#### **Unit of demand**

To identify the share of the growth costs attributable to each unit of demand the DCC will use an Equivalent Household Unit (EHU). An EHU represents the impact of a typical residential dwelling for each activity.

All development shall be converted to an EHU using land use differentials and conversion factors. These enable the number of EHU's to be calculated for non-residential developments based on a standard measure of size.

Further information about the land use differentials and conversion factors can be found in Part 3 and Part 4 of the Detailed Supporting Document, available from the DCC website [www.dcc.govt.nz](http://www.dcc.govt.nz) or on request from the DCC Customer Services Agency, Civic Centre, 50 The Octagon.

#### **Overview of the calculation methodology**

A brief introduction to the development contributions calculation method is presented here. A full disclosure of the methodology and calculations is in the Detailed Supporting Document and is available on the DCC website [www.dunedin.govt.nz](http://www.dunedin.govt.nz) or on request from the DCC Customer Services Agency, Civic Centre, 50 The Octagon.

The key concept of the approach is to define the total growth costs consumed by the growth community over a period of time. This consumption of growth costs is then apportioned among the increased number of units of demand (Equivalent Household units) over the same time period. This defines the long run average cost of growth per unit of demand, defined as the equivalent household unit (EHU) contribution. This can be represented by the following formula:

$$\text{Standard Contribution} = \frac{\text{Sum of Growth Costs Consumed in Analysis Period}}{\text{Sum of New Equivalent Household Units in Analysis Period}}$$

The calculation method can be simplified according to the following steps:

Step 1: Assess growth costs on an asset by asset basis using financial reports (past expenditure) and the 10 year plan (projected expenditure).

Step 2: Apportion growth costs by the growth population (equivalent household units) over the design life of the asset, to assess the \$/EHU.

Step 3: For each year in the analysis period determine the total consumption of asset capacity for each asset identified, namely:

$$\text{Growth Cost Consumed} = \text{Standard Contribution (\$/EHU)} \times \text{Number of EHUs}$$

Step 4: Sum for all assets in each year in the analysis period, namely total capacity consumed in that year, measured in \$.

Step 5: Sum each year in the ten-year analysis period and divide by the growth population (new equivalent household units) projected over the analysis period to determine the equivalent household unit contribution.

~~Development contributions for each activity shall be capped at \$5,000 per Equivalent Household Unit (EHU) in all areas of benefit, except:~~

- ~~o The existing Mosgiel Plan Change Areas, which will be subject to 100% of the calculated development contribution – being charged.~~

268 | Section 5: Policies

- Any other Plan Change Areas where an application is lodged subsequent to 1 July 2014, which will be subject to 100% of the calculated development contribution being charged.

### Schedule of development contribution charges

The following tables indicate:

- The areas of benefit where development contributions are to be sought.
- The development contributions per equivalent household unit for each activity within each area.
- The conversion factors for each activity and for each area of benefit.
- The contributions have been rounded to the nearest \$10.
- The contributions capped at \$5,000 per EHU are shown in italics.

The contributions below do not apply to the Mosgiel Plan Change areas. These are shown in Table 5.

**Table 2: Schedule of Development Contributions per Equivalent Household Unit – (excluding GST)**

Area of Benefit	Water Supply	Wastewater	Stormwater	Transportation	Reserves	Community Infrastructure	Total Contribution by Area of Benefit
Allanton	\$0	\$0	\$0	\$950 <b>1,760</b>	\$350 <b>1,010</b>	\$10 <b>1,130</b>	\$1,310 <b>3,900</b>
Dunedin Central <b>Brownfields</b>	\$2,170 <b>3,160</b>	\$4,410 <b>3,980</b>	\$600 <b>2,620</b>	\$950 <b>1,760</b>	\$350 <b>1,010</b>	\$10 <b>1,130</b>	\$8,490 <b>13,660</b>
<b>Dunedin Central Greenfields</b>	<b>3,900</b>	<b>5,120</b>	<b>2,620</b>	<b>1,760</b>	<b>1,010</b>	<b>1,130</b>	<b>15,540</b>
Outram	\$2,170 <b>3,160</b>		\$0	\$950 <b>1,760</b>	\$350 <b>1,010</b>	\$10 <b>1,130</b>	\$4,080 <b>7,060</b>
Waitati	\$2,170 <b>3,160</b>		\$0	\$450 <b>1,620</b>	\$120 <b>200</b>	\$0 <b>220</b>	\$2,740 <b>5,200</b>
Warrington	\$2,170 <b>3,160</b>	\$5,000 <b>9,540</b>	\$0	\$450 <b>1,620</b>	\$120 <b>200</b>	\$0 <b>220</b>	\$7,740 <b>14,740</b>
Seacliff	\$2,170 <b>3,160</b>	\$5,000 <b>3,550</b>	\$0	\$450 <b>1,620</b>	\$120 <b>200</b>	\$0 <b>220</b>	\$7,740 <b>8,750</b>
Merton	\$2,170 <b>3,160</b>		\$0	\$450 <b>1,620</b>	\$120 <b>200</b>	\$0 <b>220</b>	\$2,740 <b>5,200</b>
Karitane	\$3,480 <b>1,450</b>	\$2,100 <b>1,450</b>	\$0	\$450 <b>1,620</b>	\$120 <b>200</b>	\$0 <b>220</b>	\$6,090 <b>4,940</b>
Waikouaiti	\$3,480 <b>1,450</b>	\$2,100 <b>1,450</b>	\$0	\$450 <b>1,620</b>	\$120 <b>200</b>	\$0 <b>220</b>	\$6,690 <b>4,940</b>
Middlemarch		\$170 <b>8,970</b>	\$0	\$450 <b>1,620</b>	\$120 <b>200</b>	\$0 <b>220</b>	\$1,340 <b>11,010</b>
Rockland Rural	\$0 <b>200</b>		\$0	\$450 <b>1,620</b>	\$120 <b>200</b>	\$0 <b>220</b>	\$570 <b>2,240</b>
West Taieri	\$5,000 <b>9,980</b>		\$0	\$450 <b>1,620</b>	\$120 <b>200</b>	\$0 <b>220</b>	\$5,570 <b>12,020</b>
All other Dunedin Metropolitan properties			\$600 <b>2,620</b>	\$950 <b>1,760</b>	\$350 <b>1,010</b>	\$10 <b>1,130</b>	\$1,910 <b>6,520</b>
All other Dunedin other properties			\$0	\$450 <b>1,620</b>	\$120 <b>200</b>	\$0 <b>220</b>	\$1,170 <b>2,040</b>

Notes to Table 2:

- Dunedin Central includes Mosgiel and all Metropolitan areas connected to the main water supply and wastewater networks.
- Dunedin Central brownfields and greenfield areas are shown in the area of benefit maps section of this Policy.
- The table above excludes the Mosgiel Plan Change Areas.
- In establishing the development contribution rates for Reserves, section 203 of the LGA 2002 states that development contributions for Reserves must not exceed the greater of:
  - 7.5 percent of the land value of the additional allotments created by the subdivision (either cash or land equivalent); and
  - The value equivalent of 20 square metres of land for each additional household unit created by the development.
- The Areas of Benefit Maps section below shows the areas of benefit described above.

**Table 3: Equivalent Household Unit Conversion Factors for each Land Use Category**

Land Use Category	Equivalent Household Units (EHU) per Unit of Measure									
	Water Supply		Wastewater	Stormwater	Transportation		Reserves		Community Infrastructure	
	Working Charge	Network Charge			Dunedin Metropolitan	Dunedin Other	Dunedin Metropolitan	Dunedin Other	Dunedin Metropolitan	Dunedin Other
Residential unit 3 or more habitable rooms	1 EHU per unit		1 EHU per unit	1 EHU per unit	1 EHU per unit	1 EHU per unit	1 EHU per unit	1 EHU per unit	1 EHU per unit	1 EHU per unit
Residential unit 2 habitable rooms	0.75 EHU per unit		0.75 EHU per unit	0.75 EHU per unit	0.75 EHU per unit	0.75 EHU per unit	0.75 EHU per unit	0.75 EHU per unit	0.75 EHU per unit	0.75 EHU per unit
Residential unit 1 habitable room	0.5 EHU per unit		0.5 EHU per unit	0.5 EHU per unit	0.5 EHU per unit	0.5 EHU per unit	0.5 EHU per unit	0.5 EHU per unit	0.5 EHU per unit	0.5 EHU per unit
Family Flat	0 EHU	0 EHU	0 EHU	0 EHU	0 EHU	0 EHU	0 EHU	0 EHU	0 EHU	0 EHU
Rural Residential	0.86 EHU per dwelling	0.41 EHU per property	1.48 EHU per dwelling	0.34 EHU per 100m <sup>2</sup> ISA	1.57 EHU per dwelling	0.83 EHU per dwelling	1 EHU per dwelling	1 EHU per dwelling	1 EHU per dwelling	1 EHU per dwelling
Visitor Accommodation	0.56 EHU per 100m <sup>2</sup> GFA	0.93 EHU per property	0.99 EHU per 100m <sup>2</sup> GFA	0.34 EHU per 100m <sup>2</sup> ISA	0.29 EHU per 100m <sup>2</sup> GFA	0.37 EHU per 100m <sup>2</sup> GFA	0.30 EHU per 100m <sup>2</sup> GFA	0.30 EHU per 100m <sup>2</sup> GFA	0.66 EHU per 100m <sup>2</sup> GFA	0.60 EHU per 100m <sup>2</sup> GFA
Commercial	0.19 EHU per 100m <sup>2</sup> GFA	0.94 EHU per property	0.31 EHU per 100m <sup>2</sup> GFA	0.34 EHU per 100m <sup>2</sup> ISA	5.42 EHU per 100m <sup>2</sup> GFA	3.17 EHU per 100m <sup>2</sup> GFA			0.05 EHU per 100m <sup>2</sup> GFA	0.05 EHU per 100m <sup>2</sup> GFA
Farming	0.86 EHU per dwelling	0.41 EHU per property	1.48 EHU per dwelling	0 EHU per 100m <sup>2</sup> ISA	4.47 EHU per 100Ha	2.28 EHU per 100 Ha	0.50 EHU per dwelling	0.50 EHU per dwelling	0.50 EHU per dwelling	0.50 EHU per dwelling
Industrial	0.36 EHU per 100m <sup>2</sup> GFA	0.90 EHU per property	0.58 EHU per 100m <sup>2</sup> GFA	0.34 EHU per 100m <sup>2</sup> ISA	2.75 EHU per 100m <sup>2</sup> GFA	3.48 EHU per 100m <sup>2</sup> GFA			0.03 EHU per 100m <sup>2</sup> GFA	0.03 EHU per 100m <sup>2</sup> GFA
Otago University / Polytechnic - Other	0.16 EHU per 100m <sup>2</sup> GFA	0.94 EHU per property	0.28 EHU per 100m <sup>2</sup> GFA	0.34 EHU per 100m <sup>2</sup> ISA	1.85 EHU per 100m <sup>2</sup> GFA				0.05 EHU per 100m <sup>2</sup> GFA	
Otago University / Polytechnic - Accommodation	0.61 EHU per 100m <sup>2</sup> GFA	0.93 EHU per property	1.09 EHU per 100m <sup>2</sup> GFA	0.34 EHU per 100m <sup>2</sup> ISA	0.69 EHU per 100m <sup>2</sup> GFA		0.60 EHU per 100m <sup>2</sup> GFA		0.82 EHU per 100m <sup>2</sup> GFA	

*Notes to Table 3:*

- GFA means gross floor area, and is defined, as 'the sum of the gross area of the several floors of all buildings on a site, measured from the exterior faces of the exterior walls, or from the centre lines of walls separating two buildings'. For the purpose of this policy this definition of gross floor area, excluding car parking areas, will be used.
- ISA means impermeable surface area.
- Non-residential Farming developments (for example, barns and sheds) would not be charged a development contribution, except where a farm is subdivided. Farm subdivisions will be assessed under the Farming land use category, and the per dwelling charges for Reserves and Community Infrastructure will only be applicable where a new residential dwelling forms part of the development. Where an additional residential dwelling is built on an existing farm, this will be assessed under the Rural Residential land use category.

**Assessment of developments of unknown size**

If the gross floor area is unknown, which may be the case at the subdivision or land use consent stage, the deemed values in Table 4 will be used to estimate gross floor area. These deemed values are considered to be conservative estimates of the potential gross floor area of a development in each category.

**Table 4: Estimation of gross floor area**

Category	Building coverage	Number of floors
Residential	1 dwelling / lot	
Rural residential	1 dwelling / lot	
Visitor accommodation	45%	2
Commercial	75%	1
Industrial	75%	1

*Notes to Table 4:*

- When an estimate of the gross floor area is used in the development contribution assessment then the DCC will only charge 75% of the calculated contribution at subdivision or land use consent. The balance of the contribution based on actual gross floor area would be required at building consent.
- The assumptions in Table 4 will also be used to assess credits for vacant non-residential lots.

**Water supply and Wastewater charges**

All developments within the area of benefit that are intended and able to be serviced by water supply and/or wastewater are required to connect and the DCC will charge the relevant development contribution. The development contribution may be levied at resource consent, land use consent or building consent stage. In extraordinary circumstances where an in-zone property is not practically able to be supplied with water supply and/or wastewater exception may be granted and zoning reviewed. Should the DCC approve an out of zone water supply or wastewater connection to a property outside the areas of benefit, the applicable development contribution, or a reassessed amount, shall be required.

For some properties at the Burnside end of Kaikorai Valley Road and surrounding streets, the DCC will determine on the basis of line capacity whether to connect the property to the Tahuna or Green Island wastewater treatment plant. Where the DCC determines a property will connect to the Green Island wastewater plant, the Dunedin Metro WS – Green Island WW area of benefit charges will apply. Where the DCC determines a property will connect to the Tahuna wastewater plant, the Dunedin Metro WS – Tahuna WW area of benefit charges will apply.

**Schedule of development contribution charges – Mosgiel Plan Change Areas**

*Development in the Mosgiel Plan Change Areas will be subject to a private development agreement. Charges will be a combination of the applicable city-wide charges and projects specific to the plan change area. The area of benefit maps can be found in the final section of this policy. The methodology for calculating charges for the Mosgiel Plan Change Areas remains as per the DCC's 2009/10 – Development Contributions Policy. The schedule of charges for 2018/19 is shown in Table 5 below. All schedules of charges in this Policy will be updated annually to reflect changes to the actual and budgeted cost of capital expenditure. The City-wide Reserves contribution is the only contribution common across all of the Mosgiel areas of benefit.*

Further details on these calculations can be found in the Detailed Supporting Document available from the DCC website [www.dcc.govt.nz](http://www.dcc.govt.nz) or on request from the DCC Customer Services Agency, Civic Centre, 50 The Octagon.

**Table 5: Mosgiel Plan Change Areas – Schedule of Charges**

Area of Benefit	Reserves – City Wide	Reserves – Local	Water Supply	Waste Water	Storm Water	Transportation Network	Total Contribution per Unit of Demand (excluding GST)
Variation 9B			\$3.33 per m <sup>2</sup> site area				\$3.33 per m <sup>2</sup> site area
Plan Change 15 – Mosgiel East Area	\$350.00 per lot	\$3,270.00 per lot		\$810.00 per lot	\$2,940.00 per lot	\$940.00 per lot	\$8,310.00 per lot
Plan Change 15 – Mosgiel West Area	\$350.00 per lot	\$2.67 per m <sup>2</sup> site area	\$4.03 per m <sup>2</sup> site area	\$1.00 per m <sup>2</sup> site area		\$5.70 per m <sup>2</sup> site area	\$350.00 per lot area + \$13.40 per m <sup>2</sup> site area
Plan Change 15 – Mosgiel West Area – Access Road to Riccarton Road Area						\$1.82 per m <sup>2</sup> site area	\$1.82 per m <sup>2</sup> site area
Plan Change 15 – Mosgiel East Area C	\$350.00 per lot		\$2.50 per m <sup>2</sup> site area	\$1.31 per m <sup>2</sup> site area			\$350.00 per lot + \$3.81 per m <sup>2</sup> site area

### Calculation assumptions

All information used in the calculations of development contributions is the best available at the time.

All figures are in nominal New Zealand dollars.

Interest has been included and an interest rate of ~~5.32.85%~~ has been applied.

Development contributions are calculated on capital expenditure projections in the 10 year plan ~~2018-2021-2031~~.

### Risks

The risks relating to the Policy are listed below. The steps required to mitigate these risks are also shown. This ensures that the correct development contributions are collected by the DCC.

**Subsidies:** The future portion of the development contributions are based on the DCC's 10 year plan programme. There are a number of projects in the budget that may be fully or partially subsidised by non-DCC entities. The actual capital expenditure will be input into the calculation model on an annual basis as soon as it is available. This will ensure the contributions are based on the DCC's most up to date information and reflect the actual growth related expenditure.

**Legislative changes:** This Policy and calculation model will be updated to incorporate any legislation changes.

**Growth lower or higher than anticipated:** If the growth in Dunedin City is more or less than projected, the DCC risk under or over collecting contributions. The growth projections will be reviewed regularly to ensure they are as accurate as possible.

**Growth apportionment:** Any changes in the growth rates may affect the apportionment of some capital projects and hence the growth capital expenditure to be recovered through development contributions charges.

The variables above can be reviewed every year via the Annual Plan/Long Term Plan update and review process. This ensures that development contribution charges are based on the most up-to-date information possible.

### Growth projections – source data

The growth projected for each area of benefit has been estimated using the best information available.

• Dunedin City Council Population projections – DCC Growth Projections ~~2018~~ 2018 to 2068, ~~Rationale Limited, May-2017.~~

• Site Specific Projections – One-off studies completed by the DCC for specific projects.

BERL Otago Regional and Sub-Regional Economic Profile 2008 – 2009, March 2010.

The growth in each area of benefit can be found in the disclosure tables in this policy.

The following table shows the projected ten-year EHU growth for each activity.

**Table 65: EHU Growth over ten years by Activity**

Activity	Ten-Year Growth in Equivalent Household Units ( <del>2019</del> <u>2022</u> - <del>2028</del> <u>2031</u> )
Water supply	<del>2,462</del> <u>3,440</u>
Wastewater	<del>2,705</del> <u>3,785</u>
Stormwater	<del>2,622</del> <u>3,708</u>
Transportation	<del>5,658</del> <u>5,284</u>
Community Infrastructure	<del>2,697</del> <u>4,143</u>
Reserves	<del>2,542</del> <u>4,122</u>

Each activity has a different method for converting property growth into EHU's. This is based on the different impact of each land use category on the infrastructure of each activity, namely land use differential and conversion factors. This is described in Part 3 of the Detailed Supporting Document, available from the DCC website [www.dcc.govt.nz](http://www.dcc.govt.nz) or on request from the DCC Customer Services Agency, Civic Centre, 50 The Octagon.

### **Implementation and review**

It is anticipated that this Policy will be reviewed, and if necessary amended, on an annual basis as part of the Annual Plan/Long Term Plan process. The review will include adjustment of figures to reflect changes in budgeted costs. Any review of this Policy will be a special consultative process in accordance with the DCC Policy on Significance and may take account of:

- Any changes to significant assumptions underlying this Policy
- Any changes in the capital development works programme for growth
- Any changes to the District Plan
- Development of the DCC Strategies which affect growth
- Any changes in the pattern and distribution of development in the City
- Any changes that reflect new or significant modelling of the networks
- Any change in actual costs and/or actual interest costs
- Addition of new projects and changes, or new areas of benefit, or deletion or modification to existing projects, costs or areas of benefit
- The regular reviews of the Funding and Financial Policies, and the Long Term Plan
- Any other matters the DCC considers relevant, including amendments to legislation and regulations.

### **Developer provision of assets – liability**

The DCC may accept or require a contribution to the equivalent value in the form of land or infrastructure. It may be appropriate, for example, to allow Water Supply assets to vest in the DCC through the subdivision consent process, where they meet the DCC's requirements, and credit them against the contributions required. Any such proposals will need to be the subject of an agreement with the DCC before the consent is issued and will be dealt with on a case by case basis.

### **Credits**

Credits can be used to reduce or offset any development contributions that might be payable.

- The following principles will apply to all development contribution credit assessments:
- Credits will be specific to the activity for which they were assessed (i.e. a water supply credit will not be able to offset a wastewater contribution).
- For vacant sites, credits are based on the underlying District Plan zoning of the lot and not the proposed activity, except as otherwise provided for in the definitions in the glossary. Where the underlying zoning of the lot allows for multiple land uses, the primary purpose of the zone will be considered, and where that is unclear, the current rating classification will be considered in determining an appropriate land use category for assessing credit.
- For existing developments with a non-residential land use category, credits will be assigned based on the actual demand or an assigned demand from Table 4 of this Policy using the underlying District Plan zoning, whichever is the greater.
- Where recent demolition on a site has occurred, credits will be applied to any development in existence within the 12 month period prior to the application being made.
- Credits are to be site specific (not transferable) and non-refundable unless the refund provisions of the Local Government Act 2002 apply.
- The existing demand of any lot or building that is to be developed will be converted to an Equivalent Household Unit (EHU) credit when assessing development contributions. Credits for existing demand will be adjusted upwards as necessary for any additional credits for development contributions already paid or to reflect historic entitlements. Development contributions will then be required for the additional demand created by the new development.
- If the demand of a proposed activity is less than the existing demand then a credit will sit with the site. No time limit will apply to the use of the credit in the future towards another development on the same site.

There are two types of development contribution credits that may be applicable in addition to existing demand, termed Actual Credits and Deemed Credits. Where both an Actual Credit and a Deemed Credit applies to a development, only the Actual Credit can be claimed.

#### **Actual Credits**

A credit will be given for any development contribution already paid, under this or an earlier Policy. Actual credits will be assessed based on the EHUs paid for at the time. Therefore changes to contributions in a subsequent policy, such as inflation or changes to the schedule of charges will not be passed onto a development that has paid at an earlier date.

#### **Deemed Credits**

Deemed credits reflect historic entitlements. Deemed credits will be granted as follows:

- Any lot absent of dwellings with a land use category of residential that was created prior to 1 July 2006 or granted subdivision consent prior to 1 July 2014 and had a title issued prior to 1 July 2021 will receive a credit of 1 EHU per lot.
- Any lot absent of dwellings with a land use category of rural residential that was created prior to 1 July 2006 or granted subdivision consent prior to 1 July 2014 and had a title issued prior to 1 July 2021 will receive credits equivalent to one dwelling.
- On sites with a land use category of residential, on which there is a lawfully established dwelling in existence on 1 July 2014, or a resource consent or building consent for a dwelling has been granted prior to 1 July 2014 that has not lapsed, each dwelling will receive a credit equivalent to a three habitable room residential unit.
- Any lot with a land use category other than residential, rural residential or farming that was created (or granted subdivision consent) prior to 1 July 2014 will receive a credit in accordance with the greater of:
  - the actual GFA and ISA of any development in existence on 1 July 2014 plus any additional GFA and ISA approved under any resource consent or building consent issued prior to 1 July 2014 that has not lapsed, or
  - a deemed GFA and ISA using the site coverage assumptions and application rules in the Assessment of Unknown Size section of this Policy (Table 4).

Deemed credits do not apply to the farming land use category.

The deemed credit provisions do not apply to the Mosgiel Plan Change Areas.

#### **Development exceeding permitted zone densities**

Where development exceeds permitted zone densities standard contributions will be payable. There may also be additional costs for upgrading infrastructure.

Under these circumstances the DCC's preference is to minimise its involvement. The DCC is likely to specify the required upgrades required by virtue of the resource consent or plan change. All options should be open to accomplish the upgrades. The DCC's broad order of preferred approach is as follows, where 1. is the most preferred.

1. Developer undertakes and funds upgrades
2. The DCC undertakes upgrades and developer pays upfront
3. Upgrades are incorporated into the broader area of benefit analysis. This may or may not increase the standard contributions depending on the cost of the development
4. Set up separate area of benefit contributions.

Where it can be demonstrated that third parties, including the DCC, benefit the costs will be fairly allocated to those parties. The objective is to ensure the costs sit with those who benefit from the infrastructure provided. The DCC wants to avoid facilitating infrastructure upgrades beyond the permitted densities.

#### **Invoicing and payment of development contributions**

The contributions identified by the DCC in the schedules of this Policy are no longer required pursuant to the Resource Management Act 1991 (except those financial contributions identified in this Policy), but are a requirement pursuant to the Local Government Act 2002 and therefore will no longer:

- Be a condition of a resource consent
- Be able to be challenged through the provisions of the Resource Management Act 1991.

- The DCC shall assess the development contribution at the earliest opportunity (resource consent, land use consent, building consent, certificate of acceptance or service connection). The development contribution assessed will be payable at the following times:
- Subdivision Consent – Prior to the issue of the section 224 completion certificate.
- Land Use Consent – Prior to commencement of the consent.
- Building Consent – Prior to issuing the code of compliance.
- Certificate of acceptance – Prior to issuing the certificate of acceptance.
- Service Connection – Prior to service connection.

#### **GST exclusive**

Development contributions specified in the schedules are exclusive of Goods and Services Tax (GST). GST will need to be added to the final calculation.

#### **Service connections**

The DCC will continue to collect service connection fees in accordance with current practice and the Local Government Act 2002 for the following assets:

- Water Supply connection
- Stormwater connection
- Wastewater connection.

Nothing in this Policy will prevent the DCC from requiring, as a condition of resource consent, the provision of works and services usually, but not exclusively, internal to or on the boundaries of the development site required to service that development, to connect it to existing infrastructural services and to avoid, remedy or mitigate the environmental effects of the development, except where such works are provided for in the Long Term Plan.

Nothing in this Policy will prevent the DCC from requiring, at its request and cost, the provision of additional ‘extra-over’ works by the developer, such as installing a larger pipe and/or constructing a wider road through their development, in anticipation of future demand on those services beyond the boundaries of the development. Where additional extra-over works for a development are supplied by the developer that will benefit the current and future requirements of growth and/or levels of service, and where the cost of the works exceeds the development contribution assessed and payable for that development, the DCC may, at its discretion, reimburse the developer. The reimbursement will be via a contractual agreement entered into by both parties, being the developer and the DCC. The payment terms of any monies will be negotiated in the terms of the contractual agreement.

#### **Development agreements**

Where in the DCC’s opinion, it is in the best interests of all parties, the DCC reserves the discretion to enter into a development agreement with a developer for the provision of particular infrastructure to meet the special needs of a development. An example is where a development requires a special level of service or is of a type or scale which is not readily assessed in terms of units of demand.

The DCC envisages that such agreements could be used in situations where significant developments occur or are proposed and require new capital expenditure to cater for growth but no budgeted capital expenditure has been provided and no development contribution has been set. This situation is likely to occur where a plan change has resulted in the rezoning of an area, greenfield sites are to be developed, a structure plan has been prepared in anticipation of development of an area, or a resource consent is issued which would result in additional pressures on services or the requirement of upgraded or additional services or reserves. Development agreements could also be used in situations where alternative technologies or on-site management may provide acceptable solutions.

The DCC may enter into a development agreement with a developer if:

- (a) the developer has requested in writing that the DCC enter into a development agreement with the developer; or
- (b) the DCC has requested in writing that the developer enter into a development agreement with the DCC.

In establishing a development agreement the applicant will be expected to provide supporting information and detailed calculations of their development's roading, water supply and waste water demands in terms of units of demand.

The development agreement must clearly state the departures from the standard process and calculation, and the reasons for entering into the agreement. The agreement would also specify land to be vested in the Council, works to be undertaken on or off the site, timeframes of when infrastructure will be provided, and financial contributions required for the provision or upgrading of existing services.

The DCC will consider a written request from a developer to enter into a development agreement without unnecessary delay. The DCC may accept the request in whole or in part subject to any amendments agreed to by the DCC and the developer, or decline the request. The DCC shall provide the developer who made the request with a written notice of its decision and the reasons for its decision.

A developer who receives a request from the DCC to enter into a development agreement may, in a written response to the DCC accept the request in whole or in part subject to any amendments agreed to by the DCC and the developer; or decline the request.

### **Reconsiderations**

An applicant may request reconsideration of development contributions levied to correct any erroneous figures or resolving misunderstandings around the design or location of a development.

An applicant may request the DCC to reconsider the requirement if the applicant has grounds to believe that:

- o the development contribution was incorrectly calculated or assessed under the territorial authority's development contributions policy; or
- o the DCC incorrectly applied its development contributions policy; or
- o the information used to assess the applicant's development against the development contributions policy, or the way the DCC has recorded or used it when requiring a development contribution, was incomplete or contained errors.

A request for Reconsideration must be made in writing stating clearly which of the above grounds the applicant believes the DCC has erred. The request for Reconsideration must be made within ten working days after the date on which the applicant received the demand notice or invoice for the development contribution.

A reconsideration cannot be requested if the applicant has already lodged an Objection. If the applicant is not satisfied with the outcome of the Reconsideration, they may lodge an Objection as specified in the following section.

### **Objections**

An applicant may lodge an objection with the DCC in accordance with the relevant provisions in Local Government Act 2002 in force, and Information regarding grounds and processes for an objection is available from the DCC website [www.dcc.govt.nz](http://www.dcc.govt.nz) or on request from the DCC Customer Services Agency, Civic Centre, 50 The Octagon.

### **Remissions, unusual developments and deferral of payment**

The DCC will consider requests for remissions, unusual developments and deferral of payment.

Unusual Developments – The DCC reserves the right to individually assess contributions on any development that it deems to create a significantly different demand on infrastructure than could usually be expected under their relevant land use category. This may include a development that the DCC deems does not fit into the land use categories.

Remissions – At the request of the applicant, the development contribution required on a development may be considered for remission at the DCC's discretion on a case-by-case basis.

Any application for remission will be considered and determined by the DCC.

Remission (in whole or in part) of development contributions may be allowed in the following circumstances:

- o Where the actual cost of the project or a revised estimate is lower than the cost used as the basis for the contributions indicated in this policy

- Where the applicant will fund or otherwise provide for the same reserve, network infrastructure, or community infrastructure
- Where the projects indicated in this policy are no longer to be undertaken
- Where the DCC determines that a Development Contribution will not be charged.

Any remission (in whole or in part) may result in the need for a private development agreement to confirm alternative arrangements.

Deferral of payment - the DCC will consider deferring the payment of development contributions. These will be assessed on a case by case basis and may use any of the following mechanisms.

- Defer using Local Government Act 2002 parameters - allow payment to be made later in the sequence of development (for example, at building consent).
- Defer using Resource Management Act 1991 mechanisms - for example, using lot amalgamation under the consent process to allow payment to be made as sections are sold.
- Defer using legal agreement - for example, requiring payment as sections are sold. A legal agreement and a bank guaranteed bond (or similar) may be used to ensure payment.

Any deferral of contributions will be cost neutral to the DCC so administration and interest costs will be added to deferred payments.

Process for remissions, unusual developments and deferral of payment

Applications for remission, unusual development and deferral of payment must be applied for before a development contribution payment is made to the DCC. The DCC will not allow remissions or assessment of unusual developments retrospectively. Any request for remission, assessment of an unusual development or a deferral of payment of development contributions shall be made by notice in writing, from the applicant to the DCC before development contributions required on the development are paid. Any request for remission, assessment of unusual developments or deferral of payment shall set out reasons for the request.

Cost - The cost of considering a remission, unusual development or deferral of payment will be on a cost recovery basis. Each applicant pays for the actual cost of processing their particular application. The developer will be required to pay an initial fixed deposit when they make their application. This deposit must be paid before the application will be accepted. The fixed deposit and schedule of charges for processing an application are set out in a schedule of charges that will be reviewed annually. The final amount payable is dependent on the total amount of time and money the DCC spends in processing the application for a remission, assessment of an unusual development or a deferral of payment. When a decision on the application has been made the DCC will add up the amount of time and money spent and compare the total to the initial deposit. If the total is more than \$25 above the initial deposit, you will be sent an invoice requiring the payment of the additional costs. If the total is more than \$25 below the initial deposit, you will be sent a refund of the unspent money. The invoice or refund will normally be sent within one month of a decision on your application being made or your application being withdrawn.

In undertaking the assessment:

- The DCC shall consider the request as soon as reasonably practicable
- The DCC may determine whether to hold a hearing for the purposes of the review, and if so, give at least five working days' notice to the applicant of the commencement date, time, and place of the hearing

For a remission only, the DCC may, at its discretion, uphold, reduce, or cancel the original amount of development contribution required on the development.

The DCC shall communicate its decision in writing to the applicant within 15 working days' of any determination or hearing.

Where the DCC decides to consider a request for a remission the following matters will be taken into account:

- The Development Contributions Policy
- The DCC's Funding and Financial Policy

278 | Section 5: Policies

- The extent to which the value and nature of works proposed by the applicant reduces the need for works proposed by the DCC in its capital works programme
- The level of existing development on the site. Where multiple existing and pre-existing uses can be established the DCC will have regard to the most intensive use.
- Development contributions paid and/or works undertaken and/or land set aside as a result of:
  - Development contributions
  - Agreements with the DCC
  - Financial contributions under the Resource Management Act 1991.
- Any other matters the DCC considers relevant.

**Refunds**

The refund of money and return of land will occur in accordance with Sections 209 and 210 of the Local Government Act 2002, in the following circumstances:

- If development or building does not proceed
- If a consent lapses or is surrendered
- If the DCC does not provide any reserve, network infrastructure or community infrastructure for which the development contribution has been collected within ten years of that contribution being received. Where a specific project does not proceed, DCC will only refund a contribution if the service delivered by that project is not provided.

Any refunds will be issued to the consent holder of the development to which they apply. The amount of any refund will be the contribution paid, less any costs already incurred by the DCC in relation to the development or building and its discontinuance, and will not be subject to any interest or inflationary adjustment.

**Money or land**

The Local Government Act 2002 provides that a development contribution may be money or land, or both. Under this Policy the contribution shall be money unless, at the sole discretion of the DCC, a piece of land offered by the developer would adequately suit the whole or part of the purpose for which the contribution is sought.

**Esplanade Reserves**

Esplanade Reserves and Strips do not fall within the ambit of Reserves for development contributions. Esplanade Reserves will continue to be dealt with under the Resource Management Act 1991 as they are at present and will generally not be discounted against development contributions due for Reserves. There may be rare circumstances where the DCC desires a wider Esplanade Reserve, for example, and where additional land may be offered as partial or total payment of the development contribution liability for Reserves. This would have to be agreed with the DCC's Parks and Recreation Services Department and recorded in a Private Development Agreement.

## Glossary

*Brownfields – the Dunedin Central Brownfields area is defined by the Dunedin Central Brownfield map.*

**Commercial** – Use of land or buildings that includes the display, offering, provision, sale or hire of goods, equipment or service. Includes administrative or professional offices, offices and depots for trade services, childcare facilities, restaurants, service stations, rural retail sales activity, rural tourist activity, self-storage units, panel beaters, internet-based sales, repair stores and garden supply stores.

**Equivalent household unit (EHU)** – A typical residential dwelling, representing a unit of demand for which non-residential land uses can be described by. Non-residential activities, such as visitor accommodation and commercial, can be converted into equivalent household units using land use differentials. Equivalent household units enable the demand of different land uses to be considered collectively.

**Dwelling** – Any residential unit, irrespective of the number of habitable rooms in that unit, but excluding family flats.

**Family Flat** – A family flat is a secondary residential unit to be occupied by a family member/s of the household that lives in a residential unit on the same site or within the same building as the family flat. The family flat must be within the same site as the primary residential unit and be on the same infrastructure connection. A written statement shall be provided with the application creating the family flat confirming that it is not intended for tenancy, lease, licence or other agreement.

**Farming** – Land zoned Rural with no dwelling, irrespective of the rating land use, plus sites zoned Rural greater than 15ha than contain a dwelling. Also includes land zoned Rural Residential but rated Farmland where no dwelling exists or is proposed to be built.

*Greenfields – the Dunedin Central Greenfields area is defined by the Dunedin Central Greenfields map.*

**Gross Floor Area** – The sum of the gross area of the several floors of all buildings on a site, measured from the exterior faces of the exterior walls or from the centre lines of walls separating two buildings. Buildings that have no enclosed sides or only one fully enclosed side will be excluded from gross floor area.

**Habitable Rooms** – In determining habitable rooms within a residential unit, accessory building or family flat, a habitable room is any room that is greater than 4.5m<sup>2</sup> in floor area and capable to be used for sleeping purposes. Habitable rooms do not include entranceways, passageways, toilets, bathrooms, separate kitchen, laundries, or garages. For residential units with more than one habitable room, the calculation of habitable rooms will exclude only one functional living area per residential unit (including family flats). Any additional rooms which could be used both as a living area or for sleeping purposes will be counted as a habitable room. Studio rooms count as one habitable room. Habitable rooms in associated sleepouts and accessory buildings will be counted towards the rooms in the principal residential unit. Any room in a residential unit, family flat, ancillary residential unit, sleep out or visitor accommodation unit that is designed to be, or could be, used as a bedroom. The calculation of a habitable room will exclude only one principal living area per residential unit (including family flats). Any additional rooms in a residential unit, family flat, ancillary residential unit or sleep out that could be used as a bedroom but are labelled for another use, such as a second living area, gym or study, will be counted as a habitable room. In the case of dormitory-style accommodation containing multiple beds, such as is used in some backpacker accommodation, every four beds or part thereof will be treated as one habitable room. For the sake of clarity, a standard 'bunk bed' is counted as 2 beds.

**Industrial** – Primarily activities that involve the manufacturing, fabricating, processing, packing or associated storage of goods. Also includes rural processing activities, transport yards and depots, printing and publishing, warehousing/large scale storage activities (but not self-storage units), wholesale distributors and port-related activities.

**Impermeable Surface Area** – The sum of the roof area of buildings on a site and the area of hard surfaces used for driveways, parking or manoeuvring. A hard surface is a surface through which water cannot pass and examples include concrete, asphalt, chip seal, and impermeable/impervious/non-porous paving stones. For the Rural Residential land use category, only the roof area of dwellings shall be counted as impermeable surface area.

**Lot** – has the same meaning as a 'Site' under the District Plan, meaning an area of land held in one Certificate of Title, which may be sold or otherwise disposed of separately without reference to the Council, provided that a site may contain one or more Certificates of Title where a restriction has been registered on the Title preventing sale or lease of any parcel.

280 | Section 5: Policies

*Otago University/Polytechnic (Accommodation)* – Land or buildings used or intended to be used by students or staff of the University of Otago or Otago Polytechnic for residential type accommodation, where the primary activity takes the form of a college or hall of residence. Such developments are typified by a larger number of bedrooms, shared cooking or dining facilities for a large number of occupants, and catering and laundry services being provided for residents. Developments with any building or part of a building containing 10 or more habitable rooms in a residential unit will be treated under this category.

*Otago University/Polytechnic (Other)* – Land or buildings used by the University of Otago or Otago Polytechnic that are not for the purpose of residential type accommodation.

*Residential Unit* – A residential unit is defined as a residential activity which consists of a single self-contained household unit, whether of one or more persons, and includes accessory buildings ~~and a family flat.~~ *Family flats and ancillary residential units under the Dunedin City District Plan are deemed to be residential units for the purposes of this policy.* For the purposes of this definition, residential activity means the use of land and buildings by a residential unit for the purpose of permanent living accommodation and includes emergency housing, refuge centres, halfway houses and papakaika housing if these are in the form of residential units. Residential activity also includes home occupation, childcare facility for up to and including five children, and home stay or boarding house for up to and including five guests - provided that these are secondary to the permanent living accommodation.

*Rural Residential* – Land zoned Rural Residential in the Dunedin City District Plan where there is an existing dwelling on the site, or sites with no dwelling where the rating differential is Lifestyle. Proposals to build a dwelling on land zoned Rural Residential with a rating differential of Farmland will be treated as Rural Residential. Proposals to build an additional dwelling on an existing farm will be assessed as Rural Residential. Sites zoned Rural in the Dunedin City District Plan and less than 15ha in size will be treated as Rural Residential where there is an existing dwelling on the site, or where a dwelling is proposed to be built.

*Visitor Accommodation* – Land or buildings used for the accommodation of people and which are or can be let on a commercial tariff, including boarding houses for six guests or more, and home stays for six (6) guests or more. This category includes backpacker accommodation, motels, hotels, tourist lodges, holiday flats, tourist cabins, camp grounds, motor inns, and accessory buildings or ancillary activities on the same site. Boarding houses for less than six guests and home stays for less than six guests will be treated as residential.

### **Summary disclosure tables**

The following disclosure tables show a summary for each activity, and for each area of benefit, for the 10 year period between ~~2018/2021/19-22~~ and ~~2027/2030/28-31~~. The disclosure tables demonstrate:

- o The nature and level of expected capital expenditure required by the DCC and the portion that is attributable to growth.
- o The growth costs consumed within each contributing area and the growth, in EHU's, used to calculate the development contributions.

~~The disclosure tables show the total calculated contributions, before any rounding or \$5,000 caps are applied.~~ The full disclosure tables can be found in the appendices of the Detailed Supporting Document.

**Development contributions summary disclosure tables**
**Table 7 6: Water Supply**

<b>Water Supply - Area of Benefit</b>	<b>Total Capex</b>	<b>Total Growth Capex</b>	<b>Analysis Window Growth Capex (including interest)</b>	<b>Analysis Period EHUs</b>	<b>Charge per EHU</b>
<b>Dunedin Central Brownfields (Dunedin Metro, Mosgiel, Waitati, Warrington, Merton and Seacliff)</b>	<b>384,270,556</b>	<b>34,500,139</b>	<b>10,585,757</b>	<b>3,346</b>	<b>3,164</b>
Future Expenditure	220,015,610	19,987,215	6,393,275	3,346	1,911
Historic Expenditure	164,254,947	14,512,924	3,072,558	3,346	918
Interest			1,119,925	3,346	335
<b>Rocklands Rural</b>	<b>80,678</b>	<b>326</b>	<b>96</b>	<b>0</b>	<b>208</b>
Future Expenditure	13,584	326	76	0	164
Historic Expenditure	67,094	0	0	0	0
Interest			20	0	44
<b>Waikouaiti and Karitane</b>	<b>11,586,914</b>	<b>1,211,047</b>	<b>120,700</b>	<b>83</b>	<b>1,456</b>
Future Expenditure	785,397	39,280	11,783	83	142
Historic Expenditure	10,801,517	1,171,767	108,917	83	1,314
Interest			0	83	0
<b>West Taieri</b>	<b>6,672,017</b>	<b>1,492,389</b>	<b>109,102</b>	<b>11</b>	<b>9,986</b>
Future Expenditure	139,945	8,101	1,944	11	178
Historic Expenditure	6,532,072	1,484,288	95,400	11	8,732
Interest			11,758	11	1,076
<b>Greenfields</b>	<b>3,079,209</b>	<b>3,079,209</b>	<b>1,242,496</b>	<b>1,673</b>	<b>743</b>
Future Expenditure	3,079,209	3,079,209	1,027,938	1,673	615
Historic Expenditure	0	0	0	1,673	0
Interest			214,559	1,673	128

Section 5: Policies | 281

Water Supply – Area of Benefit	Total Capital Costs Considered	Total Growth Costs Considered	Growth Portion of Total Capital Costs Considered	10-year plan 2018-28 Total Capital Cost	10-year plan 2018-28 Growth Costs	10-year plan 2018-28 Costs Funded by Other Sources	Growth Costs to be Funded by Development Contributions	Growth Costs Consumed 2019-28	Weighted Average No. of EHU's 2019-28	Standard Development Contribution Per EHU (\$)
Dunedin Central	199,261,209	12,163,421	6%	61,470,943	1,069,236	60,401,707	100%	5,187,974	2,391	\$2,170
Rockland Rural	67,094	0	0%	0	0	0	100%	0	0	\$0
Waikouaiti, Karitane	12,886,800	504,845	4%	6,940,160	0	6,940,160	100%	217,295	64	\$3,417
West Taieri	12,686,215	509,487	4%	5,596,663	0	5,596,663	100%	355,670	7	\$50,887
<b>Total</b>	<b>224,901,318</b>	<b>13,177,753</b>	<b>6%</b>	<b>74,007,767</b>	<b>1,069,236</b>	<b>72,938,530</b>	<b>100%</b>	<b>5,760,939</b>	<b>2,462</b>	

282 | Section 5: Policies

**Table 8 7: Wastewater**

<b>Wastewater - Area of Benefit</b>	<b>Total Capex</b>	<b>Total Growth Capex</b>	<b>Analysis Window Growth Capex (including interest)</b>	<b>Analysis Period EHUs</b>	<b>Charge per EHU</b>
<b>Dunedin Central Brownfields (Tahuna, Green Island, Mosgiel)</b>	<b>400,691,946</b>	<b>43,863,994</b>	<b>14,579,592</b>	<b>3,660</b>	<b>3,983</b>
Future Expenditure	186,488,299	19,641,215	6,520,521	3,660	1,781
Past Expenditure	214,203,647	24,222,779	6,813,057	3,660	1,861
Interest			1,246,013	3,660	340
<b>Greenfields</b>	<b>5,525,017</b>	<b>5,525,017</b>	<b>2,088,960</b>	<b>1,830</b>	<b>1,141</b>
Future Expenditure	5,525,017	5,525,017	1,751,681	1,830	957
Past Expenditure	0	0	0	1,830	0
Interest			337,278	1,830	184
<b>Waikouaiti and Karitane</b>	<b>5,665,439</b>	<b>261,203</b>	<b>112,695</b>	<b>77</b>	<b>1,455</b>
Future Expenditure	4,658,020	257,970	96,974	77	1,252
Past Expenditure	1,007,420	3,233	562	77	7
Interest			15,159	77	196
<b>Middlemarch</b>	<b>2,808,556</b>	<b>148,718</b>	<b>147,276</b>	<b>16</b>	<b>8,979</b>
Future Expenditure	2,530,079	144,506	136,016	16	8,293
Past Expenditure	278,477	4,211	677	16	41
Interest			10,584	16	645
<b>Seacliff</b>	<b>343,686</b>	<b>99,437</b>	<b>14,812</b>	<b>4</b>	<b>3,554</b>
Future Expenditure	0	0	0	4	0
Past Expenditure	343,686	99,437	14,812	4	3,554
Interest			0	4	0
<b>Warrington</b>	<b>3,439,993</b>	<b>340,245</b>	<b>253,847</b>	<b>27</b>	<b>9,541</b>
Future Expenditure	3,287,032	341,972	213,426	27	8,022
Past Expenditure	152,961	-1,726	-1,207	27	-45
Interest			41,628	27	1,565

Section 5: Policies | 283

Wastewater - Area of Benefit	Total Capital Costs Considered	Total Growth Costs Considered	Growth Portion of Total Capital Costs Considered	10 year plan 2018-28 Total Capital Cost	10 year plan 2018-28 Growth Costs	10 year plan 2018-28 Costs Funded by Other Sources	Growth Costs to be Funded by Development Contributions	Growth Costs Consumed 2019-28	Weighted Average No. of EHU's 2019-28	Standard Development Contribution Per EHU (\$)
Dunedin Central	339,950,434	33,655,433	10%	144,330,686	13,363,655	132,571,030	100%	11,773,423	2,670	\$4,412
Middlemarch	1,154,127	1,110	0%	888,217	0	888,217	100%	774	4	\$174
Seacliff	844,299	93,560	11%	777,716	93,048	684,668	100%	28,919	3	\$9,751
Waikouaiti, Karitane	4,909,278	166,520	3%	3,804,892	165,730	3,639,161	100%	41,807	20	\$2,095
Warrington	1,605,391	171,413	11%	1,405,438	171,413	1,234,019	100%	42,280	8	\$5,199
<b>Total</b>	<b>338,463,529</b>	<b>33,088,036</b>	<b>10%</b>	<b>151,815,947</b>	<b>12,798,852</b>	<b>139,017,096</b>	<b>100%</b>	<b>11,893,203</b>	<b>2,705</b>	

**Table 9 8: Stormwater**

Stormwater- Area of Benefit	Total Capex	Total Growth Capex	Analysis Window Growth Capex (including interest)	Analysis Period EHUs	Charge per EHU
City-wide	178,114,125	23,758,417	9,751,933	3,708	2,630
Future Expenditure	144,373,840	22,006,260	7,436,376	3,708	2,005
Past Expenditure	33,740,286	1,752,156	591,481	3,708	159
Interest			1,724,076	3,708	465

Stormwater - Area of Benefit	Total Capital Costs Considered	Total Growth Costs Considered	Growth Portion of Total Capital Costs Considered	10 year plan 2018-28 Total Capital Cost	10 year plan 2018-28 Growth Costs	10 year plan 2018-28 Costs Funded by Other Sources	Growth Costs to be Funded by Development Contributions	Growth Costs Consumed 2019-28	Weighted Average No. of EHU's 2019-28	Standard Development Contribution Per EHU (\$)
City-Wide	100,054,375	3,562,463	4%	79,315,807	2,485,767	76,830,040	100%	1,585,431	2,622	\$605

**Table 10.9: Transportation**

Transportation- Area of Benefit	Total Capex	Net Council Capex (FAR removed)	Total Growth Capex	Analysis Window Growth Capex (including interest)	Analysis Period EHU's	Charge per EHU
<b>Dunedin Metro</b>	<b>851,452,044</b>	<b>474,152,367</b>	<b>22,469,786</b>	<b>8,549,584</b>	<b>4,847</b>	<b>1,764</b>
Future Expenditure	442,341,625	263,579,810	9,732,608	3,983,598	4,847	822
Historic Expenditure	409,110,419	210,572,557	12,737,178	3,468,449	4,847	716
Interest				1,097,537	4,847	226
<b>Dunedin Other</b>	<b>77,570,759</b>	<b>38,921,082</b>	<b>2,893,933</b>	<b>710,147</b>	<b>437</b>	<b>1,624</b>
Future Expenditure	9,257,788	5,516,474	203,694	86,080	437	197
Historic Expenditure	68,312,971	33,404,608	2,690,239	528,146	437	1,208
Interest				95,921	437	219

Transportation - Area of Benefit	Total Capital Costs Considered	Total Growth Costs Considered	Growth Portion of Total Capital Costs Considered	10 year plan 2018-28 Total Capital Cost	10 year plan 2018-28 Growth Costs	10 year plan 2018-28 Costs Funded by Other Sources	Growth Costs to be Funded by Development Contributions	Growth Costs Consumed 2019-28	Weighted Average No. of EHU's 2019-28	Standard Development Contribution Per EHU (\$)
Dunedin Metro	609,643,946	8,077,723	1%	350,991,670	6,392,031	344,599,639	100%	4,955,755	5,195	\$954
Dunedin Other	90,433,870	318,548	0%	21,643,330	150,965	21,492,365	100%	210,065	463	\$454
<b>Total</b>	<b>700,077,816</b>	<b>8,396,271</b>	<b>1%</b>	<b>372,635,000</b>	<b>6,542,996</b>	<b>366,092,004</b>	<b>100%</b>	<b>5,165,820</b>	<b>5,658</b>	

**Table 11 10: Community Infrastructure**

Community Infrastructure - Area of Benefit	Total Capex	Total Growth Capex	Analysis Window Growth Capex (including interest)	Analysis Period EHUs	Charge per EHU
Dunedin Metro	297,512,477	6,990,491	4,231,099	3,725	1,136
Future Expenditure	255,984,772	5,293,188	2,981,066	3,725	800
Past Expenditure	41,527,705	1,697,304	773,738	3,725	208
Interest			476,295	3,725	128
Dunedin Other	9,988,124	278,789	96,153	419	230
Future Expenditure	5,330,838	116,944	60,932	419	146
Past Expenditure	4,657,286	161,844	24,100	419	58
Interest			11,121	419	27

Community Infrastructure - Area of Benefit	Total Capital Costs Considered	Total Growth Costs Considered	Growth Portion of Total Capital Costs Considered	10 year plan 2018-28 Total Capital Cost	10 year plan 2018-28 Growth Costs	10 year plan 2018-28 Costs Funded by Other Sources	Growth Costs to be Funded by Development Contributions	Growth Costs Consumed 2019-28	Weighted Average No. of EHUs 2019-28	Standard Development Contribution Per EHU (\$)
Dunedin Metropolitan	8,603,349	29,873	0%	0	0	0	100%	18,733	2,466	\$8
Dunedin Other	3,971,642	1,745	0%	0	0	0	100%	862	230	\$4
<b>Total</b>	<b>12,574,991</b>	<b>31,618</b>	<b>0%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100%</b>	<b>19,595</b>	<b>2,697</b>	

**Table 12 11: Reserves**

Reserves- Area of Benefit	Total Capex	Total Growth Capex	Analysis Window Growth Capex (including interest)	Analysis Period EHUs	Charge per EHU
Dunedin Metro	92,391,832	6,482,947	3,757,524	3,706	1,014
Future Expenditure	61,395,625	3,354,095	2,088,757	3,706	564
Past Expenditure	30,996,208	3,128,852	1,150,614	3,706	310
Interest			518,153	3,706	140
Dunedin Other	2,228,922	381,249	84,489	417	203
Future Expenditure	1,278,553	75,579	44,078	417	106
Past Expenditure	950,369	305,671	24,211	417	58
Interest			16,201	417	39

Reserves - Area of Benefit	Total Capital Costs Considered	Total Growth Costs Considered	Growth Portion of Total Capital Costs Considered	10 year plan 2018-28 Total Capital Cost	10 year plan 2018-28 Growth Costs	10 year plan 2018-28 Costs Funded by Other Sources	Growth Costs to be Funded by Development Contributions	Growth Costs Consumed 2019-28	Weighted Average No. of EHUs 2019-28	Standard Development Contribution Per EHU (\$)
Dunedin-Metropolitan	57,260,771	1,555,420	3%	35,869,541	33,058	35,836,483	100%	815,181	2,319	\$352
Dunedin-Other	1,519,392	55,445	4%	745,459	875	744,583	100%	26,033	223	\$117
<b>Total</b>	<b>58,780,163</b>	<b>1,610,865</b>	<b>3%</b>	<b>36,615,000</b>	<b>33,934</b>	<b>36,581,066</b>	<b>100%</b>	<b>841,213</b>	<b>2,542</b>	

**Table 13: Mosgiel Plan Change Area's Schedule of Projects**

Area of Benefit	Activity	Asset/Project	DCC Capital Cost	Growth %	Proportion recovered through DC's	Proportion recovered from other sources
Mosgiel East	Wastewater	Factory Rd foul sewer ~300 dia	\$344,991	100%	\$344,991	\$0
		* Pump Station Upgrade for Variation 15 and 9B	\$286,367	13%	\$37,868	\$248,499
	Wastewater Total		\$631,358		\$382,859	\$248,499
	Stormwater	Hagart alexander drive stormwater sewer project	\$2,873,333	30%	\$682,000	\$1,591,333
	Transportation	Roundabout Wingatui Rd/Factory Rd	\$697,960	85%	\$593,266	\$104,694
		Factory Rd Improvements	\$448,839	90%	\$403,955	\$44,884
		Wingatui Rd Improvements	\$268,079	90%	\$231,271	\$36,808
		Factory Rd/Centre St Roundabout Land	\$82,390	10%	\$8,239	\$74,151
		Roundabout Factory Rd/New Rd	\$0	85%	\$0	\$0
		Roundabout Factory Rd/Centre St/ Hagart Alexander Drive	\$299,389	0%	\$0	\$299,389
	Transportation Total		\$1,896,657		\$1,336,731	\$559,926
	Reserves - Local	* Reserve Development Mosgiel East	\$1,597,633	95%	\$1,520,421	\$77,212
Variation 9B	Water Supply	Variation 9B watermain	\$790,495	100%	\$790,495	\$0
PC 15 - Mosgiel West Area	Reserves - Local	* Reserve Development Mosgiel West	\$1,200,000	100%	\$1,200,000	\$0
	Water Supply	* Mosgiel West and East C Gladstone Rd watermain	\$405,000	100%	\$405,000	\$0
		* Mosgiel West and East C Gladstone Rd watermain	\$733,000	100%	\$733,000	\$0
	Water Supply Total		\$1,138,000		\$1,138,000	\$0
	Wastewater	* Pump Station Upgrade for Variation 15 and 9B	\$214,422	13%	\$28,354	\$186,068
		* Burns St PS Upgrade Var 15 - Pump Station	\$381,147	40%	\$152,459	\$228,688
		* Burns St PS Upgrade Var 15 - Mosgiel west ww retic upgrades	\$138,853	100%	\$138,853	\$0
	Wastewater Total		\$734,422		\$319,666	\$414,756
	Transportation	Upgrade to Cemetery Road	\$2,000,000	100%	\$2,000,000	\$0
		Ricecarton Road Access Link Area	\$640,000	100%	\$640,000	\$0
	Transportation Total		\$2,640,000		\$2,640,000	\$0
Plan Change 15 - Mosgiel East Area C	Water Supply	* Mosgiel West and East C Gladstone Rd watermain	\$405,000	100%	\$405,000	\$0
	Wastewater	* Gladstone Rd North Pump Station	\$242,389	100%	\$242,389	\$0

### **Areas of Benefit Maps**

#### **Water Supply Areas of Benefit Maps**

- Dunedin Central (~~Dunedin Metro, Mosgiel, Outram, Waitati, Warrington, Merton and Seacliff~~ *Greenfield and Brownfield*)
- Outram
- West Taieri
- Rocklands Rural
- Waikouaiti and Karitane

#### **Wastewater Areas of Benefit Maps**

- Dunedin Central (~~Tahuna, Green Island, Mosgiel~~ *Greenfield and Brownfield*)
- Middlemarch
- Seacliff
- Waikouaiti and Karitane
- Warrington

#### **Stormwater Area of Benefit Map**

- City Wide

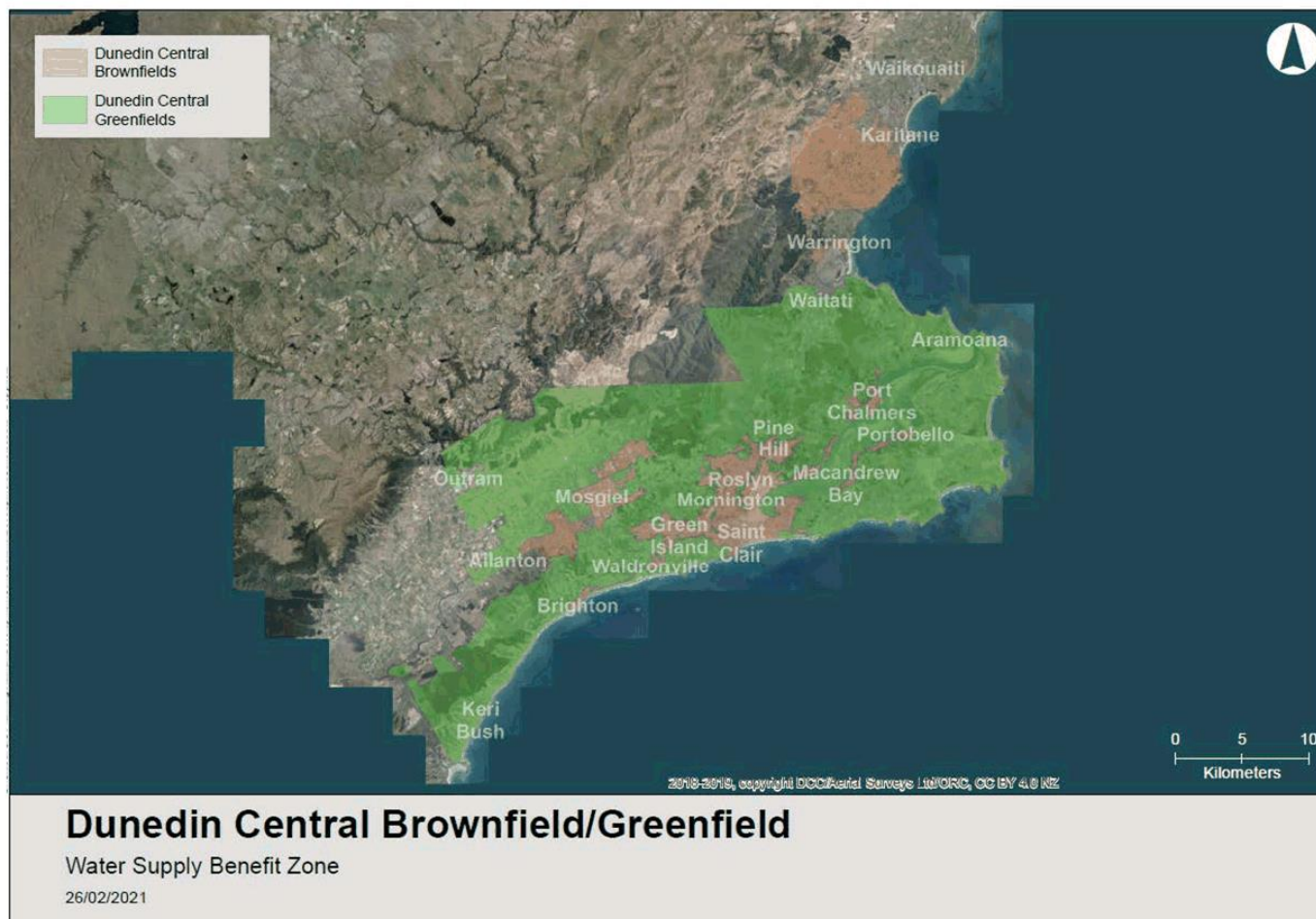
#### **Transportation, Community Infrastructure and Reserves Areas of Benefit Maps**

- Dunedin Metropolitan
- Dunedin Other

#### **Mosgiel Plan Change Area of Benefit Maps**

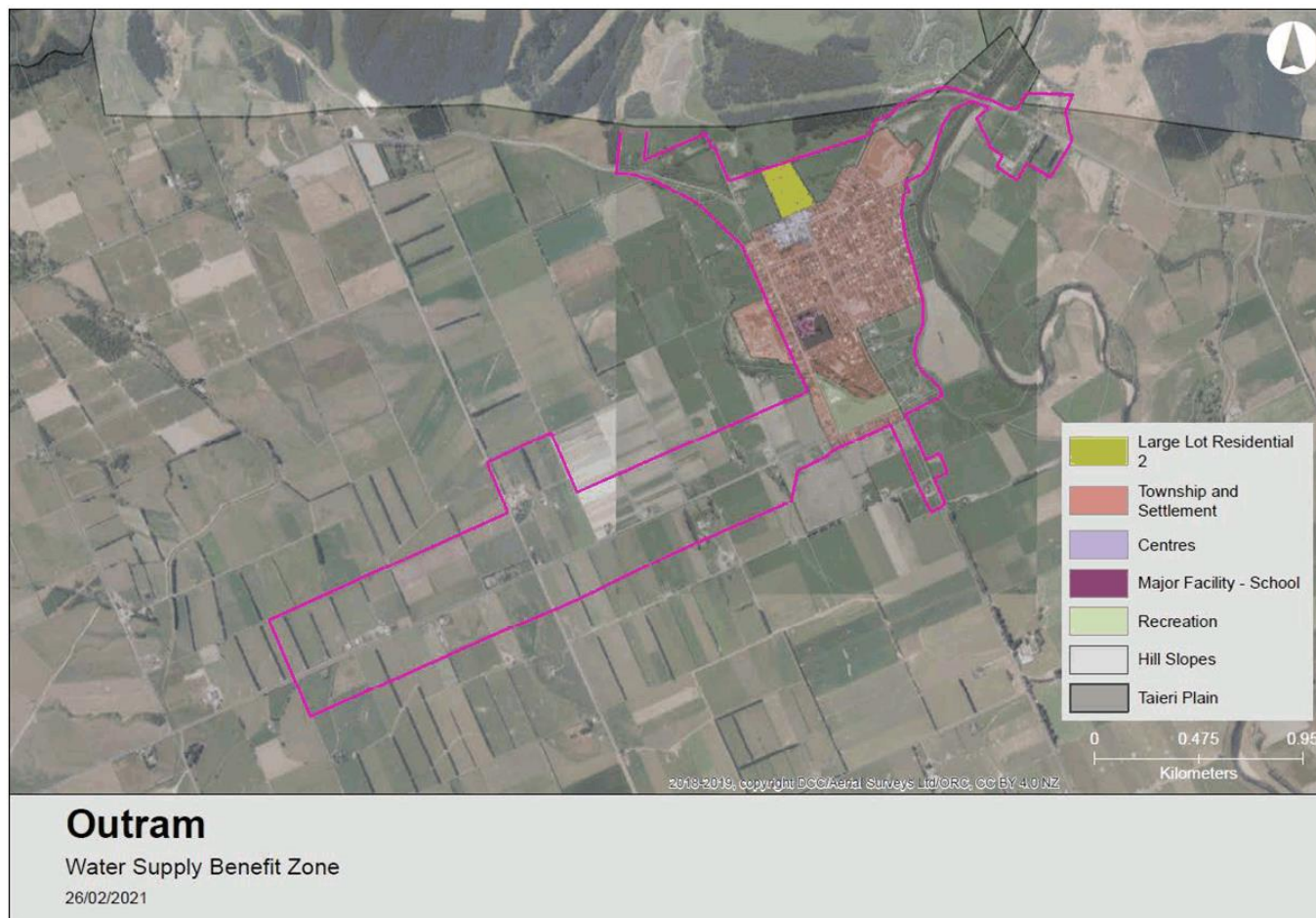
- Mosgiel East - Local Reserves, Transportation, Stormwater and Wastewater
- Mosgiel West - Local Reserves, Transportation, Stormwater and Wastewater
- Mosgiel West - Transportation - Riccarton Road Access Link Area
- Mosgiel East C Waste Supply and Wastewater
- Mosgiel Variation 9B Water Supply and Wastewater

**Map 1: Dunedin Central (Dunedin Metro, Mosgiel, Waitati, Warrington, Merton and Seacliff Greenfield and Brownfield) – Water supply**



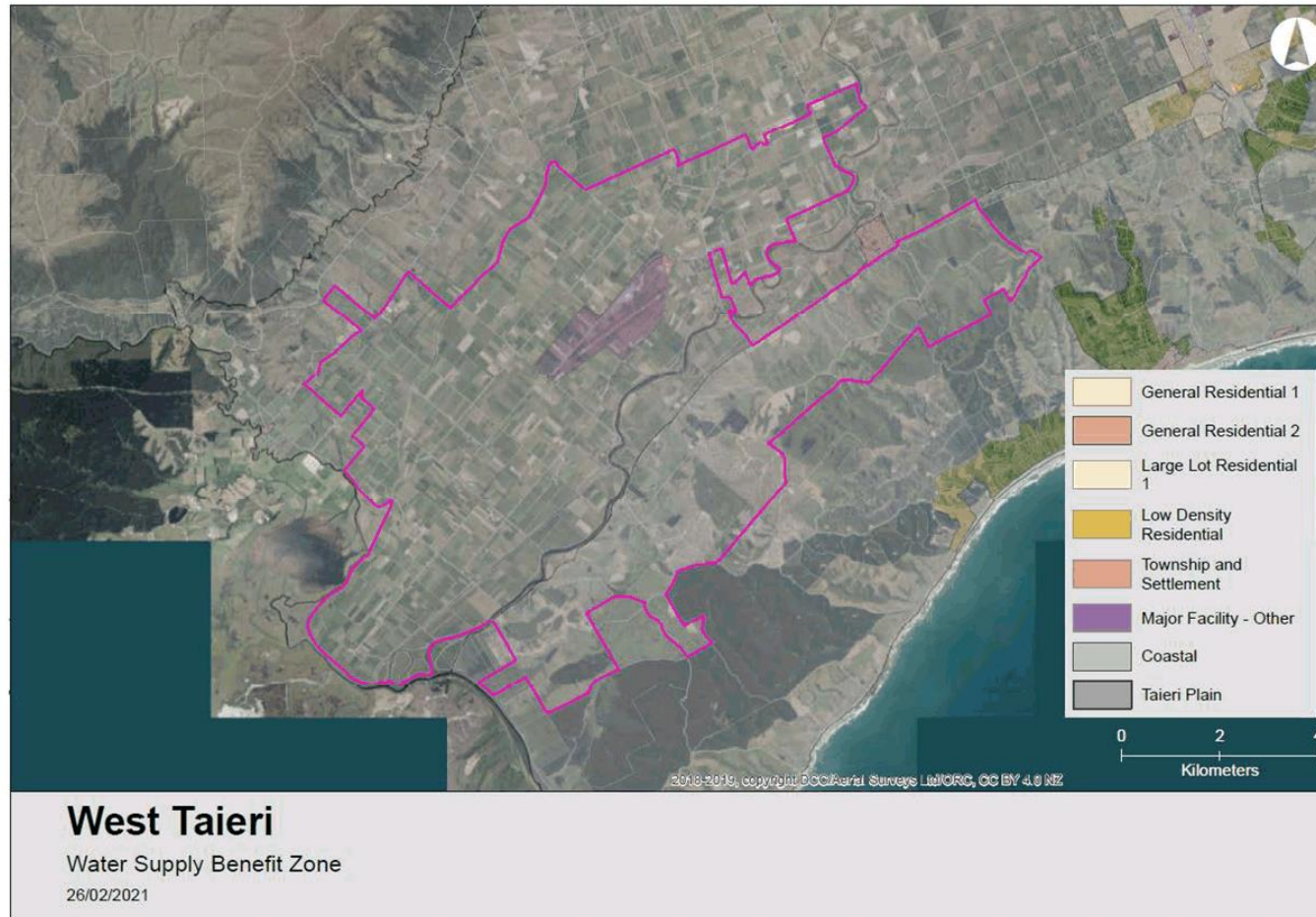
290 | Section 5: Policies

**Map2: Outram – Watersupply**

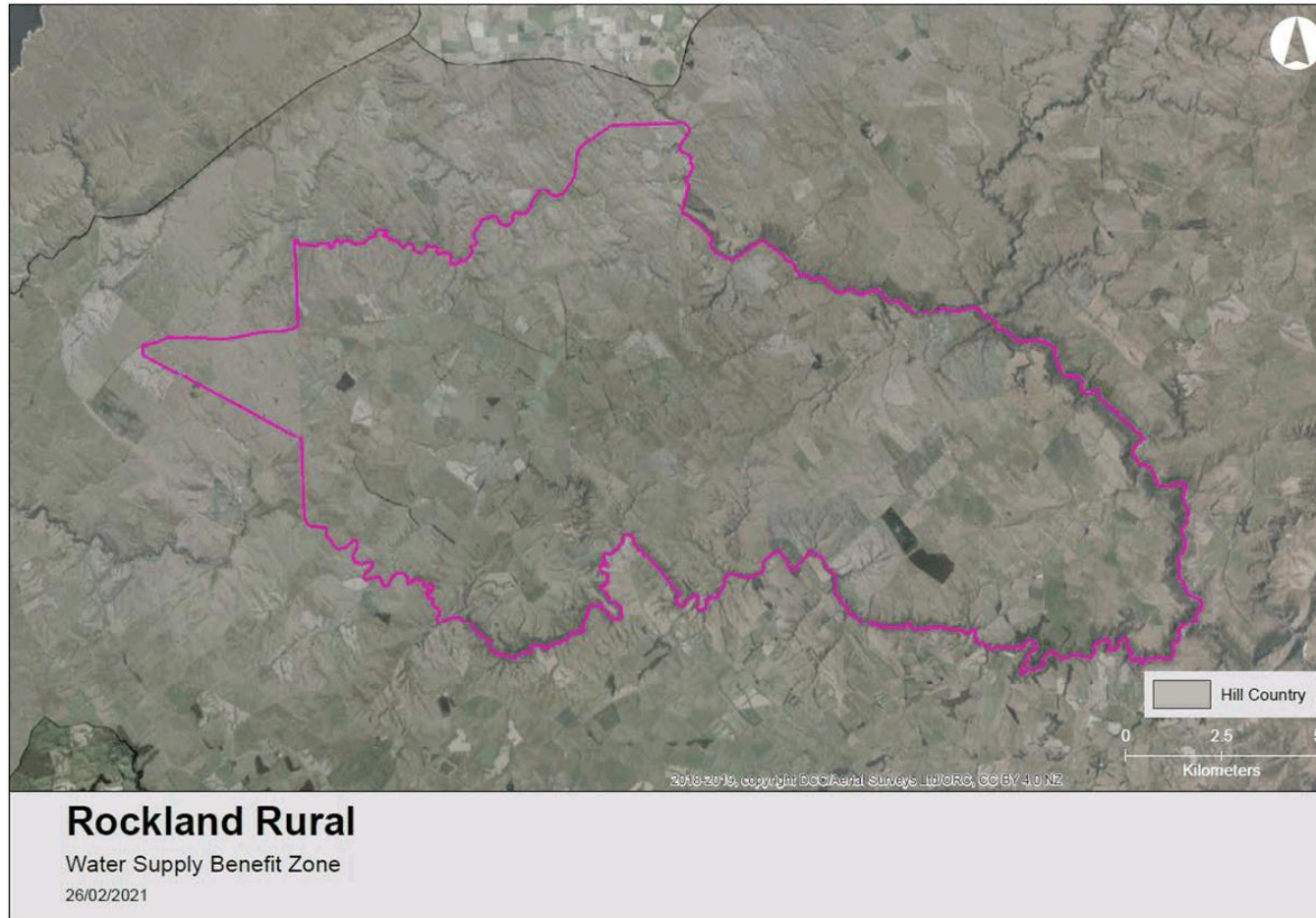


Section 5: Policies | 291

**Map 3: West Taieri – Water supply**

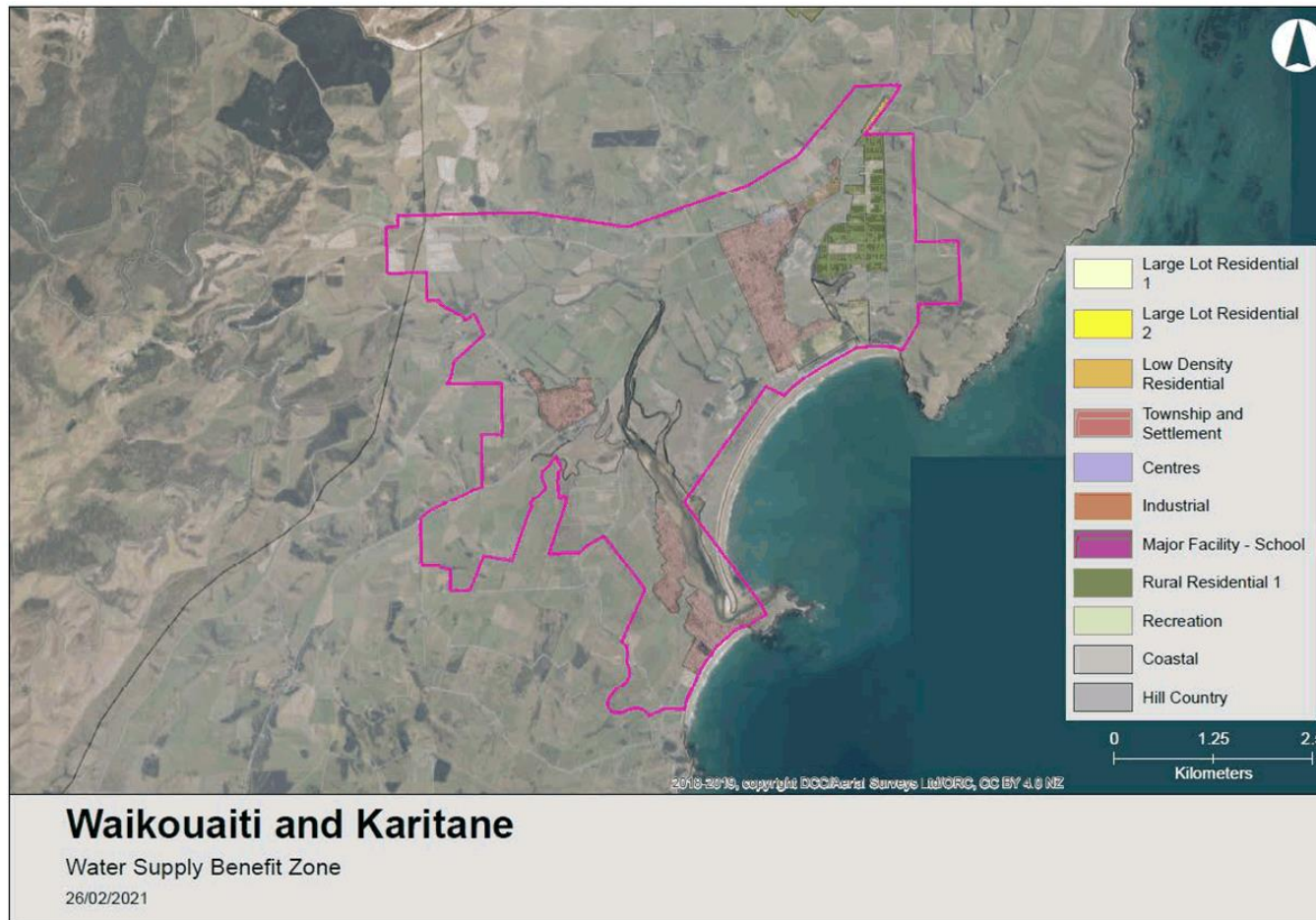


**Map 4: Rocklands Rural – Water Supply**



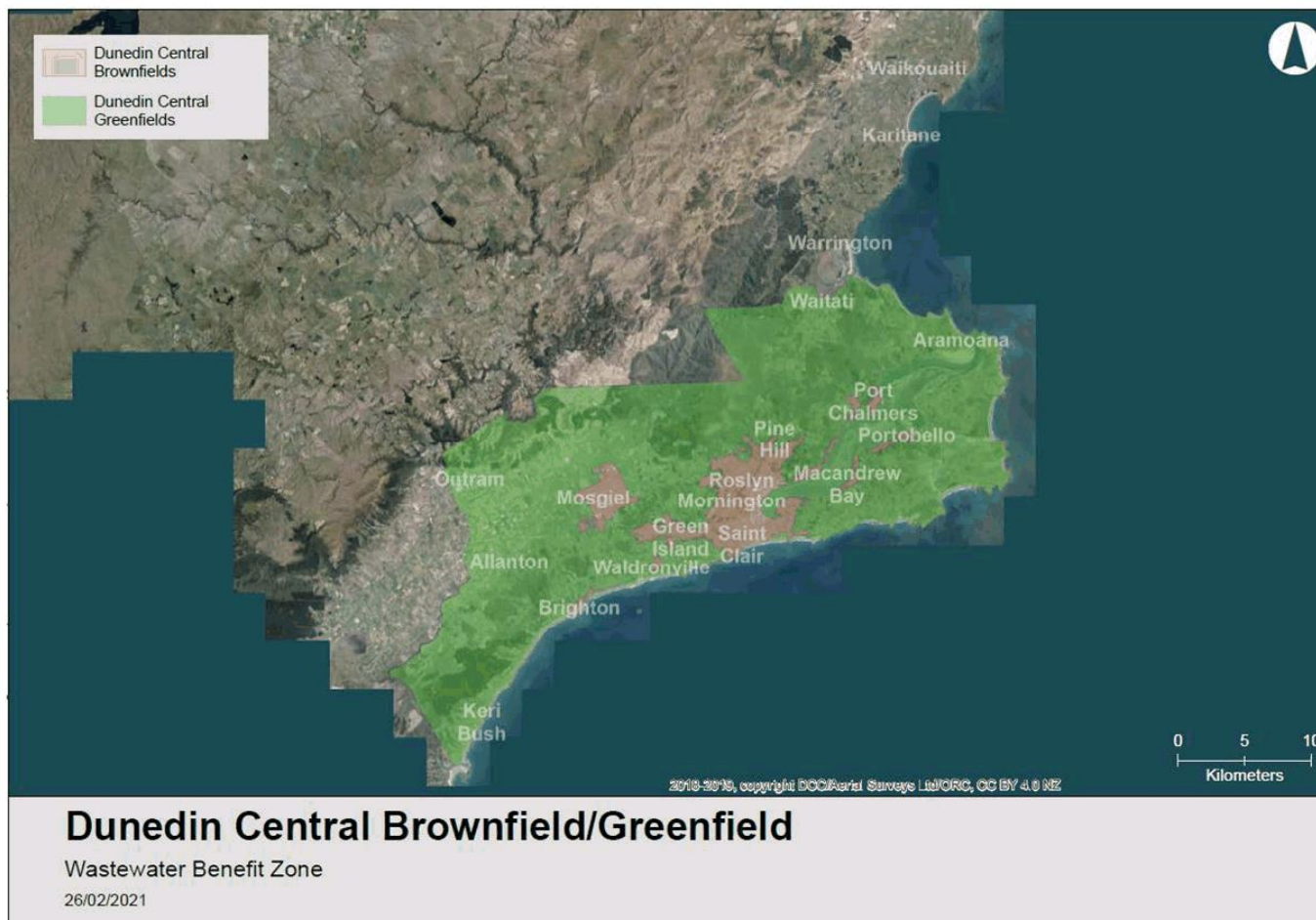
Section 5: Policies | 293

**Map 5: Waikouaiti and Karitane – Water Supply**



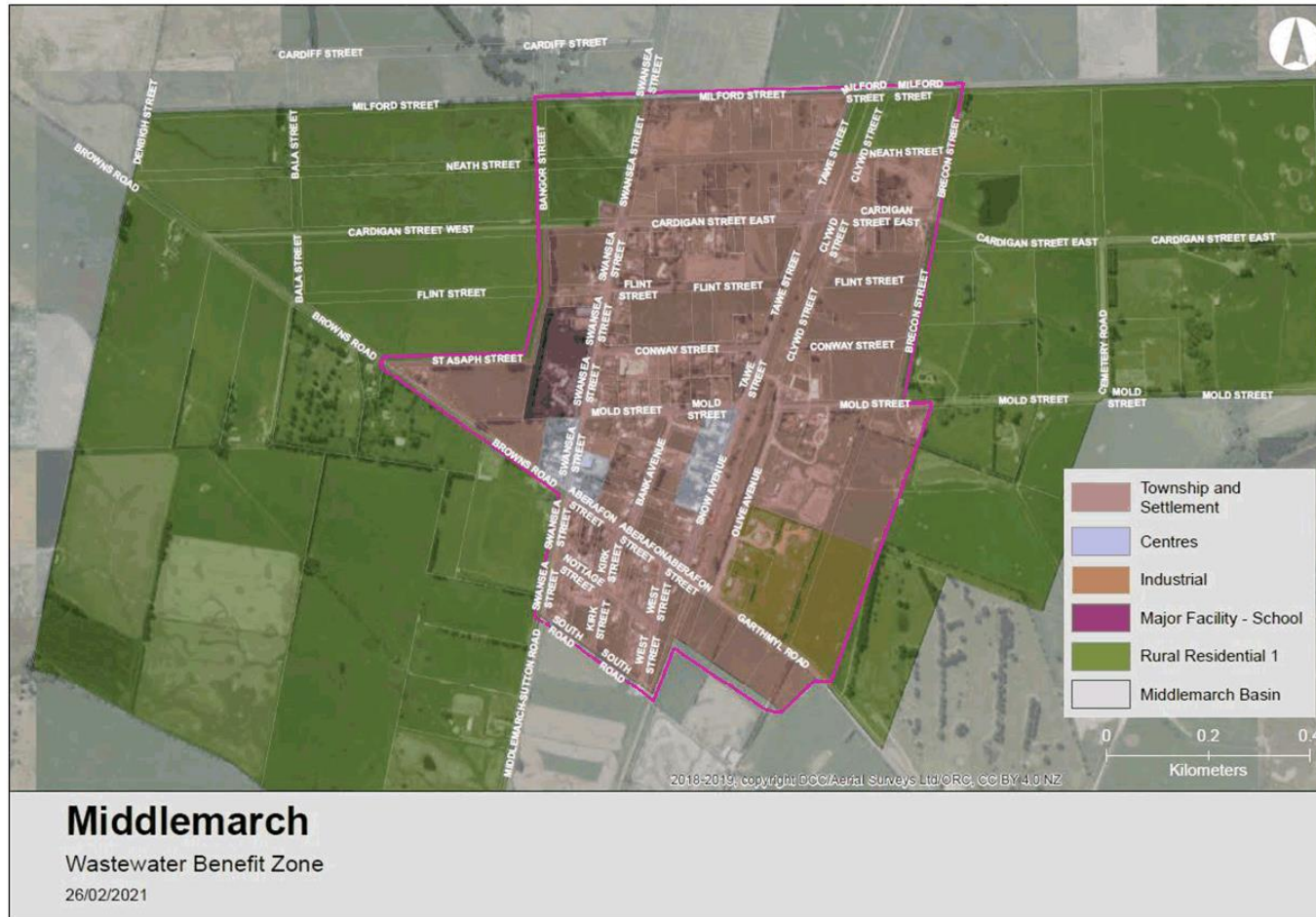
294 | Section 5: Policies

**Map 6: Dunedin Central (Tahuna, Green Island, Mosgiel Greenfield and Brownfield) – Wastewater**



Section 5: Policies | 295

**Map 7: Middlemarch – Wastewater**



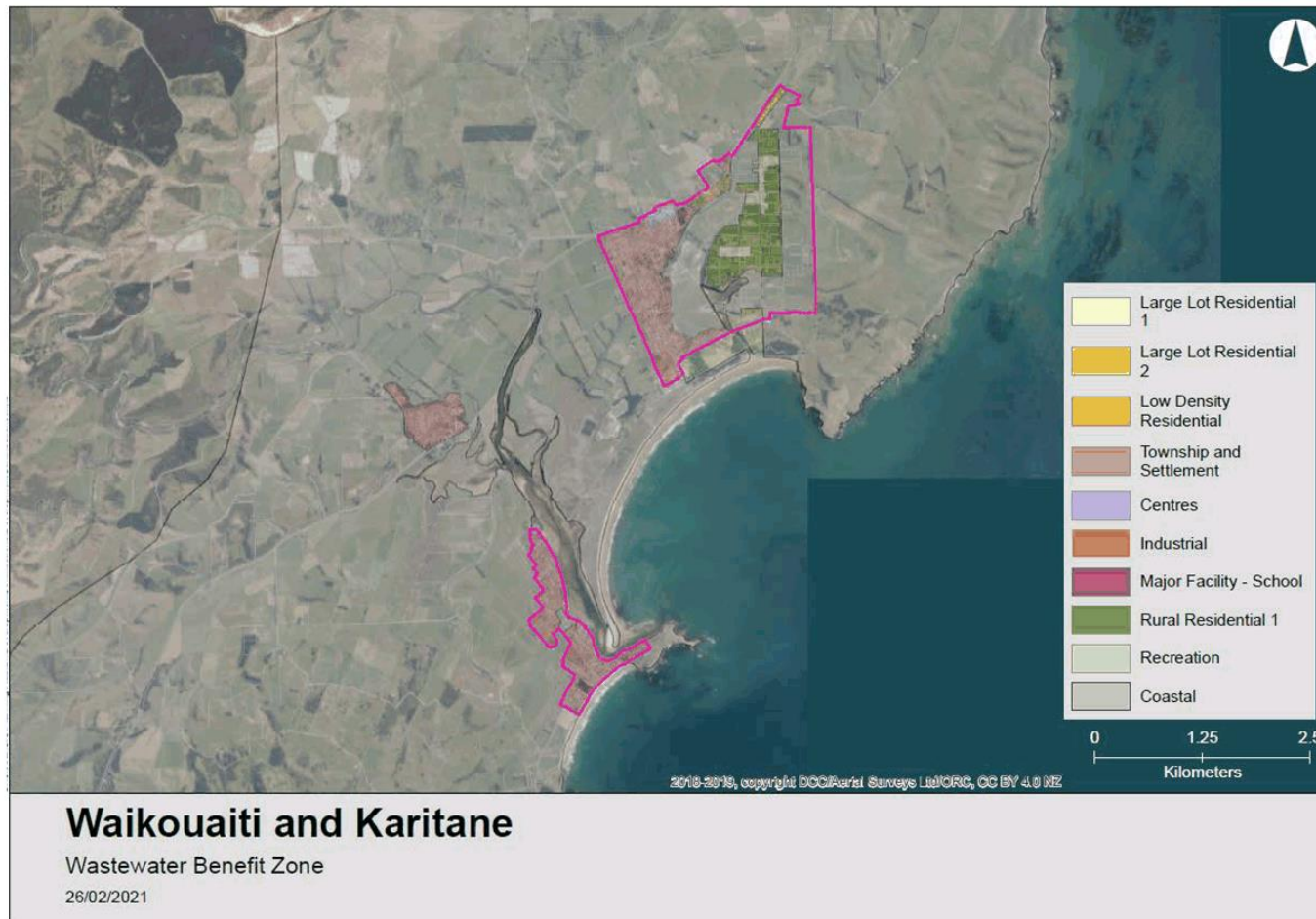
296 | Section 5: Policies

**Map 8: Seacliff – Wastewater**



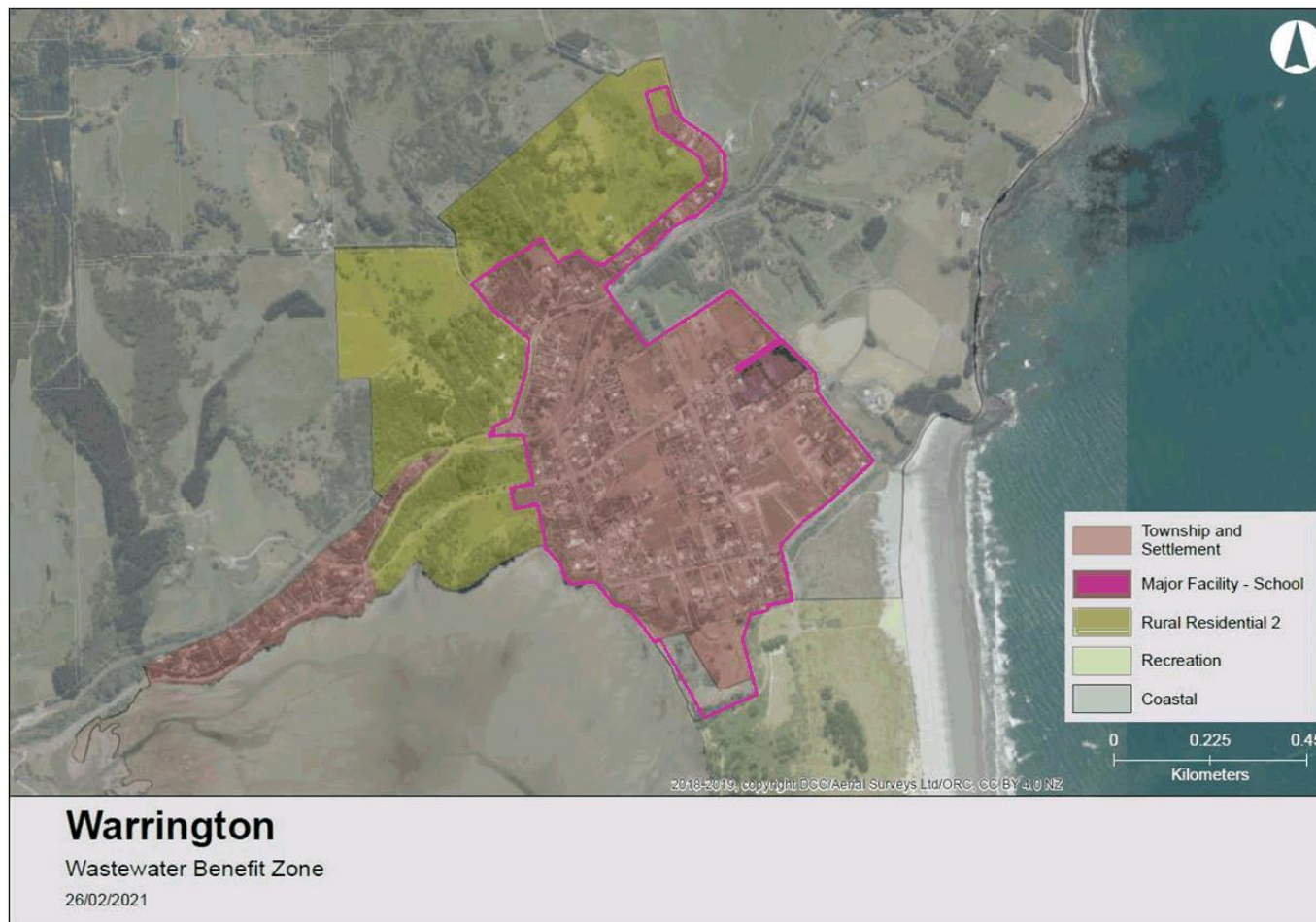
Section 5: Policies | 297

**Map 9: Waikouaiti and Karitane – Wastewater**



298 | Section 5: Policies

**Map 10: Warrington - Wastewater**

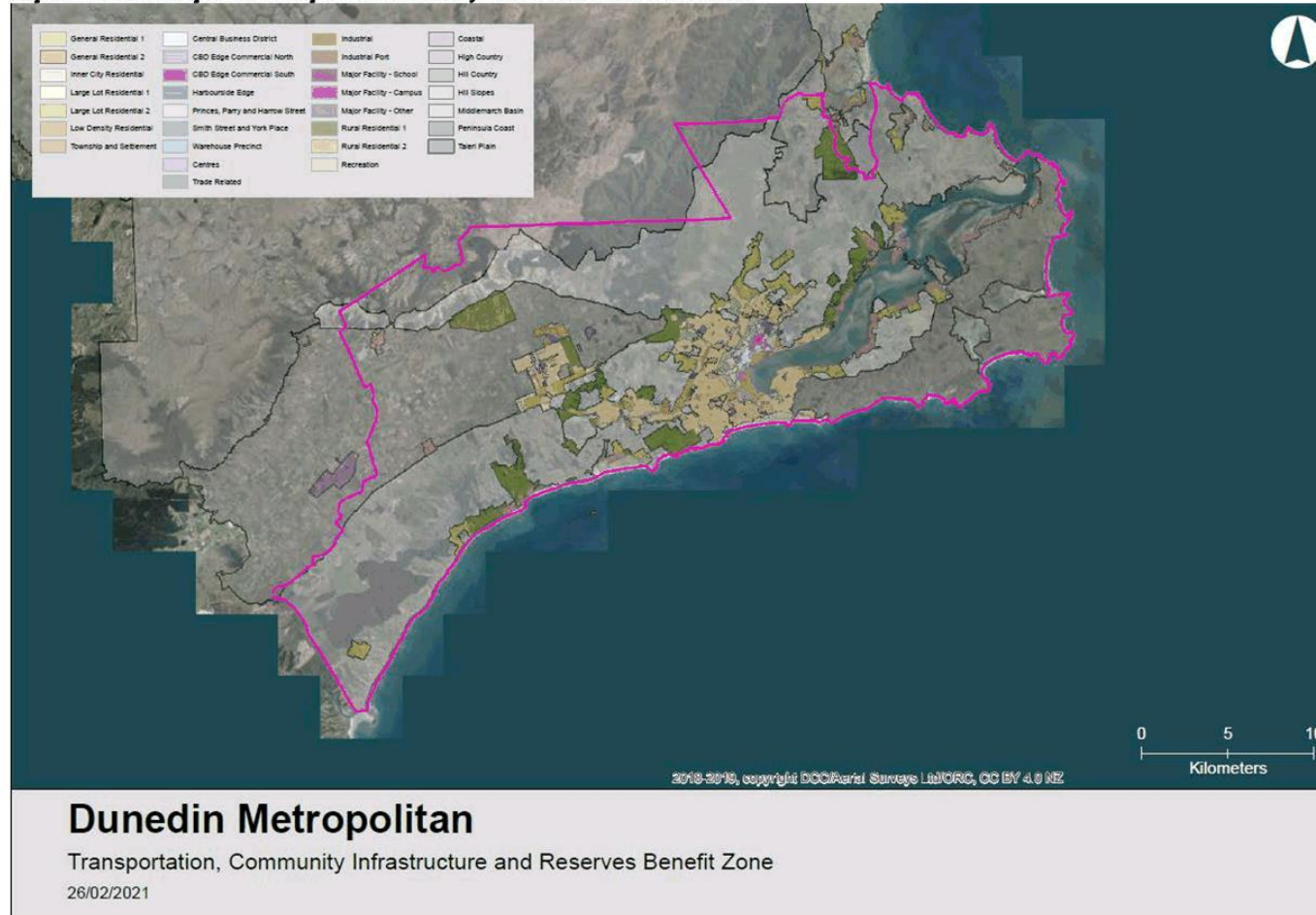


Section 5: Policies | 299

**Map 11: City Wide -Stormwater**

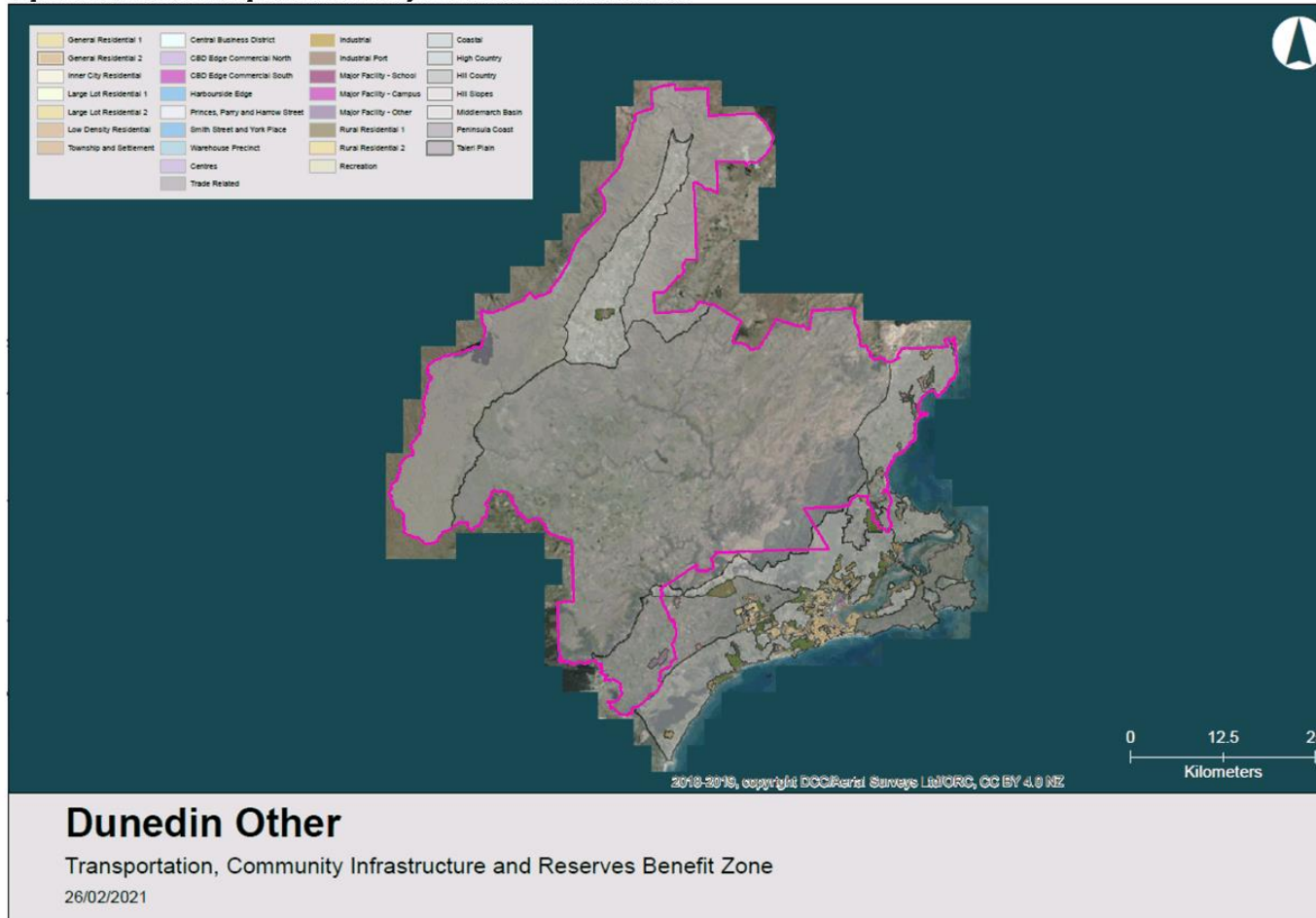


**Map 12: Dunedin Metropolitan - Transportation community infrastructure and reserves areas**



Section 5: Policies | 301

**Map 12: Dunedin Other -Transportation community infrastructure and reserves areas**



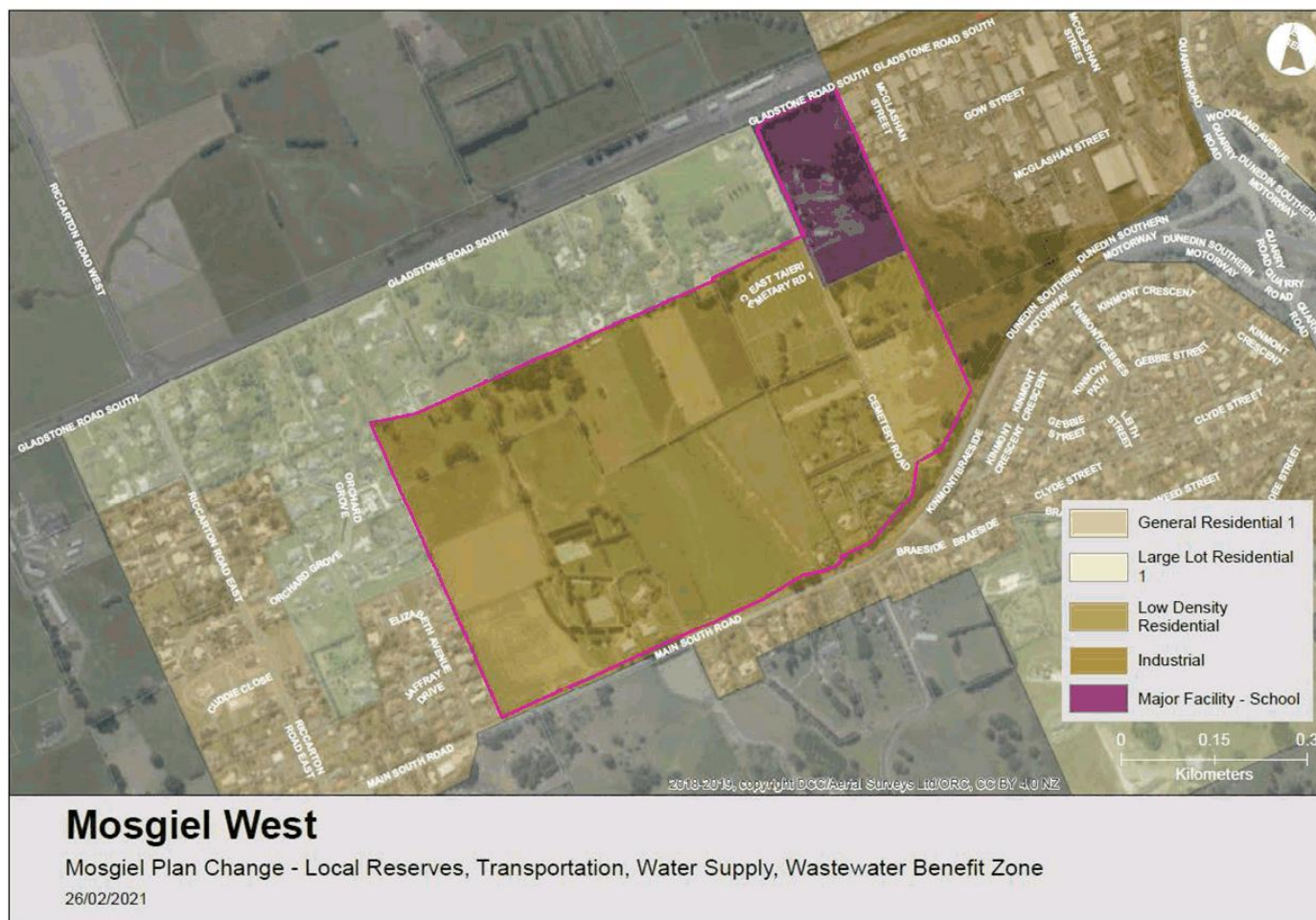
**Mosgiel Plan Change areas of benefit**

**Map 1: Mosgiel East – Local Reserves, Transportation, Stormwater and Wastewater**



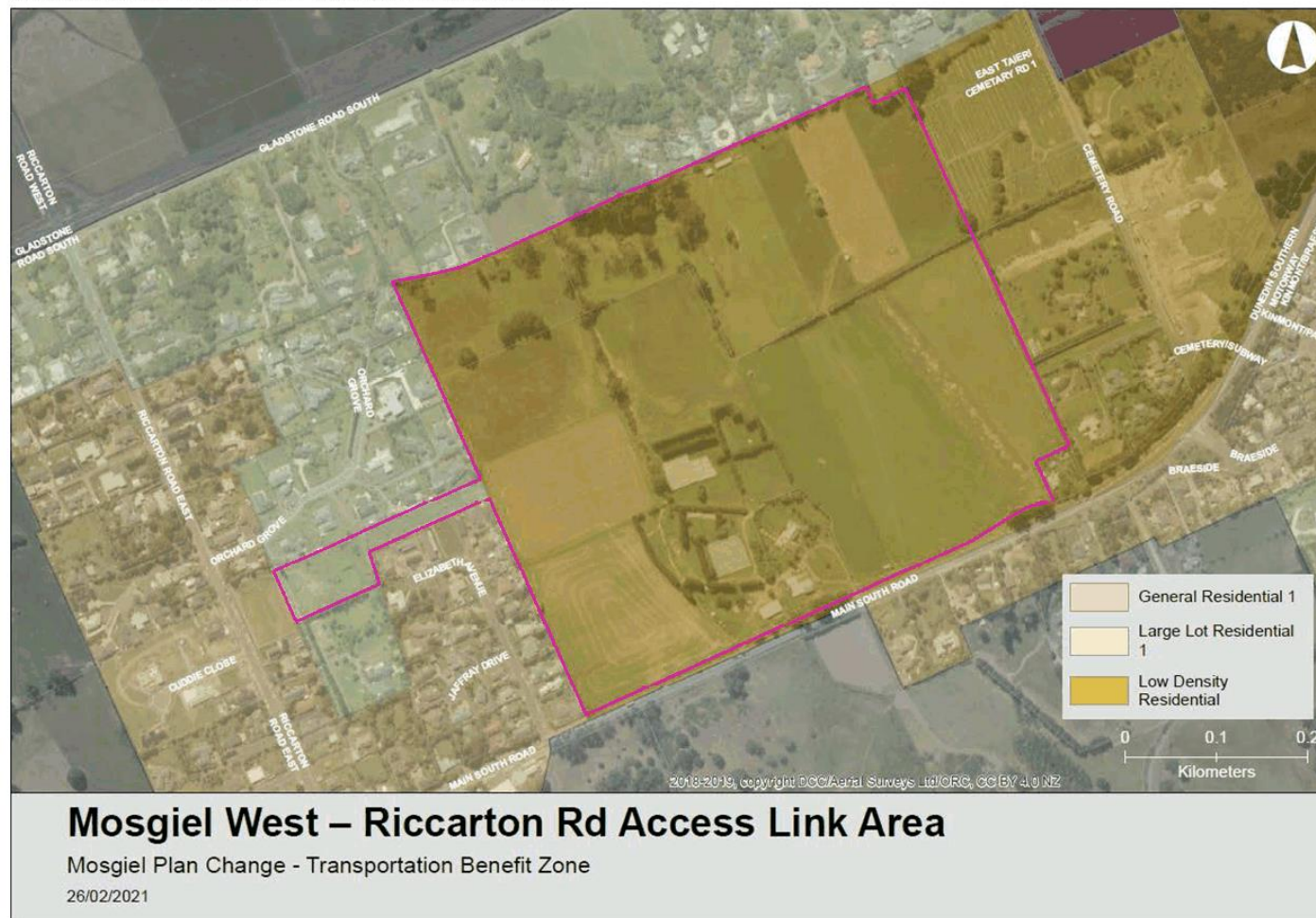
Section 5: Policies | 303

**Map 2: Mosgiel West - Local Reserves, Transportation, Stormwater and Wastewater**



304 | Section 5: Policies

**Map 3: Mosgiel West – Transportation – Riccarton Road Access Link Area**

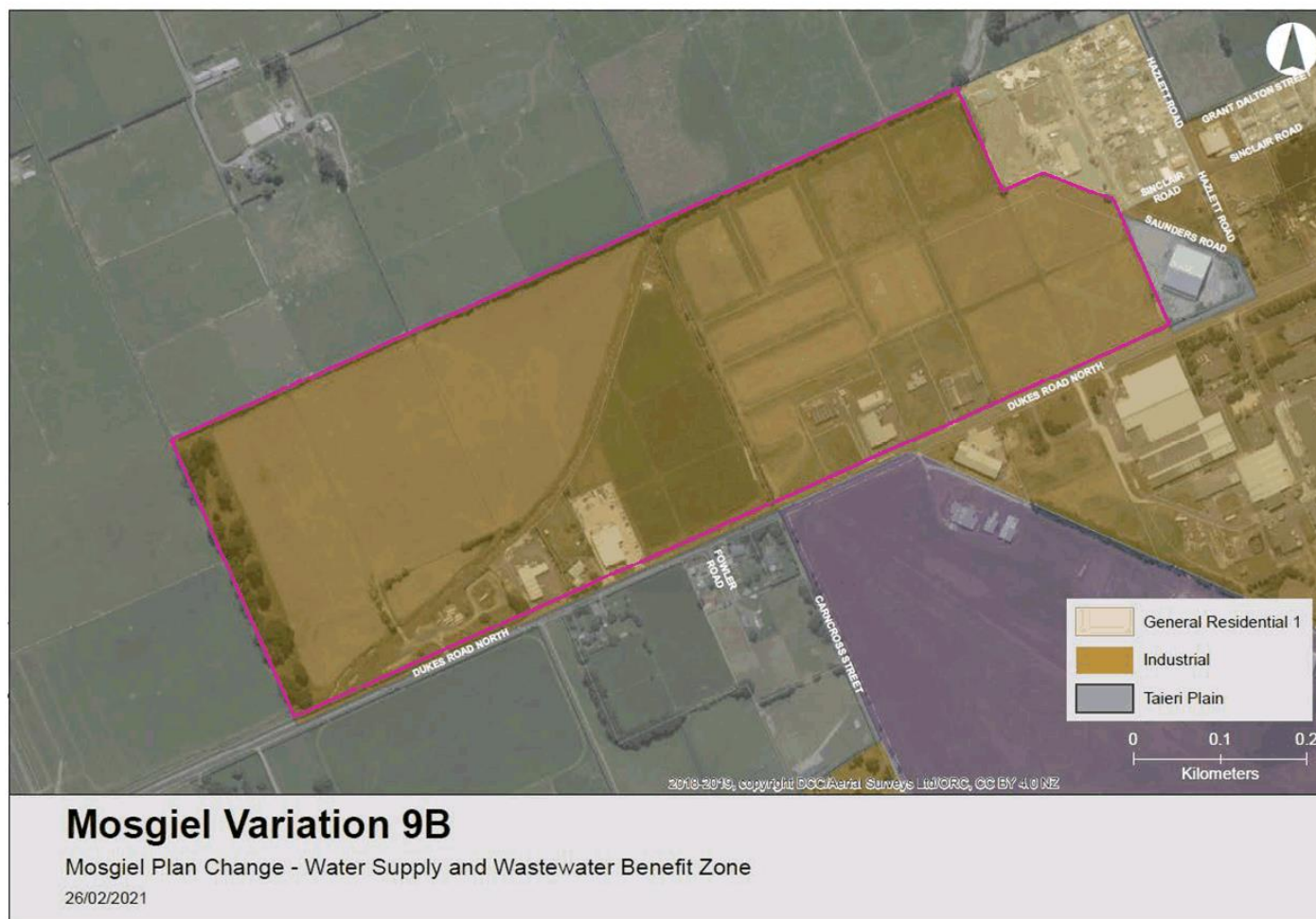


**Map 4: Mosgiel East C Waste Supply and Wastewater**



306 | Section 5: Policies

**Map 5: Mosgiel Variation 9B Water Supply and Wastewater**



Section 5: Policies | 307

## **5.4 Development contributions policy | Kaupapa here takoha whakawhanaketaka**

### **Overview**

The Dunedin City Council (DCC) is expected to continue to experience growth in resident population, visitor numbers, development and economic activity. The DCC must make significant investment in additional assets and services, and assets of greater capacity, in order to meet the demands of growth. The Development Contributions Policy (this Policy) provides a transparent and consistent basis for requiring contributions from developers towards the capital expenditure incurred to provide for growth.

This Policy has been prepared in accordance with the Local Government Act 2002. Development Contributions are defined by the provisions of Part 8 Subpart 5 and Schedule 13 of the Local Government Act 2002. The DCC is required to have a Development Contributions Policy as a component of its Funding and Financial Policies in its 10 year plan under section 102(2)(d) of the Local Government Act 2002.

Development in the Mosgiel Plan Change Areas will be subject to a private development agreement. Charges will be a combination of the applicable city-wide charges and projects specific to the plan change area.

### **Definitions**

The terminology used in this Policy is consistent with the definitions in section 197 of the Local Government Act 2002.

### **Purpose**

The purpose of development contributions is to enable the DCC to recover from those persons undertaking development a fair, equitable, and proportionate portion of the costs of capital expenditure necessary to service growth. This Development Contributions Policy ensures that growth, and the cost to provide for growth, is funded in a fair and reasonable manner by those who create, or those who have created, the need for that cost. The DCC's baseline position is that it is inappropriate to burden the community as a whole, by way of rating or other payment means, to meet the cost of growth.

The DCC intends to entirely fund the portion of capital expenditure that is attributable to growth by development contributions wherever it is legislatively permitted, fair, equitable, and proportionate to do so.

Development contributions are not a tool to fund the cost of maintaining or improving/changing levels of service for existing users. These costs will be met from other sources.

### **Principles and approach**

The DCC is permitted by section 199 of the Local Government Act 2002 to require development contributions, subject to the limitations specified by section 200. The sustainable management of the DCC's network of community facilities is important. Growth through development places demands upon such networks in the form of increased use, additions or expansion. The District Plan seeks to ensure that such demands are managed in a planned and integrated manner. This Policy will ensure that the costs of additional community facilities are funded in a fair, equitable and proportionate manner by those who create the additional demand.

Under this Policy, development contributions may be required in relation to developments if the effect of the developments is to require new or additional assets or assets of increased capacity and, as a consequence, the DCC incurs capital expenditure to provide appropriately for community facilities. The effect includes the cumulative effects that a development may have in combination with another development.

A development contribution may be required for capital expenditure that the DCC has already incurred in anticipation of growth.

The DCC will adopt the following approach to fund the growth component of the capital expenditure for community facilities:

- A development contribution will be payable for any development which creates an additional unit of demand, within any area of Dunedin City, for: Water Supply; Transportation; Wastewater; Community Infrastructure; Stormwater, and; Reserves.
- A development contribution payable will be based on the development funding up to 100% of the assessed growth cost of community facilities attributable to the additional demand resulting from that development.
- The DCC may amend this Policy to require contributions for any development that creates additional units of demand:
  - in areas that have been identified for growth through a change made to the District Plan after 19 April 2004; and
  - in areas where capital expenditure has been or will be incurred to provide for additional capacity in network infrastructure in anticipation of future growth.

Schedules will identify the community facility and the relevant geographic area of benefit where development contributions will be required. Each schedule will contain the standard development contribution required and reference a map showing the area of benefit. Should the DCC approve a water supply or wastewater connection to a property outside the areas of benefit specified in this Policy, an applicable area of benefit will be determined by the DCC and the corresponding development contribution will apply.

### Reasons

Section 106(2)(c) of the Local Government Act 2002 requires the DCC's development contributions policy to explain why the DCC has determined that it is appropriate to use development contributions as a funding source, by reference to the matters in section 101(3) of the Local Government Act 2002.

For the purposes of section 101(3)(a) community outcomes are as identified in 'Section 2.1 – Our Strategic framework' of the Dunedin City Council 10 year plan 2021-31. For the purposes of this Policy, activities have been grouped into:

- Reserves and Community Infrastructure
- Utilities – Water Supply, Wastewater and Stormwater
- Transportation – Roading and Footpaths

This Policy has been established to support these activities and help deliver the community outcomes to which each group of activity primarily contributes as shown below:

Relevant activity	Community Outcome
Transportation (Roading and Footpaths)	A connected city with a safe, accessible and low-carbon transport system
Utilities (Water Supply, Wastewater and Stormwater)	A healthy city with reliable and quality water, wastewater and stormwater systems
Reserves and Community Infrastructure (Parks and Reserves)	An active city with quality and accessible recreational spaces and opportunities

For each activity the DCC has determined that development contributions are an appropriate method of funding growth costs, following consideration of each matter specified in section 101(3) of the LGA 2001, and documented in Table 1.

Each matter has been considered for each activity, however in some cases the reasons given are valid for all activities. Where this is the case Table 1 shows the common reasons applicable to all activities.

**Table 1: Considerations of Section 101(3) of the Local Government Act 2002**

<b>Reserves and Community Infrastructure</b>	<b>Utilities (Water supply, wastewater and stormwater)</b>	<b>Transportation</b>
Reserves and Community Infrastructure are managed city-wide as a network providing a variety of active and passive recreation opportunities to all residents. The network also provides amenity, landscape and ecological benefits for City residents.	Water supply, Stormwater and Wastewater networks throughout the city are provided to levels appropriate to sustain the density of use provided for in that locality. These networks are recognised by the District Plan, which utilises zoning to provide for use and development to ensure sustainable management of existing infrastructure and any extensions. The three networks are grouped together as they share similarities in their management and in terms of the effects any extensions have upon them.	The Transportation network is maintained throughout the city at an appropriate level to ensure accessibility for all possible origins and destinations, and to provide for all possible activities.
<b>Section 101(3)(a)(i) the community outcomes to which the activity primarily contributes;</b>		
An active city with quality and accessible recreational spaces and opportunities	A healthy city with reliable and quality water, wastewater and stormwater systems	A connected city with a safe, accessible and low-carbon transport system
<b>Section 101(3)(a)(ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals;</b>		
<p><i>Existing community and growth community</i></p> <p>Capital expenditure will provide capacity, and therefore benefit, to the existing community, the growth community, or both these groups. The DCC intends to recover the cost of growth from the growth community via development contributions. Improving levels of service, historical catch-up or asset renewal will be funded by other sources of revenue by the existing community. In determining the value of the benefits being received by the growth community, it is assumed that the value of those benefits is equal to the cost of providing them.</p> <p>Each item of capital expenditure undergoes a cost driver analysis to define the benefit, and the cost, attributed to each part of the community using one or many of the following cost drivers:</p> <ul style="list-style-type: none"> <li>○ Growth</li> <li>○ Level of Service</li> <li>○ Renewal</li> </ul> <p>The growth costs provide for new or additional assets or assets of increased capacity to meet the demands growth places on community facilities.</p>		
<p><i>Areas of benefit</i></p> <p>Each area of benefit is a defined geographic area with a separate development contribution. The areas of benefit reflect the variations in the cost of providing assets according to the characteristics of each particular locality and the nature of the works required.</p>		

<b>Reserves and Community Infrastructure</b>	<b>Utilities (Water supply, wastewater and stormwater)</b>	<b>Transportation</b>
<p>The DCC intends to use two areas of benefit for Reserves and Community Infrastructure to distribute the benefits:</p> <ul style="list-style-type: none"> <li>Dunedin Metropolitan</li> <li>Dunedin Other</li> </ul> <p>A decision was made that the Transportation area of benefit boundary should also apply to Community Infrastructure and Reserves. Areas that have a high utilisation of the inner-city transport network are likely to use the inner city Reserves and Community Infrastructure assets.</p> <p>The growth costs for each project have been apportioned to both areas based on the following variables:</p> <ul style="list-style-type: none"> <li>Location of capital works</li> <li>Cross border benefit/utilisation between the two areas</li> </ul>	<p>The DCC intends to use the scheme boundaries to define the areas of benefits for the Water Supply and Wastewater contributions. These are:</p> <p><b>Water Supply</b></p> <ul style="list-style-type: none"> <li>Dunedin Central (Greenfields and Brownfields)</li> <li>Rockland Rural</li> <li>Waikouaiti &amp; Karitane</li> <li>West Taieri</li> </ul> <p><b>Wastewater</b></p> <ul style="list-style-type: none"> <li>Dunedin Central (Greenfields and Brownfields)</li> <li>Middlemarch</li> <li>Seacliff</li> <li>Waikouaiti / Karitane</li> <li>Warrington</li> </ul> <p>Stormwater has a single city-wide area of benefit however it has been determined that this charge will not apply in the Allanton, Karitane, Merton, Middlemarch, Outram, Rockland Rural, Seacliff, Warrington, Waitati and West Taieri areas of benefit which have no or minimal stormwater provision.</p>	<p>The DCC intends to use two areas of benefit for Transportation to distribute the benefits:</p> <ul style="list-style-type: none"> <li>Dunedin Metropolitan</li> <li>Dunedin Other</li> </ul> <p>The core philosophy behind this decision is that the Dunedin Metropolitan area of benefit defines an area in which there are a high proportion of commuters which travel into Dunedin's main urban area and that developments in this area should pay a different contribution to those that use mainly rural and township roads.</p> <p>The growth costs for each project have been apportioned to both areas based on the following variables:</p> <ul style="list-style-type: none"> <li>Location of capital works</li> <li>Cross border benefit / utilisation between the two areas</li> </ul>
<p><b>Section 101(3)(a)(iii) the period in or over which those benefits are expected to occur;</b></p> <p>Capital expenditure often has benefits extending beyond the ten year plan planning horizon. For each of the individual capital expenditure projects, the DCC determines the length of time over which the asset created by that expenditure will provide a benefit to the community. The DCC also determines the capacity of that asset and the amount of capacity that will be utilised by the growth community. The use of development contributions ensures that existing rate payers are not paying for the infrastructural capacity that they do not require, and this ensures intergenerational equity.</p> <p>Once a development contribution has been paid in relation to a development, the benefits of the asset, service, or environmental enhancement shall occur indefinitely.</p>		
<p><b>Section 101(3)(a)(iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity;</b></p> <p>The DCC has projected the extent of growth within the City. The DCC has also identified its capital expenditure necessary to meet the needs of the growth community. Funding the cost of providing increased capacity in community facilities through development contributions, rather than rates serviced debt, promotes equity between the existing community and the growth community.</p> <p>The areas of benefit discussed above in 101(3) (a) (ii) also ensures the growth costs are attributed to those which contribute to the need to undertake the activity.</p>		
<p><b>Land Use Categories</b></p> <p>The DCC will use land use categories to ensure the growth costs are attributed to identifiable parts of the growth community which contribute to the need to undertake the activity. Growth in each land use category generates a different demand for community facilities and therefore each land use shall pay appropriate fair, equitable and proportionate contribution.</p>		

<b>Reserves and Community Infrastructure</b>	<b>Utilities (Water supply, wastewater and stormwater)</b>	<b>Transportation</b>
The land use categories used for Reserves and Community Infrastructure (CI) are: Residential  Rural Residential Visitor Accommodation Commercial (CI only) Farming Industrial (CI only) University/Polytechnic – Accommodation University/Polytechnic – Other (CI only)	The land use categories used for Utilities are: Residential  Rural Residential Visitor Accommodation Commercial Farming Industrial Otago University/Polytechnic – Accommodation Otago University/Polytechnic – Other	The land use categories used for Transportation are: Residential  Rural Residential Visitor Accommodation Commercial Farming Industrial Otago University/Polytechnic – Accommodation Otago University/Polytechnic – Other
<b>Section 101(3)(a)(v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities;</b>		
Development contributions received for a specific activity will only be used for, or towards, the capital expenditure of that activity for which the contribution was required.  Using development contributions to fund the cost of providing additional community facilities provides greater transparency. This enables the DCC's growth costs to be recovered from developers through development contributions. The benefits of this approach are deemed to exceed the costs of assessing development contributions.		
<b>Section 101(3)(b) the overall impact of any allocation of liability for revenue needs on the community;</b>		
The liability for revenue falls directly with the growth community. At the effective date of this Policy, the DCC considers that any negative impact of the allocation of liability for revenue on this particular sector of the community is outweighed by a positive impact on the wider community. At any stage in the future where there may be impacts of this nature, the DCC may revisit this policy.		

The full methodology that demonstrates how the calculations for development contributions were derived is contained in the Detailed Supporting Document, which is available to the public as per section 106(3) of the Local Government Act 2002.

#### **When will contributions be required?**

Section 198 of the Local Government Act 2002 gives territorial authorities the power to require a contribution for developments.

The DCC will assess whether development contributions are payable when:

- a Resource Consent is granted.
- a Building Consent is granted.
- a Certificate of Acceptance is issued for building work situated in its district (whether issued by the territorial authority or by a building consent authority), or
- an Authorisation for a Service Connection is granted.

#### **Enforcement powers**

If payment of development contributions is not received the DCC will enforce powers outlined in Section 208 of the LGA 2002.

Until a development contribution required in relation to a development has been paid or made under section 198, the DCC may:

- in the case of a development contribution required under section 198(1)(a),

266 | Section 5: Policies

- withhold a certificate under section 224(c) of the Resource Management Act 1991:
- prevent the commencement of a resource consent under the Resource Management Act 1991:
- in the case of a development contribution required under section 198(1)(b), withhold a code compliance certificate under section 95 of the Building Act 2004:
- in the case of a development contribution required under section 198(4A), withhold a certificate of acceptance under section 99 of the Building Act 2004:
- in the case of a development contribution required under section 198(1)(c), withhold a service connection to the development:
- in each case, register the development contribution under subpart 5 of Part 3 of the Land Transfer Act 2017, as a charge on the title of the land in respect of which the development contribution was required.

#### **Financial contributions**

Councils have the option to use either the provisions of the Resource Management Act 1991 (Financial Contributions) or those of the Local Government Act 2002 (Development Contributions) or a combination of both to obtain funds or land from developers. Councils must ensure that they do not 'double dip' for the same infrastructure.

The DCC has decided to establish its Development Contributions Policy within the requirements of the Local Government Act 2002.

#### **Which policy will apply**

It is proposed that this Policy will apply to applications for resource consent, building consent or service connection received after 1 July 2021.

In all other cases, the DCC will apply the provisions of the previous Development Contributions Policy.

#### **Capital expenditure**

Only capital expenditure is considered in determining development contributions charges under this Policy. All operational expenditure is excluded, including internal overheads.

Capital expenditure is identified from two sources, namely.

- The latest Annual Plan/Long Term Plan – future capital expenditure
- Historic financial reports – historic capital expenditure. Historic growth-related capital expenditure will only be included:
  - Where there is a current debt balance, and
  - Where there is documented evidence that there was a growth component to the project. The documented evidence must have existed at the time of construction.

Capital expenditure is considered in nominal (current day) dollars, and interest considerations are included.

All third-party funding is excluded from the capital expenditure used in calculating development contributions charges.

#### **Cost driver apportionments**

All capital expenditure has been apportioned into three cost drivers – Growth, Renewal and Level of Service. Only the growth portion is used for assessing development contributions. The cost drivers have been assessed using several methods.

These are:

- Asset capacity.
- Using design life of new assets to approximate growth percentage.
- Assessed using professional judgment.

The growth related capital expenditure is referred to in this policy as growth costs.

### **Unit of demand**

To identify the share of the growth costs attributable to each unit of demand the DCC will use an Equivalent Household Unit (EHU). An EHU represents the impact of a typical residential dwelling for each activity.

All development shall be converted to an EHU using land use differentials and conversion factors. These enable the number of EHU's to be calculated for non-residential developments based on a standard measure of size.

Further information about the land use differentials and conversion factors can be found in Part 3 and Part 4 of the Detailed Supporting Document, available from the DCC website [www.dcc.govt.nz](http://www.dcc.govt.nz) or on request from the DCC Customer Services Agency, Civic Centre, 50 The Octagon.

### **Overview of the calculation methodology**

A brief introduction to the development contributions calculation method is presented here. A full disclosure of the methodology and calculations is in the Detailed Supporting Document and is available on the DCC website [www.dunedin.govt.nz](http://www.dunedin.govt.nz) or on request from the DCC Customer Services Agency, Civic Centre, 50 The Octagon.

The key concept of the approach is to define the total growth costs consumed by the growth community over a period of time. This consumption of growth costs is then apportioned among the increased number of units of demand (Equivalent Household units) over the same time period. This defines the long run average cost of growth per unit of demand, defined as the equivalent household unit (EHU) contribution. This can be represented by the following formula:

$$\text{Standard Contribution} = \frac{\text{Sum of Growth Costs Consumed in Analysis Period}}{\text{Sum of New Equivalent Household Units in Analysis Period}}$$

The calculation method can be simplified according to the following steps:

Step 1: Assess growth costs on an asset by asset basis using financial reports (past expenditure) and the 10 year plan (projected expenditure).

Step 2: Apportion growth costs by the growth population (equivalent household units) over the design life of the asset, to assess the \$/EHU.

Step 3: For each year in the analysis period determine the total consumption of asset capacity for each asset identified, namely:

$$\text{Growth Cost Consumed} = \text{Standard Contribution (\$/EHU)} \times \text{Number of EHUs}$$

Step 4: Sum for all assets in each year in the analysis period, namely total capacity consumed in that year, measured in \$.

Step 5: Sum each year in the ten-year analysis period and divide by the growth population (new equivalent household units) projected over the analysis period to determine the equivalent household unit contribution.

### Schedule of development contribution charges

The following tables indicate:

- The areas of benefit where development contributions are to be sought.
- The development contributions per equivalent household unit for each activity within each area.
- The conversion factors for each activity and for each area of benefit.
- The contributions have been rounded to the nearest \$10.

**Table 2: Schedule of Development Contributions per Equivalent Household Unit – (excluding GST)**

Area of Benefit	Water Supply	Wastewater	Stormwater	Transportation	Reserves	Community Infrastructure	Total Contribution by Area of Benefit
Allanton	\$0	\$0	\$0	\$1,760	\$1,010	\$1,130	\$3,900
Dunedin Central Brownfields	\$3,160	\$3,980	\$2,620	\$1,760	\$1,010	\$1,130	\$13,660
Dunedin Central Greenfields	\$3,900	\$5,120	\$2,620	\$1,760	\$1,010	\$1,130	\$15,540
Outram	\$3,160		\$0	\$1,760	\$1,010	\$1,130	\$7,060
Waitati	\$3,160		\$0	\$1,620	\$200	\$220	\$5,200
Warrington	\$3,160	\$9,540	\$0	\$1,620	\$200	\$220	\$14,740
Seacliff	\$3,160	\$3,550	\$0	\$1,620	\$200	\$220	\$8,750
Merton	\$3,160		\$0	\$1,620	\$200	\$220	\$5,200
Karitane	\$1,450	\$1,450	\$0	\$1,620	\$200	\$220	\$4,940
Waikouaiti	\$1,450	\$1,450	\$0	\$1,620	\$200	\$220	\$4,940
Middlemarch		\$8,970	\$0	\$1,620	\$200	\$220	\$11,010
Rockland Rural	\$200		\$0	\$1,620	\$200	\$220	\$2,240
West Taieri	\$9,980		\$0	\$1,620	\$200	\$220	\$12,020
All other Dunedin Metropolitan properties			\$2,620	\$1,760	\$1,010	\$1,130	\$6,520
All other Dunedin other properties			\$0	\$1,620	\$200	\$220	\$2,040

**Notes to Table 2:**

- Dunedin Central brownfields and greenfield areas are shown in the area of benefit maps section of this Policy.
- In establishing the development contribution rates for Reserves, section 203 of the LGA 2002 states that development contributions for Reserves must not exceed the greater of:
  - 7.5 percent of the land value of the additional allotments created by the subdivision (either cash or land equivalent); and
  - The value equivalent of 20 square metres of land for each additional household unit created by the development.
- The Areas of Benefit Maps section shows the areas of benefit described above.

**Table 3: Equivalent Household Unit Conversion Factors for each Land Use Category**

Land Use Category	Equivalent Household Units (EHU) per Unit of Measure									
	Water Supply		Wastewater	Stormwater	Transportation		Reserves		Community Infrastructure	
	Working Charge	Network Charge			Dunedin Metropolitan	Dunedin Other	Dunedin Metropolitan	Dunedin Other	Dunedin Metropolitan	Dunedin Other
Residential unit 3 or more habitable rooms	1 EHU per unit		1 EHU per unit	1 EHU per unit	1 EHU per unit	1 EHU per unit	1 EHU per unit	1 EHU per unit	1 EHU per unit	1 EHU per unit
Residential unit 2 habitable rooms	0.75 EHU per unit		0.75 EHU per unit	0.75 EHU per unit	0.75 EHU per unit	0.75 EHU per unit	0.75 EHU per unit	0.75 EHU per unit	0.75 EHU per unit	0.75 EHU per unit
Residential unit 1 habitable room	0.5 EHU per unit		0.5 EHU per unit	0.5 EHU per unit	0.5 EHU per unit	0.5 EHU per unit	0.5 EHU per unit	0.5 EHU per unit	0.5 EHU per unit	0.5 EHU per unit
Rural Residential	0.86 EHU per dwelling	0.41 EHU per property	1.48 EHU per dwelling	0.34 EHU per 100m <sup>2</sup> ISA	1.57 EHU per dwelling	0.83 EHU per dwelling	1 EHU per dwelling	1 EHU per dwelling	1 EHU per dwelling	1 EHU per dwelling
Visitor Accommodation	0.56 EHU per 100m <sup>2</sup> GFA	0.93 EHU per property	0.99 EHU per 100m <sup>2</sup> GFA	0.34 EHU per 100m <sup>2</sup> ISA	0.29 EHU per 100m <sup>2</sup> GFA	0.37 EHU per 100m <sup>2</sup> GFA	0.30 EHU per 100m <sup>2</sup> GFA	0.30 EHU per 100m <sup>2</sup> GFA	0.66 EHU per 100m <sup>2</sup> GFA	0.60 EHU per 100m <sup>2</sup> GFA
Commercial	0.19 EHU per 100m <sup>2</sup> GFA	0.94 EHU per property	0.31 EHU per 100m <sup>2</sup> GFA	0.34 EHU per 100m <sup>2</sup> ISA	5.42 EHU per 100m <sup>2</sup> GFA	3.17 EHU per 100m <sup>2</sup> GFA			0.05 EHU per 100m <sup>2</sup> GFA	0.05 EHU per 100m <sup>2</sup> GFA
Farming	0.86 EHU per dwelling	0.41 EHU per property	1.48 EHU per dwelling	0 EHU per 100m <sup>2</sup> ISA	4.47 EHU per 100Ha	2.28 EHU per 100 Ha	0.50 EHU per dwelling	0.50 EHU per dwelling	0.50 EHU per dwelling	0.50 EHU per dwelling
Industrial	0.36 EHU per 100m <sup>2</sup> GFA	0.90 EHU per property	0.58 EHU per 100m <sup>2</sup> GFA	0.34 EHU per 100m <sup>2</sup> ISA	2.75 EHU per 100m <sup>2</sup> GFA	3.48 EHU per 100m <sup>2</sup> GFA			0.03 EHU per 100m <sup>2</sup> GFA	0.03 EHU per 100m <sup>2</sup> GFA
Otago University / Polytechnic - Other	0.16 EHU per 100m <sup>2</sup> GFA	0.94 EHU per property	0.28 EHU per 100m <sup>2</sup> GFA	0.34 EHU per 100m <sup>2</sup> ISA	1.85 EHU per 100m <sup>2</sup> GFA				0.05 EHU per 100m <sup>2</sup> GFA	
Otago University / Polytechnic - Accommodation	0.61 EHU per 100m <sup>2</sup> GFA	0.93 EHU per property	1.09 EHU per 100m <sup>2</sup> GFA	0.34 EHU per 100m <sup>2</sup> ISA	0.69 EHU per 100m <sup>2</sup> GFA		0.60 EHU per 100m <sup>2</sup> GFA		0.82 EHU per 100m <sup>2</sup> GFA	

*Notes to Table 3:*

- GFA means gross floor area, and is defined, as 'the sum of the gross area of the several floors of all buildings on a site, measured from the exterior faces of the exterior walls, or from the centre lines of walls separating two buildings'. For the purpose of this policy this definition of gross floor area, excluding car parking areas, will be used.
- ISA means impermeable surface area.
- Non-residential Farming developments (for example, barns and sheds) would not be charged a development contribution, except where a farm is subdivided. Farm subdivisions will be assessed under the Farming land use category, and the per dwelling charges for Reserves and Community Infrastructure will only be applicable where a new residential dwelling forms part of the development. Where an additional residential dwelling is built on an existing farm, this will be assessed under the Rural Residential land use category.

**Assessment of developments of unknown size**

If the gross floor area is unknown, which may be the case at the subdivision or land use consent stage, the deemed values in Table 4 will be used to estimate gross floor area. These deemed values are considered to be conservative estimates of the potential gross floor area of a development in each category.

**Table 4: Estimation of gross floor area**

Category	Building coverage	Number of floors
Residential	1 dwelling / lot	
Rural residential	1 dwelling / lot	
Visitor accommodation	45%	2
Commercial	75%	1
Industrial	75%	1

*Notes to Table 4:*

- When an estimate of the gross floor area is used in the development contribution assessment then the DCC will only charge 75% of the calculated contribution at subdivision or land use consent. The balance of the contribution based on actual gross floor area would be required at building consent.
- The assumptions in Table 4 will also be used to assess credits for vacant non-residential lots.

**Water supply and Wastewater charges**

All developments within the area of benefit that are intended and able to be serviced by water supply and/or wastewater are required to connect and the DCC will charge the relevant development contribution. The development contribution may be levied at resource consent, land use consent or building consent stage. In extraordinary circumstances where an in-zone property is not practically able to be supplied with water supply and/or wastewater exception may be granted and zoning reviewed. Should the DCC approve an out of zone water supply or wastewater connection to a property outside the areas of benefit, the applicable development contribution, or a reassessed amount, shall be required.

**Mosgiel Plan Change Areas**

Development in the Mosgiel Plan Change Areas will be subject to a private development agreement. Charges will be a combination of the applicable city-wide charges and projects specific to the plan change area. The area of benefit maps can be found in the final section of this policy.

### Calculation assumptions

All information used in the calculations of development contributions is the best available at the time.

All figures are in nominal New Zealand dollars.

Interest has been included and an interest rate of 2.85% has been applied.

Development contributions are calculated on capital expenditure projections in the 10 year plan 2021-31.

### Risks

The risks relating to the Policy are listed below. The steps required to mitigate these risks are also shown. This ensures that the correct development contributions are collected by the DCC.

**Subsidies:** The future portion of the development contributions are based on the DCC's 10 year plan programme. There are a number of projects in the budget that may be fully or partially subsidised by non-DCC entities. The actual capital expenditure will be input into the calculation model on an annual basis as soon as it is available. This will ensure the contributions are based on the DCC's most up to date information and reflect the actual growth related expenditure.

**Legislative changes:** This Policy and calculation model will be updated to incorporate any legislation changes.

**Growth lower or higher than anticipated:** If the growth in Dunedin City is more or less than projected, the DCC risk under or over collecting contributions. The growth projections will be reviewed regularly to ensure they are as accurate as possible.

**Growth apportionment:** Any changes in the growth rates may affect the apportionment of some capital projects and hence the growth capital expenditure to be recovered through development contributions charges.

The variables above can be reviewed every year via the Annual Plan/Long Term Plan update and review process. This ensures that development contribution charges are based on the most up-to-date information possible.

### Growth projections – source data

The growth projected for each area of benefit has been estimated using the best information available.

o Dunedin City Council Population projections – DCC Growth Projections 2018 to 2068

The growth in each area of benefit can be found in the disclosure tables in this policy.

The following table shows the projected ten-year EHU growth for each activity.

**Table 65: EHU Growth over ten years by Activity**

Activity	Ten-Year Growth in Equivalent Household Units (2022-2031)
Water supply	3,440
Wastewater	3,785
Stormwater	3,708
Transportation	5,284
Community Infrastructure	4,143
Reserves	4,122

Each activity has a different method for converting property growth into EHU's. This is based on the different impact of each land use category on the infrastructure of each activity, namely land use differential and conversion factors. This is described in Part 3 of the Detailed Supporting Document, available from the DCC website [www.dcc.govt.nz](http://www.dcc.govt.nz) or on request from the DCC Customer Services Agency, Civic Centre, 50 The Octagon.

### **Implementation and review**

It is anticipated that this Policy will be reviewed, and if necessary amended, on an annual basis as part of the Annual Plan/Long Term Plan process. The review will include adjustment of figures to reflect changes in budgeted costs. Any review of this Policy will be a special consultative process in accordance with the DCC Policy on Significance and may take account of:

- Any changes to significant assumptions underlying this Policy
- Any changes in the capital development works programme for growth
- Any changes to the District Plan
- Development of the DCC Strategies which affect growth
- Any changes in the pattern and distribution of development in the City
- Any changes that reflect new or significant modelling of the networks
- Any change in actual costs and/or actual interest costs
- Addition of new projects and changes, or new areas of benefit, or deletion or modification to existing projects, costs or areas of benefit
- The regular reviews of the Funding and Financial Policies, and the Long Term Plan
- Any other matters the DCC considers relevant, including amendments to legislation and regulations.

### **Developer provision of assets – liability**

The DCC may accept or require a contribution to the equivalent value in the form of land or infrastructure. It may be appropriate, for example, to allow Water Supply assets to vest in the DCC through the subdivision consent process, where they meet the DCC's requirements, and credit them against the contributions required. Any such proposals will need to be the subject of an agreement with the DCC before the consent is issued and will be dealt with on a case by case basis.

### **Credits**

Credits can be used to reduce or offset any development contributions that might be payable.

- The following principles will apply to all development contribution credit assessments:
- Credits will be specific to the activity for which they were assessed (i.e. a water supply credit will not be able to offset a wastewater contribution).
- For vacant sites, credits are based on the underlying District Plan zoning of the lot and not the proposed activity, except as otherwise provided for in the definitions in the glossary. Where the underlying zoning of the lot allows for multiple land uses, the primary purpose of the zone will be considered, and where that is unclear, the current rating classification will be considered in determining an appropriate land use category for assessing credit.
- For existing developments with a non-residential land use category, credits will be assigned based on the actual demand or an assigned demand from Table 4 of this Policy using the underlying District Plan zoning, whichever is the greater.
- Where recent demolition on a site has occurred, credits will be applied to any development in existence within the 12 month period prior to the application being made.
- Credits are to be site specific (not transferable) and non-refundable unless the refund provisions of the Local Government Act 2002 apply.
- The existing demand of any lot or building that is to be developed will be converted to an Equivalent Household Unit (EHU) credit when assessing development contributions. Credits for existing demand will be adjusted upwards as necessary for any additional credits for development contributions already paid or to reflect historic entitlements. Development contributions will then be required for the additional demand created by the new development.
- If the demand of a proposed activity is less than the existing demand then a credit will sit with the site. No time limit will apply to the use of the credit in the future towards another development on the same site.

There are two types of development contribution credits that may be applicable in addition to existing demand, termed Actual Credits and Deemed Credits. Where both an Actual Credit and a Deemed Credit applies to a development, only the Actual Credit can be claimed.

#### **Actual Credits**

A credit will be given for any development contribution already paid, under this or an earlier Policy. Actual credits will be assessed based on the EHUs paid for at the time. Therefore changes to contributions in a subsequent policy, such as inflation or changes to the schedule of charges will not be passed onto a development that has paid at an earlier date.

#### **Deemed Credits**

Deemed credits reflect historic entitlements. Deemed credits will be granted as follows:

- Any lot absent of dwellings with a land use category of residential that was created prior to 1 July 2006 or granted subdivision consent prior to 1 July 2014 and had a title issued prior to 1 July 2021 will receive a credit of 1 EHU per lot.
- Any lot absent of dwellings with a land use category of rural residential that was created prior to 1 July 2006 or granted subdivision consent prior to 1 July 2014 and had a title issued prior to 1 July 2021 will receive credits equivalent to one dwelling.
- On sites with a land use category of residential, on which there is a lawfully established dwelling in existence on 1 July 2014, or a resource consent or building consent for a dwelling has been granted prior to 1 July 2014 that has not lapsed, each dwelling will receive a credit equivalent to a three habitable room residential unit.
- Any lot with a land use category other than residential, rural residential or farming that was created (or granted subdivision consent) prior to 1 July 2014 will receive a credit in accordance with the greater of:
  - the actual GFA and ISA of any development in existence on 1 July 2014 plus any additional GFA and ISA approved under any resource consent or building consent issued prior to 1 July 2014 that has not lapsed, or
  - a deemed GFA and ISA using the site coverage assumptions and application rules in the Assessment of Unknown Size section of this Policy (Table 4).

Deemed credits do not apply to the farming land use category.

The deemed credit provisions do not apply to the Mosgiel Plan Change Areas.

#### **Development exceeding permitted zone densities**

Where development exceeds permitted zone densities standard contributions will be payable. There may also be additional costs for upgrading infrastructure.

Under these circumstances the DCC's preference is to minimise its involvement. The DCC is likely to specify the required upgrades required by virtue of the resource consent or plan change. All options should be open to accomplish the upgrades. The DCC's broad order of preferred approach is as follows, where 1. is the most preferred.

1. Developer undertakes and funds upgrades
2. The DCC undertakes upgrades and developer pays upfront
3. Upgrades are incorporated into the broader area of benefit analysis. This may or may not increase the standard contributions depending on the cost of the development
4. Set up separate area of benefit contributions.

Where it can be demonstrated that third parties, including the DCC, benefit the costs will be fairly allocated to those parties. The objective is to ensure the costs sit with those who benefit from the infrastructure provided. The DCC wants to avoid facilitating infrastructure upgrades beyond the permitted densities.

#### **Invoicing and payment of development contributions**

The contributions identified by the DCC in the schedules of this Policy are no longer required pursuant to the Resource Management Act 1991 (except those financial contributions identified in this Policy), but are a requirement pursuant to the Local Government Act 2002 and therefore will no longer:

- Be a condition of a resource consent
- Be able to be challenged through the provisions of the Resource Management Act 1991.

274 | Section 5: Policies

- The DCC shall assess the development contribution at the earliest opportunity (resource consent, land use consent, building consent, certificate of acceptance or service connection). The development contribution assessed will be payable at the following times:
- Subdivision Consent – Prior to the issue of the section 224 completion certificate.
- Land Use Consent – Prior to commencement of the consent.
- Building Consent – Prior to issuing the code of compliance.
- Certificate of acceptance – Prior to issuing the certificate of acceptance.
- Service Connection – Prior to service connection.

#### **GST exclusive**

Development contributions specified in the schedules are exclusive of Goods and Services Tax (GST). GST will need to be added to the final calculation.

#### **Service connections**

The DCC will continue to collect service connection fees in accordance with current practice and the Local Government Act 2002 for the following assets:

- Water Supply connection
- Stormwater connection
- Wastewater connection.

Nothing in this Policy will prevent the DCC from requiring, as a condition of resource consent, the provision of works and services usually, but not exclusively, internal to or on the boundaries of the development site required to service that development, to connect it to existing infrastructural services and to avoid, remedy or mitigate the environmental effects of the development, except where such works are provided for in the Long Term Plan.

Nothing in this Policy will prevent the DCC from requiring, at its request and cost, the provision of additional 'extra-over' works by the developer, such as installing a larger pipe and/or constructing a wider road through their development, in anticipation of future demand on those services beyond the boundaries of the development. Where additional extra-over works for a development are supplied by the developer that will benefit the current and future requirements of growth and/or levels of service, and where the cost of the works exceeds the development contribution assessed and payable for that development, the DCC may, at its discretion, reimburse the developer. The reimbursement will be via a contractual agreement entered into by both parties, being the developer and the DCC. The payment terms of any monies will be negotiated in the terms of the contractual agreement.

#### **Development agreements**

Where in the DCC's opinion, it is in the best interests of all parties, the DCC reserves the discretion to enter into a development agreement with a developer for the provision of particular infrastructure to meet the special needs of a development. An example is where a development requires a special level of service or is of a type or scale which is not readily assessed in terms of units of demand.

The DCC envisages that such agreements could be used in situations where significant developments occur or are proposed and require new capital expenditure to cater for growth but no budgeted capital expenditure has been provided and no development contribution has been set. This situation is likely to occur where a plan change has resulted in the rezoning of an area, greenfield sites are to be developed, a structure plan has been prepared in anticipation of development of an area, or a resource consent is issued which would result in additional pressures on services or the requirement of upgraded or additional services or reserves. Development agreements could also be used in situations where alternative technologies or on-site management may provide acceptable solutions.

The DCC may enter into a development agreement with a developer if:

- (a) the developer has requested in writing that the DCC enter into a development agreement with the developer; or
- (b) the DCC has requested in writing that the developer enter into a development agreement with the DCC.

In establishing a development agreement the applicant will be expected to provide supporting information and detailed calculations of their development's roading, water supply and waste water demands in terms of units of demand.

The development agreement must clearly state the departures from the standard process and calculation, and the reasons for entering into the agreement. The agreement would also specify land to be vested in the Council, works to be undertaken on or off the site, timeframes of when infrastructure will be provided, and financial contributions required for the provision or upgrading of existing services.

The DCC will consider a written request from a developer to enter into a development agreement without unnecessary delay. The DCC may accept the request in whole or in part subject to any amendments agreed to by the DCC and the developer, or decline the request. The DCC shall provide the developer who made the request with a written notice of its decision and the reasons for its decision.

A developer who receives a request from the DCC to enter into a development agreement may, in a written response to the DCC accept the request in whole or in part subject to any amendments agreed to by the DCC and the developer; or decline the request.

### **Reconsiderations**

An applicant may request reconsideration of development contributions levied to correct any erroneous figures or resolving misunderstandings around the design or location of a development.

An applicant may request the DCC to reconsider the requirement if the applicant has grounds to believe that:

- o the development contribution was incorrectly calculated or assessed under the territorial authority's development contributions policy; or
- o the DCC incorrectly applied its development contributions policy; or
- o the information used to assess the applicant's development against the development contributions policy, or the way the DCC has recorded or used it when requiring a development contribution, was incomplete or contained errors.

A request for Reconsideration must be made in writing stating clearly which of the above grounds the applicant believes the DCC has erred. The request for Reconsideration must be made within ten working days after the date on which the applicant received the demand notice or invoice for the development contribution.

A reconsideration cannot be requested if the applicant has already lodged an Objection. If the applicant is not satisfied with the outcome of the Reconsideration, they may lodge an Objection as specified in the following section.

### **Objections**

An applicant may lodge an objection with the DCC in accordance with the relevant provisions in Local Government Act 2002 in force, and Information regarding grounds and processes for an objection is available from the DCC website [www.dcc.govt.nz](http://www.dcc.govt.nz) or on request from the DCC Customer Services Agency, Civic Centre, 50 The Octagon.

### **Remissions, unusual developments and deferral of payment**

The DCC will consider requests for remissions, unusual developments and deferral of payment.

Unusual Developments – The DCC reserves the right to individually assess contributions on any development that it deems to create a significantly different demand on infrastructure than could usually be expected under their relevant land use category. This may include a development that the DCC deems does not fit into the land use categories.

Remissions – At the request of the applicant, the development contribution required on a development may be considered for remission at the DCC's discretion on a case-by-case basis.

Any application for remission will be considered and determined by the DCC.

Remission (in whole or in part) of development contributions may be allowed in the following circumstances:

- o Where the actual cost of the project or a revised estimate is lower than the cost used as the basis for the contributions indicated in this policy

276 | Section 5: Policies

- Where the applicant will fund or otherwise provide for the same reserve, network infrastructure, or community infrastructure
- Where the projects indicated in this policy are no longer to be undertaken
- Where the DCC determines that a Development Contribution will not be charged.

Any remission (in whole or in part) may result in the need for a private development agreement to confirm alternative arrangements.

Deferral of payment – the DCC will consider deferring the payment of development contributions. These will be assessed on a case by case basis and may use any of the following mechanisms.

- Defer using Local Government Act 2002 parameters – allow payment to be made later in the sequence of development (for example, at building consent).
- Defer using Resource Management Act 1991 mechanisms – for example, using lot amalgamation under the consent process to allow payment to be made as sections are sold.
- Defer using legal agreement – for example, requiring payment as sections are sold. A legal agreement and a bank guaranteed bond (or similar) may be used to ensure payment.

Any deferral of contributions will be cost neutral to the DCC so administration and interest costs will be added to deferred payments.

Process for remissions, unusual developments and deferral of payment

Applications for remission, unusual development and deferral of payment must be applied for before a development contribution payment is made to the DCC. The DCC will not allow remissions or assessment of unusual developments retrospectively. Any request for remission, assessment of an unusual development or a deferral of payment of development contributions shall be made by notice in writing, from the applicant to the DCC before development contributions required on the development are paid. Any request for remission, assessment of unusual developments or deferral of payment shall set out reasons for the request.

Cost – The cost of considering a remission, unusual development or deferral of payment will be on a cost recovery basis. Each applicant pays for the actual cost of processing their particular application. The developer will be required to pay an initial fixed deposit when they make their application. This deposit must be paid before the application will be accepted. The fixed deposit and schedule of charges for processing an application are set out in a schedule of charges that will be reviewed annually. The final amount payable is dependent on the total amount of time and money the DCC spends in processing the application for a remission, assessment of an unusual development or a deferral of payment. When a decision on the application has been made the DCC will add up the amount of time and money spent and compare the total to the initial deposit. If the total is more than \$25 above the initial deposit, you will be sent an invoice requiring the payment of the additional costs. If the total is more than \$25 below the initial deposit, you will be sent a refund of the unspent money. The invoice or refund will normally be sent within one month of a decision on your application being made or your application being withdrawn.

In undertaking the assessment:

- The DCC shall consider the request as soon as reasonably practicable
- The DCC may determine whether to hold a hearing for the purposes of the review, and if so, give at least five working days' notice to the applicant of the commencement date, time, and place of the hearing

For a remission only, the DCC may, at its discretion, uphold, reduce, or cancel the original amount of development contribution required on the development.

The DCC shall communicate its decision in writing to the applicant within 15 working days' of any determination or hearing.

Where the DCC decides to consider a request for a remission the following matters will be taken into account:

- The Development Contributions Policy
- The DCC's Funding and Financial Policy

- The extent to which the value and nature of works proposed by the applicant reduces the need for works proposed by the DCC in its capital works programme
- The level of existing development on the site. Where multiple existing and pre-existing uses can be established the DCC will have regard to the most intensive use.
- Development contributions paid and/or works undertaken and/or land set aside as a result of:
  - Development contributions
  - Agreements with the DCC
  - Financial contributions under the Resource Management Act 1991.
- Any other matters the DCC considers relevant.

### **Refunds**

The refund of money and return of land will occur in accordance with Sections 209 and 210 of the Local Government Act 2002, in the following circumstances:

- If development or building does not proceed
- If a consent lapses or is surrendered
- If the DCC does not provide any reserve, network infrastructure or community infrastructure for which the development contribution has been collected within ten years of that contribution being received. Where a specific project does not proceed, DCC will only refund a contribution if the service delivered by that project is not provided.

Any refunds will be issued to the consent holder of the development to which they apply. The amount of any refund will be the contribution paid, less any costs already incurred by the DCC in relation to the development or building and its discontinuance, and will not be subject to any interest or inflationary adjustment.

### **Money or land**

The Local Government Act 2002 provides that a development contribution may be money or land, or both. Under this Policy the contribution shall be money unless, at the sole discretion of the DCC, a piece of land offered by the developer would adequately suit the whole or part of the purpose for which the contribution is sought.

### **Esplanade Reserves**

Esplanade Reserves and Strips do not fall within the ambit of Reserves for development contributions. Esplanade Reserves will continue to be dealt with under the Resource Management Act 1991 as they are at present and will generally not be discounted against development contributions due for Reserves. There may be rare circumstances where the DCC desires a wider Esplanade Reserve, for example, and where additional land may be offered as partial or total payment of the development contribution liability for Reserves. This would have to be agreed with the DCC's Parks and Recreation Services Department and recorded in a Private Development Agreement.

## **Glossary**

*Brownfields* – The Dunedin Central Brownfields area is defined by the Dunedin Central Brownfield map.

*Commercial* – Use of land or buildings that includes the display, offering, provision, sale or hire of goods, equipment or service. Includes administrative or professional offices, offices and depots for trade services, childcare facilities, restaurants, service stations, rural retail sales activity, rural tourist activity, self-storage units, panel beaters, internet-based sales, repair stores and garden supply stores.

*Equivalent household unit (EHU)* – A typical residential dwelling, representing a unit of demand for which non-residential land uses can be described by. Non-residential activities, such as visitor accommodation and commercial, can be converted into equivalent household units using land use differentials. Equivalent household units enable the demand of different land uses to be considered collectively.

*Dwelling* – Any residential unit, irrespective of the number of habitable rooms in that unit.

*Farming* – Land zoned Rural with no dwelling, irrespective of the rating land use, plus sites zoned Rural greater than 15ha than contain a dwelling. Also includes land zoned Rural Residential but rated Farmland where no dwelling exists or is proposed to be built.

*Greenfields* – The Dunedin Central Greenfields area is defined by the Dunedin Central Greenfields map.

*Gross Floor Area* – The sum of the gross area of the several floors of all buildings on a site, measured from the exterior faces of the exterior walls or from the centre lines of walls separating two buildings. Buildings that have no enclosed sides or only one fully enclosed side will be excluded from gross floor area.

*Habitable Rooms* – Any room in a residential unit, family flat, ancillary residential unit, sleep out or visitor accommodation unit that is designed to be, or could be, used as a bedroom. The calculation of a habitable room will exclude only one principal living area per residential unit (including family flats). Any additional rooms in a residential unit, family flat, ancillary residential unit or sleep out that could be used as a bedroom but are labelled for another use, such as a second living area, gym or study, will be counted as a habitable room. In the case of dormitory-style accommodation containing multiple beds, such as is used in some backpacker accommodation, every four beds or part thereof will be treated as one habitable room. For the sake of clarity, a standard ‘bunk bed’ is counted as 2 beds.

*Industrial* – Primarily activities that involve the manufacturing, fabricating, processing, packing or associated storage of goods. Also includes rural processing activities, transport yards and depots, printing and publishing, warehousing/large scale storage activities (but not self-storage units), wholesale distributors and port-related activities.

*Impermeable Surface Area* – The sum of the roof area of buildings on a site and the area of hard surfaces used for driveways, parking or manoeuvring. A hard surface is a surface through which water cannot pass and examples include concrete, asphalt, chip seal, and impermeable/impervious/non-porous paving stones. For the Rural Residential land use category, only the roof area of dwellings shall be counted as impermeable surface area.

*Lot* – has the same meaning as a ‘Site’ under the District Plan, meaning an area of land held in one Certificate of Title, which may be sold or otherwise disposed of separately without reference to the Council, provided that a site may contain one or more Certificates of Title where a restriction has been registered on the Title preventing sale or lease of any parcel.

*Otago University/Polytechnic (Accommodation)* – Land or buildings used or intended to be used by students or staff of the University of Otago or Otago Polytechnic for residential type accommodation, where the primary activity takes the form of a college or hall of residence. Such developments are typified by a larger number of bedrooms, shared cooking or dining facilities for a large number of occupants, and catering and laundry services being provided for residents. Developments with any building or part of a building containing 10 or more habitable rooms in a residential unit will be treated under this category.

*Otago University/Polytechnic (Other)* – Land or buildings used by the University of Otago or Otago Polytechnic that are not for the purpose of residential type accommodation.

*Residential Unit* – A residential unit is defined as a residential activity which consists of a single self-contained household unit, whether of one or more persons, and includes accessory buildings. Family flats and ancillary residential units under the Dunedin City District Plan are deemed to be residential units for the purposes of this policy. For the purposes of this definition, residential activity means the use of land and buildings by a residential unit for the purpose of permanent living accommodation and includes emergency housing, refuge centres, halfway houses and papakaika housing if these are in the form of residential units. Residential activity also includes home occupation, childcare facility for up to and including five children, and home stay or boarding house for up to and including five guests - provided that these are secondary to the permanent living accommodation.

*Rural Residential* – Land zoned Rural Residential in the Dunedin City District Plan where there is an existing dwelling on the site, or sites with no dwelling where the rating differential is Lifestyle. Proposals to build a dwelling on land zoned Rural Residential with a rating differential of Farmland will be treated as Rural Residential. Proposals to build an additional dwelling on an existing farm will be assessed as Rural Residential. Sites zoned Rural in the Dunedin City District Plan and less than 15ha in size will be treated as Rural Residential where there is an existing dwelling on the site, or where a dwelling is proposed to be built.

*Visitor Accommodation* – Land or buildings used for the accommodation of people and which are or can be let on a commercial tariff, including boarding houses for six guests or more, and home stays for six (6) guests or more. This category includes backpacker accommodation, motels, hotels, tourist lodges, holiday flats, tourist cabins, camp grounds, motor inns, and accessory buildings or ancillary activities on the same site. Boarding houses for less than six guests and home stays for less than six guests will be treated as residential.

#### **Summary disclosure tables**

The following disclosure tables show a summary for each activity, and for each area of benefit, for the 10 year period between 2021/22 and 2030/31. The disclosure tables demonstrate:

- The nature and level of expected capital expenditure required by the DCC and the portion that is attributable to growth.
- The growth costs consumed within each contributing area and the growth, in EHU's, used to calculate the development contributions.

The full disclosure tables can be found in the appendices of the Detailed Supporting Document.

**Development contributions summary disclosure tables**
**Table 6: Water Supply**

<b>Water Supply - Area of Benefit</b>	<b>Total Capex</b>	<b>Total Growth Capex</b>	<b>Analysis Window Growth Capex (including interest)</b>	<b>Analysis Period EHUs</b>	<b>Charge per EHU</b>
<b>Dunedin Central Brownfields (Dunedin Metro, Mosgiel, Waitati, Warrington, Merton and Seacliff)</b>	<b>384,270,556</b>	<b>34,500,139</b>	<b>10,585,757</b>	<b>3,346</b>	<b>3,164</b>
Future Expenditure	220,015,610	19,987,215	6,393,275	3,346	1,911
Historic Expenditure	164,254,947	14,512,924	3,072,558	3,346	918
Interest			1,119,925	3,346	335
<b>Rocklands Rural</b>	<b>80,678</b>	<b>326</b>	<b>96</b>	<b>0</b>	<b>208</b>
Future Expenditure	13,584	326	76	0	164
Historic Expenditure	67,094	0	0	0	0
Interest			20	0	44
<b>Waikouaiti and Karitane</b>	<b>11,586,914</b>	<b>1,211,047</b>	<b>120,700</b>	<b>83</b>	<b>1,456</b>
Future Expenditure	785,397	39,280	11,783	83	142
Historic Expenditure	10,801,517	1,171,767	108,917	83	1,314
Interest			0	83	0
<b>West Taieri</b>	<b>6,672,017</b>	<b>1,492,389</b>	<b>109,102</b>	<b>11</b>	<b>9,986</b>
Future Expenditure	139,945	8,101	1,944	11	178
Historic Expenditure	6,532,072	1,484,288	95,400	11	8,732
Interest			11,758	11	1,076
<b>Greenfields</b>	<b>3,079,209</b>	<b>3,079,209</b>	<b>1,242,496</b>	<b>1,673</b>	<b>743</b>
Future Expenditure	3,079,209	3,079,209	1,027,938	1,673	615
Historic Expenditure	0	0	0	1,673	0
Interest			214,559	1,673	128

280 | Section 5: Policies

**Table 7: Wastewater**

<b>Wastewater - Area of Benefit</b>	<b>Total Capex</b>	<b>Total Growth Capex</b>	<b>Analysis Window Growth Capex (including interest)</b>	<b>Analysis Period EHUs</b>	<b>Charge per EHU</b>
<b>Dunedin Central Brownfields (Tahuna, Green Island, Mosgiel)</b>	<b>400,691,946</b>	<b>43,863,994</b>	<b>14,579,592</b>	<b>3,660</b>	<b>3,983</b>
Future Expenditure	186,488,299	19,641,215	6,520,521	3,660	1,781
Past Expenditure	214,203,647	24,222,779	6,813,057	3,660	1,861
Interest			1,246,013	3,660	340
<b>Greenfields</b>	<b>5,525,017</b>	<b>5,525,017</b>	<b>2,088,960</b>	<b>1,830</b>	<b>1,141</b>
Future Expenditure	5,525,017	5,525,017	1,751,681	1,830	957
Past Expenditure	0	0	0	1,830	0
Interest			337,278	1,830	184
<b>Waikouaiti and Karitane</b>	<b>5,665,439</b>	<b>261,203</b>	<b>112,695</b>	<b>77</b>	<b>1,455</b>
Future Expenditure	4,658,020	257,970	96,974	77	1,252
Past Expenditure	1,007,420	3,233	562	77	7
Interest			15,159	77	196
<b>Middlemarch</b>	<b>2,808,556</b>	<b>148,718</b>	<b>147,276</b>	<b>16</b>	<b>8,979</b>
Future Expenditure	2,530,079	144,506	136,016	16	8,293
Past Expenditure	278,477	4,211	677	16	41
Interest			10,584	16	645
<b>Seacliff</b>	<b>343,686</b>	<b>99,437</b>	<b>14,812</b>	<b>4</b>	<b>3,554</b>
Future Expenditure	0	0	0	4	0
Past Expenditure	343,686	99,437	14,812	4	3,554
Interest			0	4	0
<b>Warrington</b>	<b>3,439,993</b>	<b>340,245</b>	<b>253,847</b>	<b>27</b>	<b>9,541</b>
Future Expenditure	3,287,032	341,972	213,426	27	8,022
Past Expenditure	152,961	-1,726	-1,207	27	-45
Interest			41,628	27	1,565

Section 5: Policies | 281

**Table 8: Stormwater**

Stormwater- Area of Benefit	Total Capex	Total Growth Capex	Analysis Window Growth Capex (including interest)	Analysis Period EHUs	Charge per EHU
City-wide	178,114,125	23,758,417	9,751,933	3,708	2,630
Future Expenditure	144,373,840	22,006,260	7,436,376	3,708	2,005
Past Expenditure	33,740,286	1,752,156	591,481	3,708	159
Interest			1,724,076	3,708	465

282 | Section 5: Policies

**Table 9: Transportation**

Transportation- Area of Benefit	Total Capex	Net Council Capex (FAR removed)	Total Growth Capex	Analysis Window Growth Capex (including interest)	Analysis Period EHUs	Charge per EHU
Dunedin Metro	851,452,044	474,152,367	22,469,786	8,549,584	4,847	1,764
Future Expenditure	442,341,625	263,579,810	9,732,608	3,983,598	4,847	822
Historic Expenditure	409,110,419	210,572,557	12,737,178	3,468,449	4,847	716
Interest				1,097,537	4,847	226
Dunedin Other	77,570,759	38,921,082	2,893,933	710,147	437	1,624
Future Expenditure	9,257,788	5,516,474	203,694	86,080	437	197
Historic Expenditure	68,312,971	33,404,608	2,690,239	528,146	437	1,208
Interest				95,921	437	219

**Table 10: Community Infrastructure**

<b>Community Infrastructure - Area of Benefit</b>	<b>Total Capex</b>	<b>Total Growth Capex</b>	<b>Analysis Window Growth Capex (including interest)</b>	<b>Analysis Period EHUs</b>	<b>Charge per EHU</b>
<b>Dunedin Metro</b>	<b>297,512,477</b>	<b>6,990,491</b>	<b>4,231,099</b>	<b>3,725</b>	<b>1,136</b>
Future Expenditure	255,984,772	5,293,188	2,981,066	3,725	800
Past Expenditure	41,527,705	1,697,304	773,738	3,725	208
Interest			476,295	3,725	128
<b>Dunedin Other</b>	<b>9,988,124</b>	<b>278,789</b>	<b>96,153</b>	<b>419</b>	<b>230</b>
Future Expenditure	5,330,838	116,944	60,932	419	146
Past Expenditure	4,657,286	161,844	24,100	419	58
Interest			11,121	419	27

**Table 11: Reserves**

<b>Reserves- Area of Benefit</b>	<b>Total Capex</b>	<b>Total Growth Capex</b>	<b>Analysis Window Growth Capex (including interest)</b>	<b>Analysis Period EHUs</b>	<b>Charge per EHU</b>
<b>Dunedin Metro</b>	<b>92,391,832</b>	<b>6,482,947</b>	<b>3,757,524</b>	<b>3,706</b>	<b>1,014</b>
Future Expenditure	61,395,625	3,354,095	2,088,757	3,706	564
Past Expenditure	30,996,208	3,128,852	1,150,614	3,706	310
Interest			518,153	3,706	140
<b>Dunedin Other</b>	<b>2,228,922</b>	<b>381,249</b>	<b>84,489</b>	<b>417</b>	<b>203</b>
Future Expenditure	1,278,553	75,579	44,078	417	106
Past Expenditure	950,369	305,671	24,211	417	58
Interest			16,201	417	39

284 | Section 5: Policies

**Areas of Benefit Maps**

**Water Supply Areas of Benefit Maps**

- Dunedin Central (Greenfield and Brownfield)
- Outram
- West Taieri
- Rocklands Rural
- Waikouaiti and Karitane

**Wastewater Areas of Benefit Maps**

- Dunedin Central (Greenfield and Brownfield)
- Middlemarch
- Seacliff
- Waikouaiti and Karitane
- Warrington

**Stormwater Area of Benefit Map**

- City Wide

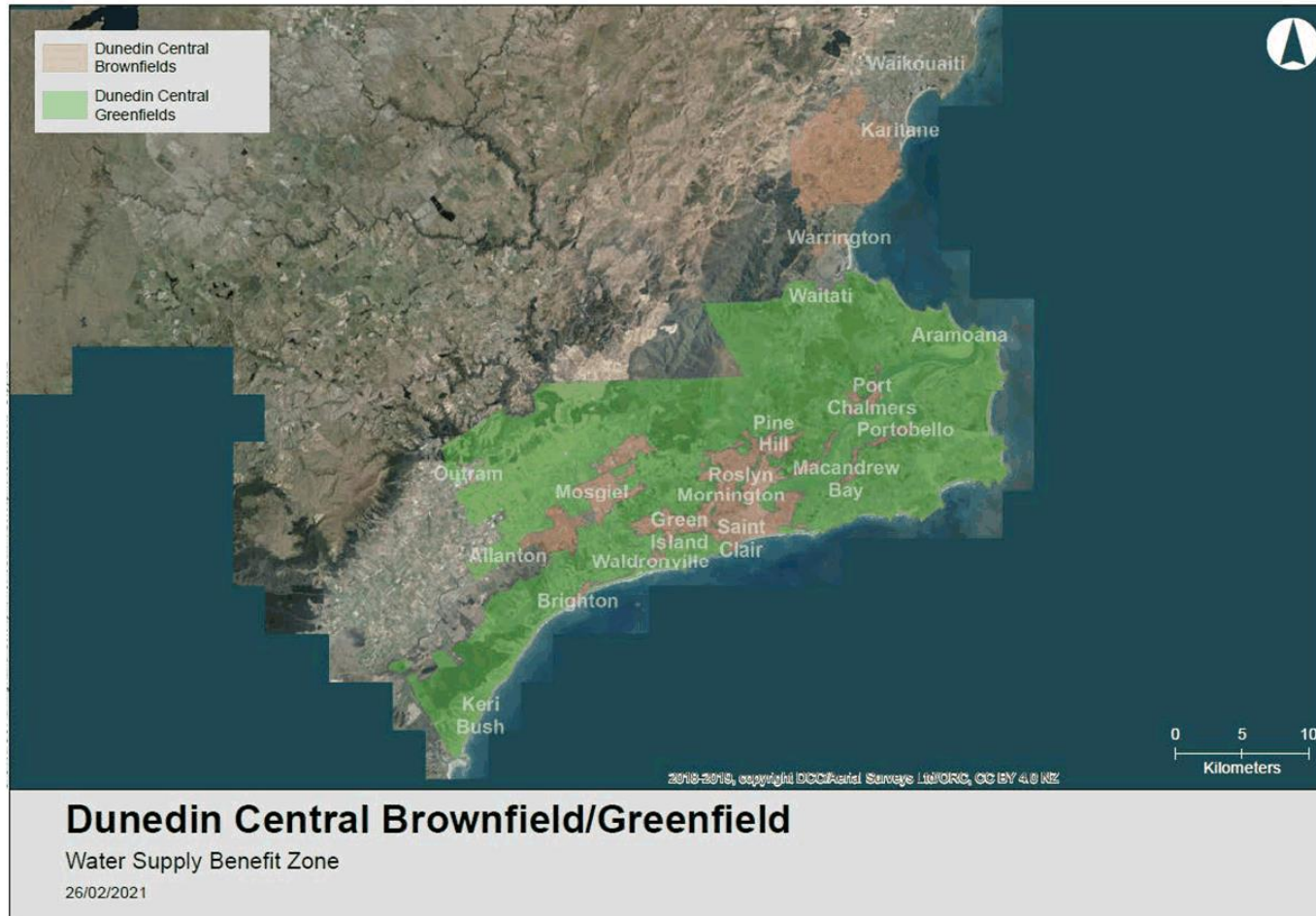
**Transportation, Community Infrastructure and Reserves Areas of Benefit Maps**

- Dunedin Metropolitan
- Dunedin Other

**Mosgiel Plan Change Area of Benefit Maps**

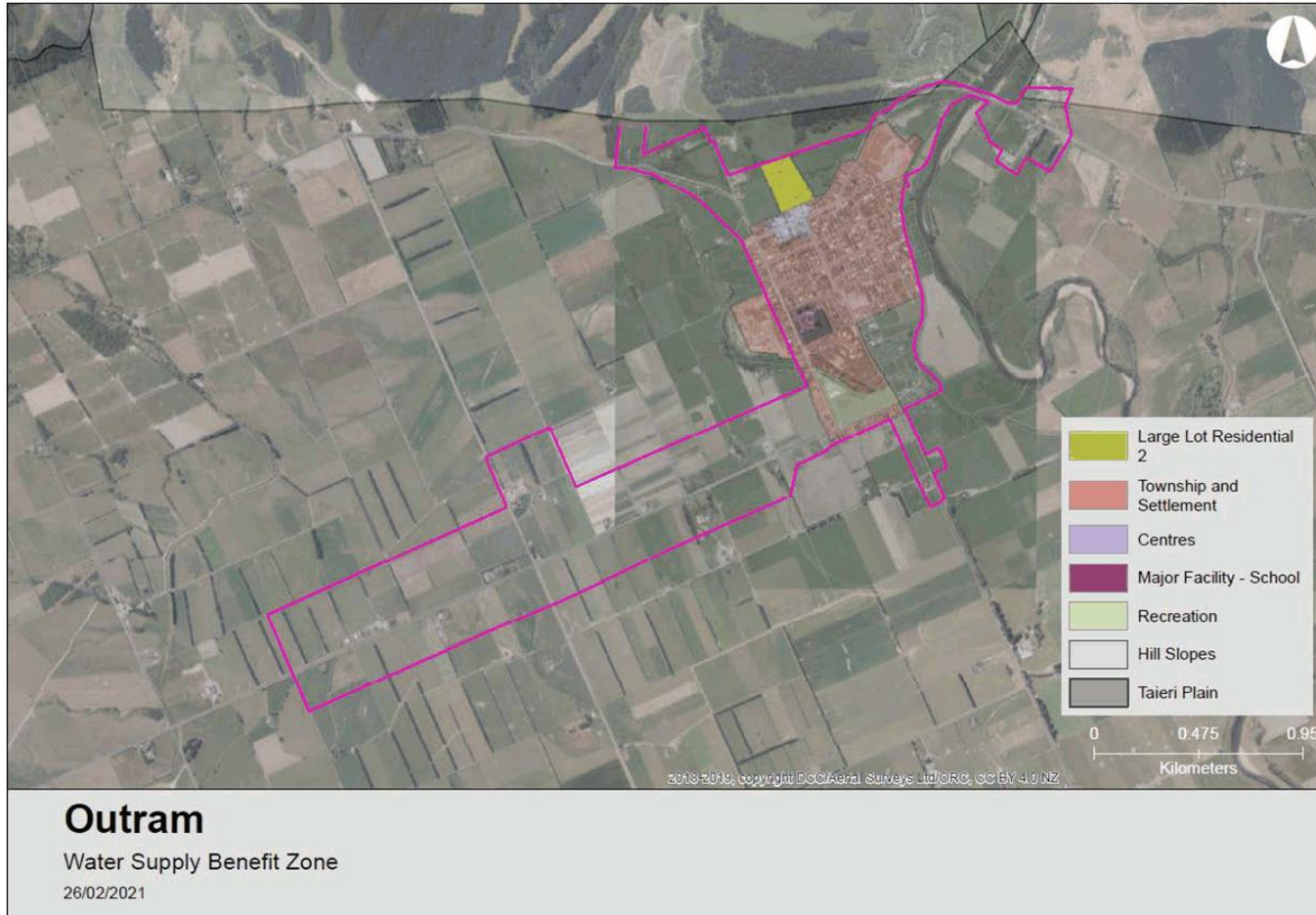
- Mosgiel East - Local Reserves, Transportation, Stormwater and Wastewater
- Mosgiel West - Local Reserves, Transportation, Stormwater and Wastewater
- Mosgiel East C Waste Supply and Wastewater
- Mosgiel Variation 9B Water Supply and Wastewater

*Map 1: Dunedin Central (Dunedin Metro, Mosgiel, Waitati, Warrington, Merton and Seacliff Greenfield and Brownfield) – Water supply*



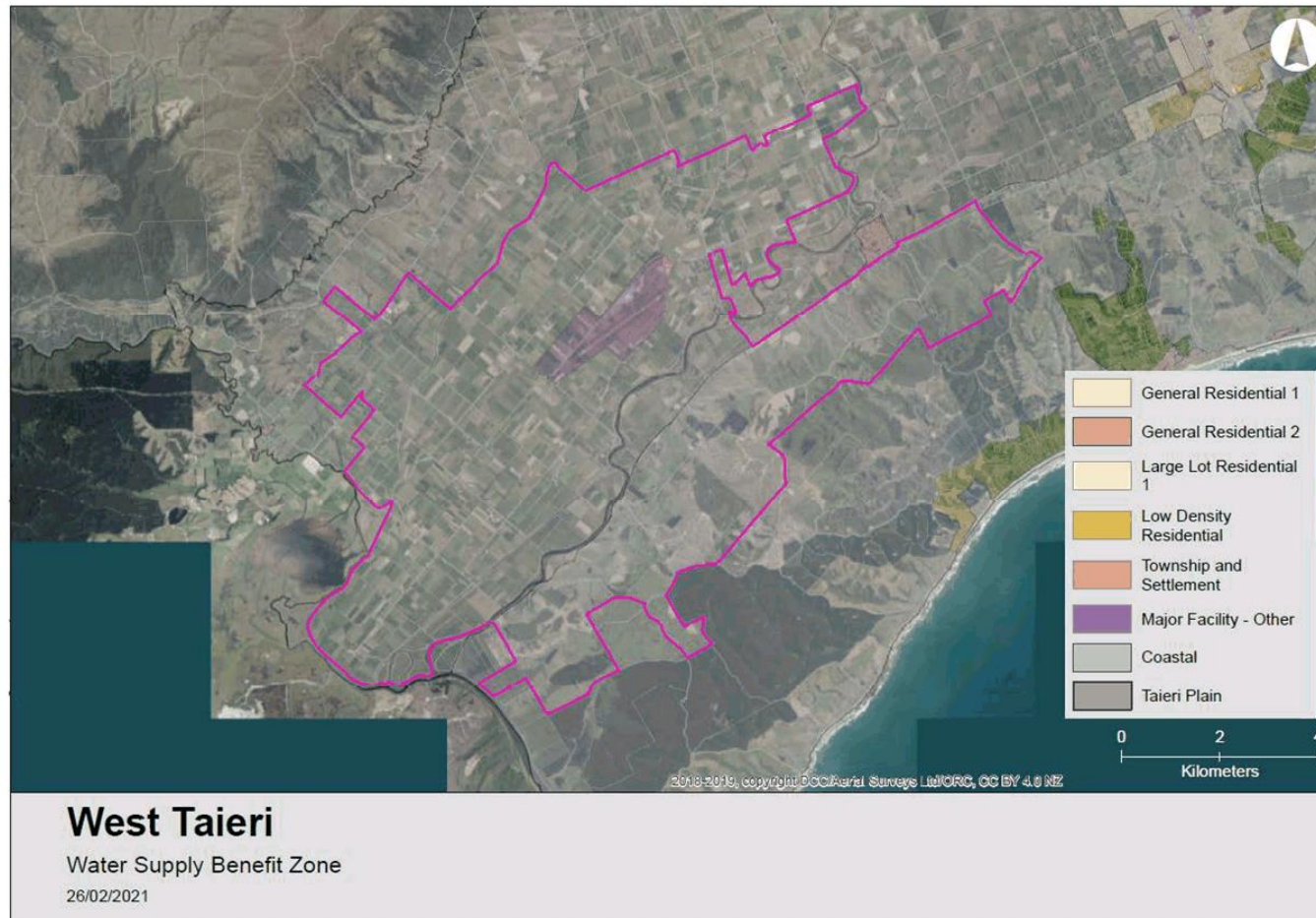
Section 5: Policies | 285

**Map2: Outram – Watersupply**



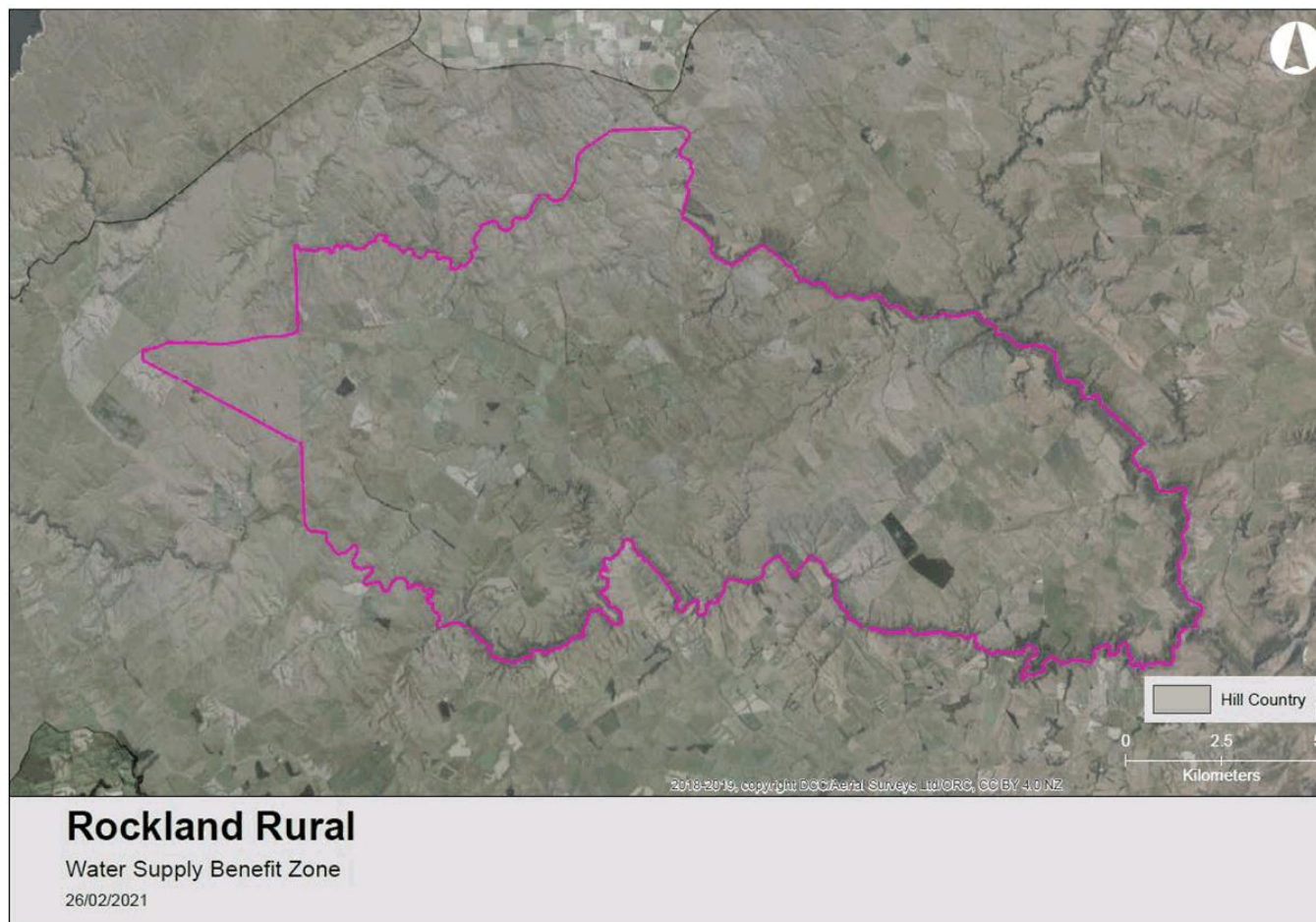
286 | Section 5: Policies

**Map 3: West Taieri – Water supply**

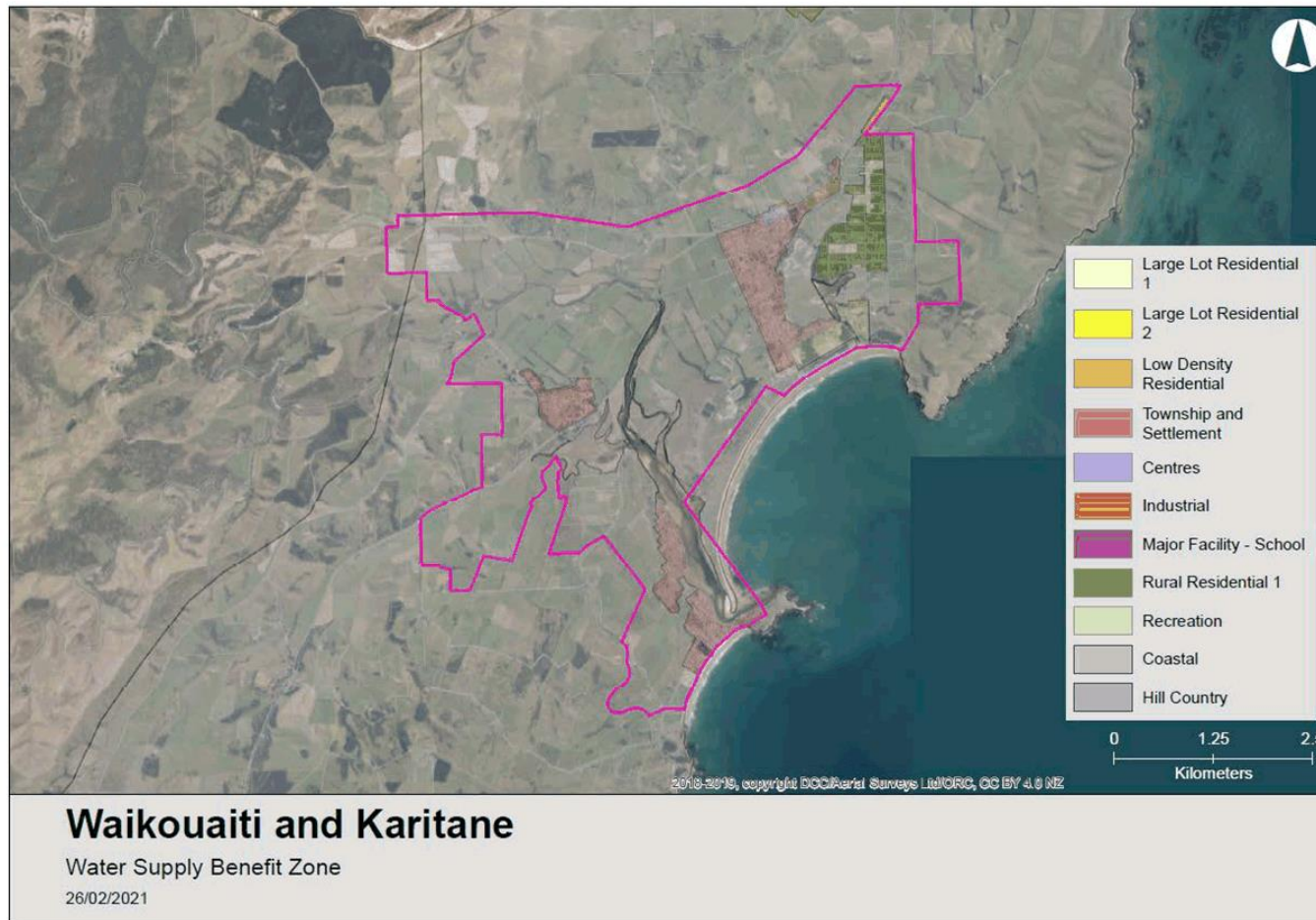


Section 5: Policies | 287

**Map 4: Rocklands Rural – Water Supply**

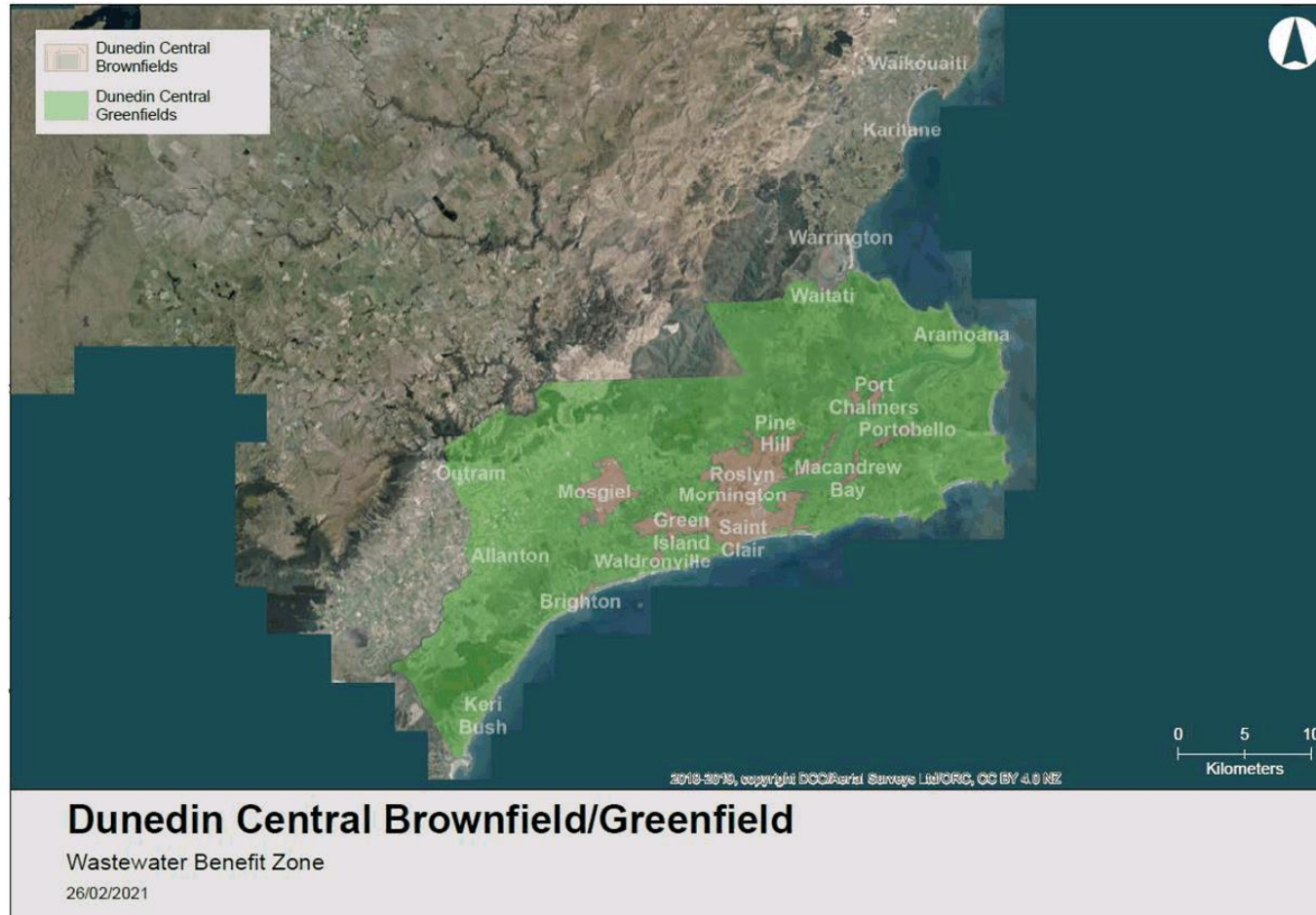


**Map 5: Waikouaiti and Karitane – Water Supply**



Section 5: Policies | 289

**Map 6: Dunedin Central (Takuna, Green Island, Mosgiel Greenfield and Brownfield) – Wastewater**



290 | Section 5: Policies

The map displays the Middlemarch Wastewater Benefit Zone, outlined in pink. The zone is situated in a rural area, surrounded by green fields. The map includes a legend with the following categories:

- Township and Settlement (Brown)
- Centres (Light Blue)
- Industrial (Orange)
- Major Facility - School (Dark Purple)
- Rural Residential 1 (Green)
- Middlemarch Basin (White)

Key streets shown include: CARDIFF STREET, MILFORD STREET, NEATH STREET, CARDIGAN STREET WEST, FLINT STREET, ST ASAPH STREET, BANGOR STREET, SWANSEA STREET, CARDIGAN STREET EAST, CONWAY STREET, MOLD STREET, BROWNS ROAD, ABERFON STREET, NORTAGE STREET, WEST STREET, SOUTH ROAD, MODURACH-SUTTON ROAD, SWANSEA STREET, ABERFON STREET, NORTAGE STREET, WEST STREET, SOUTH ROAD, GARTINWIL ROAD, CLYWD STREET, TAIWE STREET, PRECON STREET, CARDIGAN STREET EAST, MOLD STREET, and CEMETERY ROAD.

Scale: 0 to 0.4 Kilometers.

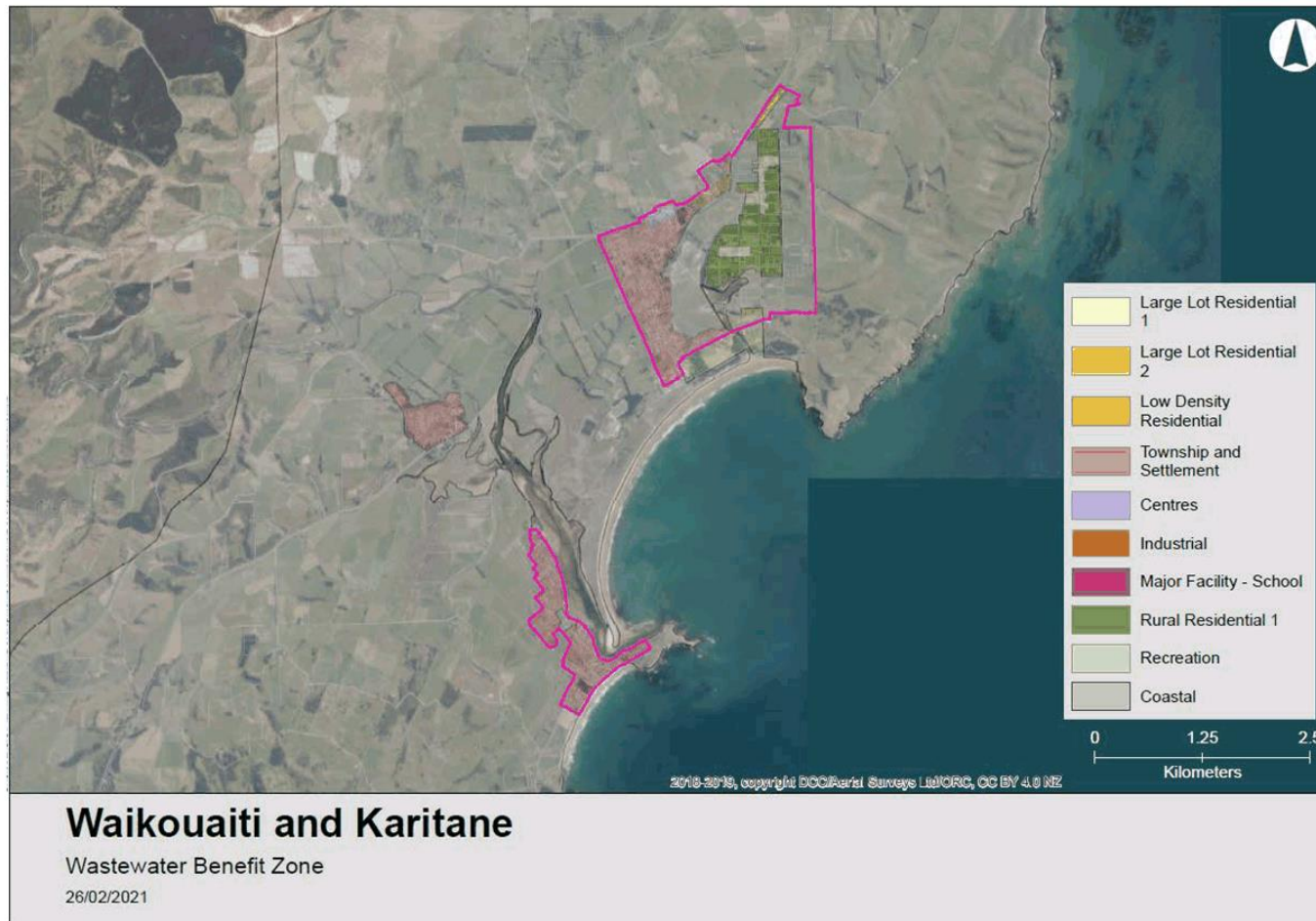
2018-2019, copyright DCC/Aerial Surveys Ltd. ORC, CC BY 4.0 NZ

**Map 8: Seacliff – Wastewater**



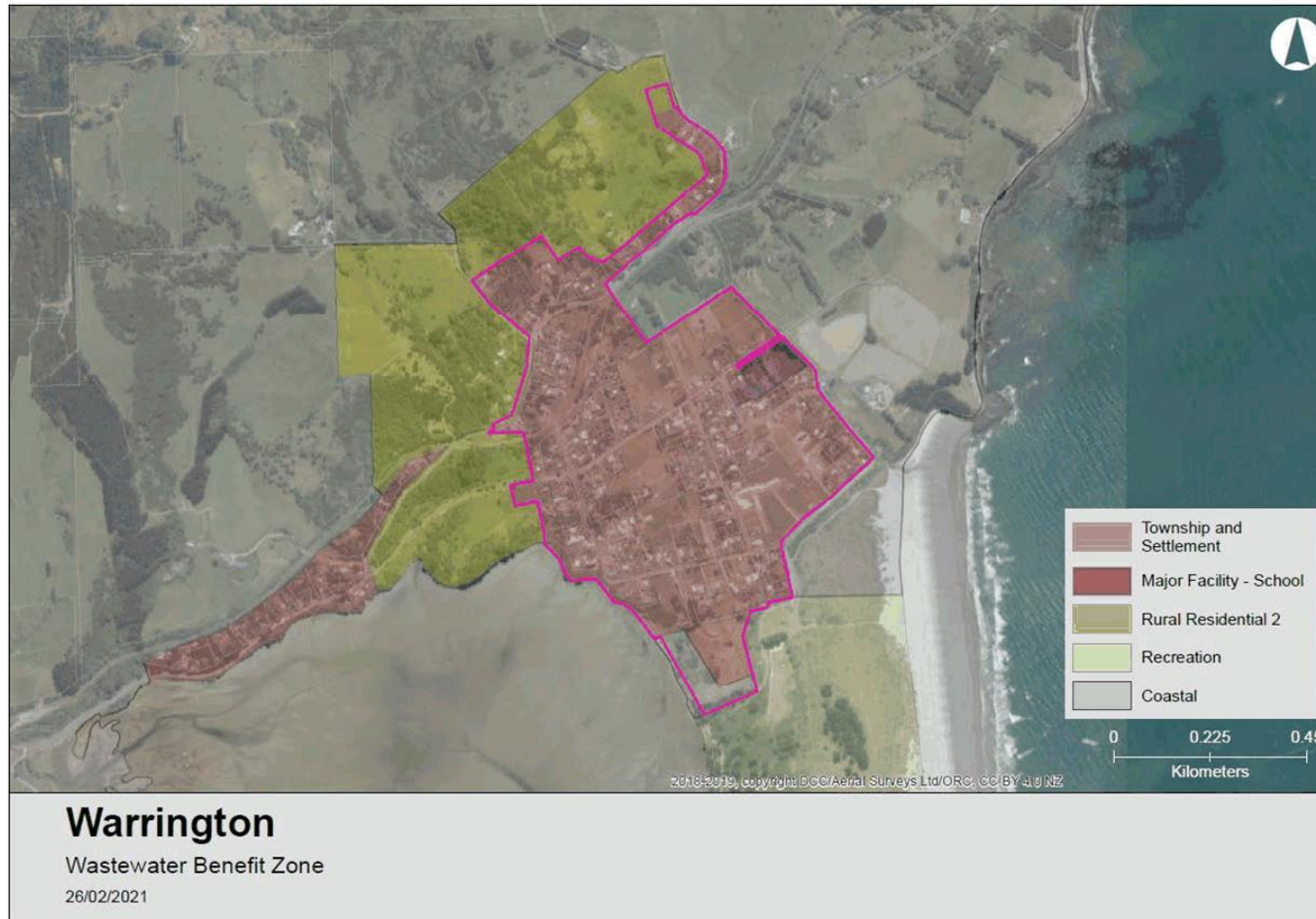
292 | Section 5: Policies

**Map 9: Waikouaiti and Karitane – Wastewater**



Section 5: Policies | 283

**Map 10: Warrington - Wastewater**



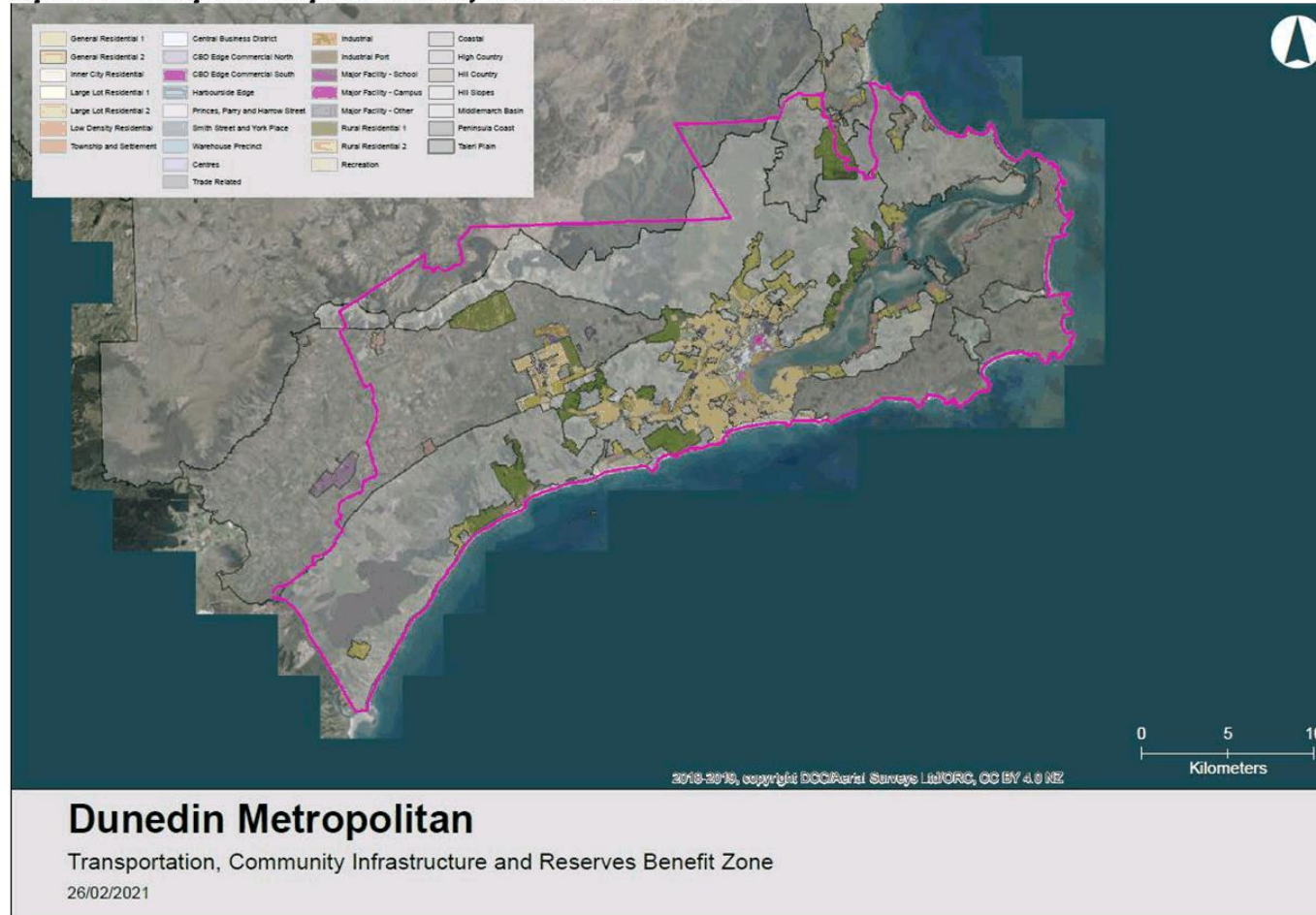
294 | Section 5: Policies

**Map 11: City Wide -Stormwater**



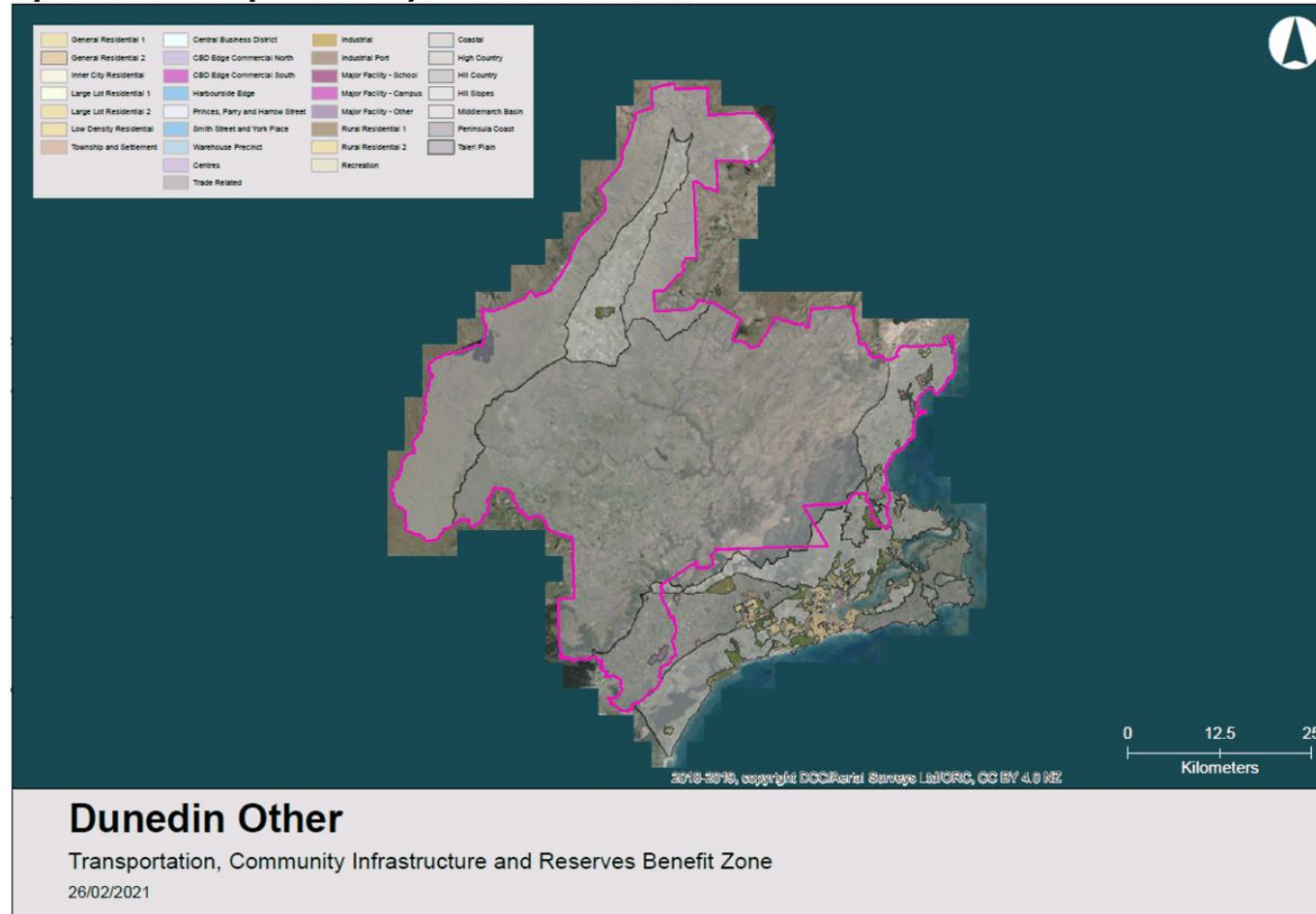
Section 5: Policies | 295

**Map 12: Dunedin Metropolitan - Transportation community infrastructure and reserves areas**



296 | Section 5: Policies

**Map 12: Dunedin Other -Transportation community infrastructure and reserves areas**



Section 5: Policies | 297

**Mosgiel Plan Change areas of benefit**

**Map 1: Mosgiel East – Local Reserves, Transportation, Stormwater and Wastewater**



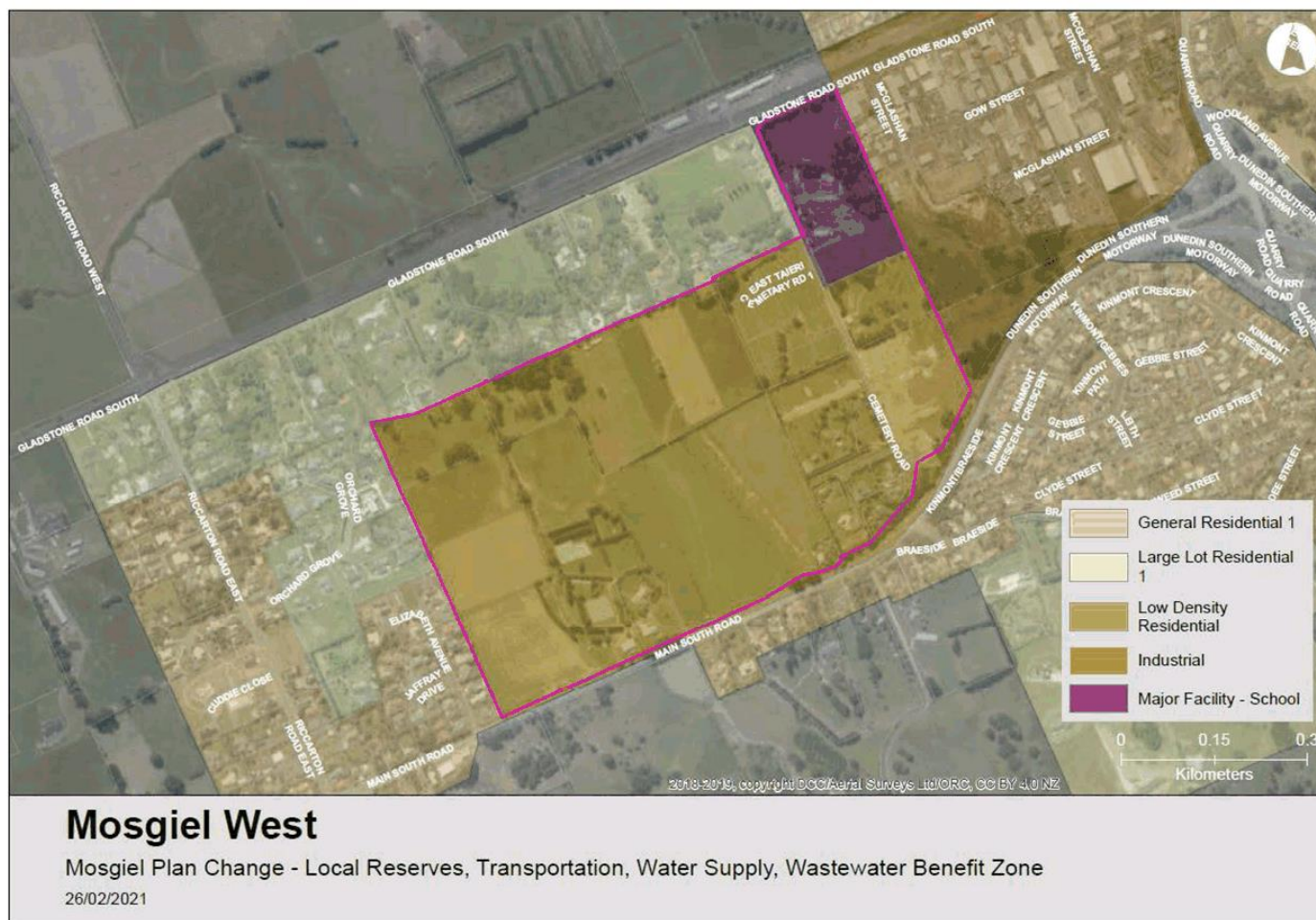
**Mosgiel East**

Mosgiel Plan Change - Local Reserves, Transportation, Stormwater and Wastewater Benefit Zone

26/02/2021

298 | Section 5: Policies

**Map 2: Mosgiel West - Local Reserves, Transportation, Stormwater and Wastewater**



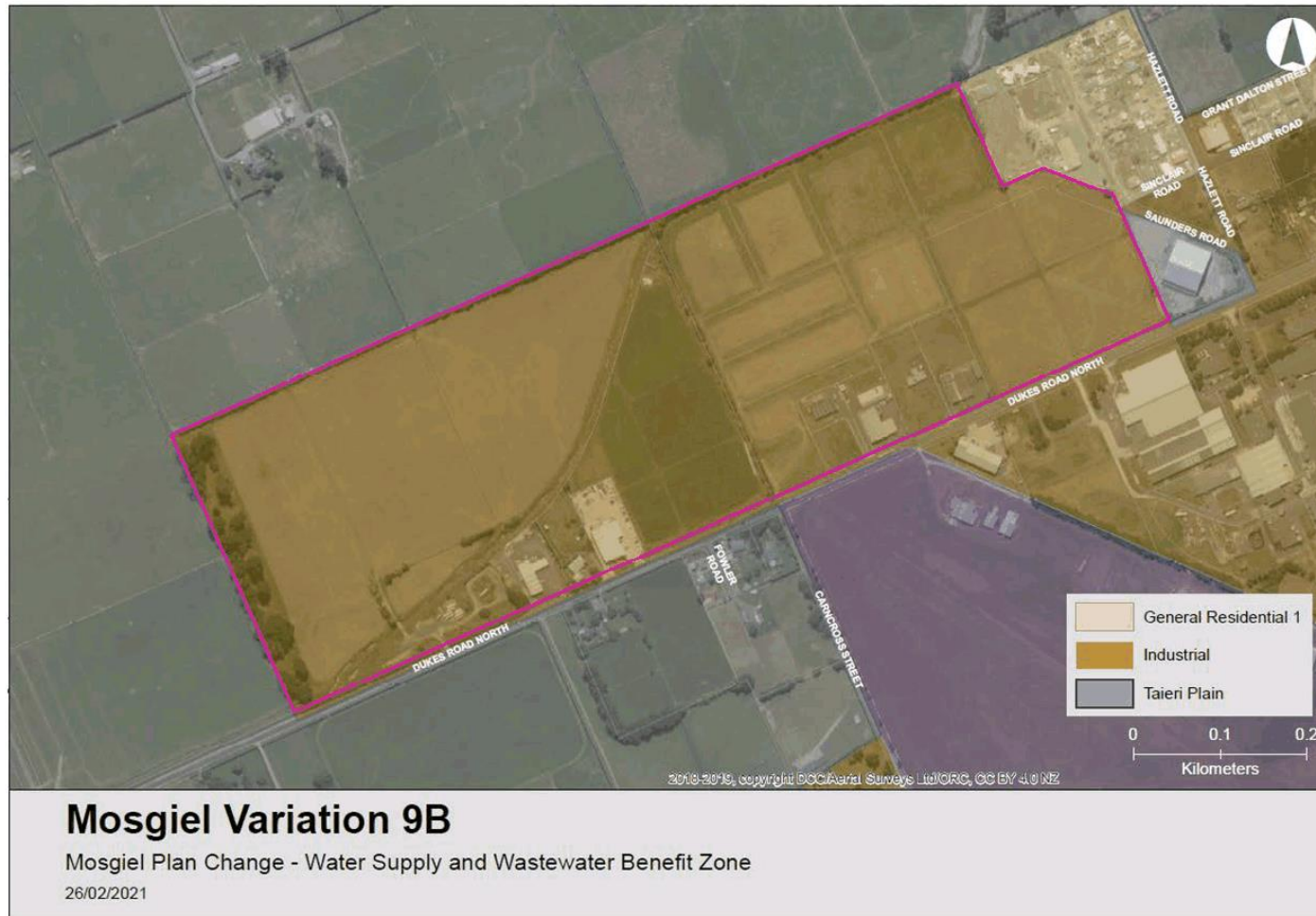
Section 5: Policies | 299

**Map 3: Mosgiel East C Waste Supply and Wastewater**



300 | Section 5: Policies

**Map 4: Mosgiel Variation 9B Water Supply and Wastewater**



301 | Section 5: Policies

## **LGNZ CONFERENCE 2021**

Department: Civic

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### **EXECUTIVE SUMMARY**

- 1 The Local Government New Zealand (LGNZ) 2021 conference is to be held in Blenheim from 15 to 17 July 2021.
- 2 The purpose of this report is to seek approval for attendance at the conference.
- 3 As this is an administrative report there are no options or summary of considerations.

### **RECOMMENDATIONS**

That the Council:

- a) **Approves** the attendance of Mayor Aaron Hawkins, Crs Christine Garey and Chris Staynes as the Dunedin City Council's Zone 6 representatives to the LGNZ Conference in July 2021.

### **DISCUSSION**

- 6 The Council's policy on attendance at Local Government New Zealand conferences is that representatives should consist of the Mayor, two Councillors and the Chief Executive (or alternate).
- 4 For some years the policy has been applied so that the Councillor delegates have consisted of the Council's LGNZ Zone 6 representatives (currently the Mayor and Councillors Garey and Staynes), and it is recommended that these elected members should attend this year.

### **OPTIONS**

- 5 There are no options for this report.

### **NEXT STEPS**

- 6 The approved members will be registered to attend the conference.

### **Signatories**

Author:	Lynne Adamson - Governance Support Officer
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Authoriser:	Clare Sullivan - Team Leader Civic
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#### **Attachments**

There are no attachments for this report.

## RESOLUTION TO EXCLUDE THE PUBLIC

That the Council excludes the public from the following part of the proceedings of this meeting (pursuant to the provisions of the Local Government Official Information and Meetings Act 1987) namely:

General subject of the matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution	Reason for Confidentiality
C1 Review - DCC Treasury Risk Management Policy	S7(2)(h) The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987, and the particular interest or interests protected by Section 6 or Section 7 of that Act, or Section 6 or Section 7 or Section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above after each item.