DUNEDIN CITY COUNCIL | kaunihera a-rohe o Ōtepoti

Date: **Wednesday 30 June 2021**
Time: **9.00 am**
Venue: **Council Chamber, Municipal Chambers, The Octagon, Dunedin**

Council

OPEN ATTACHMENTS

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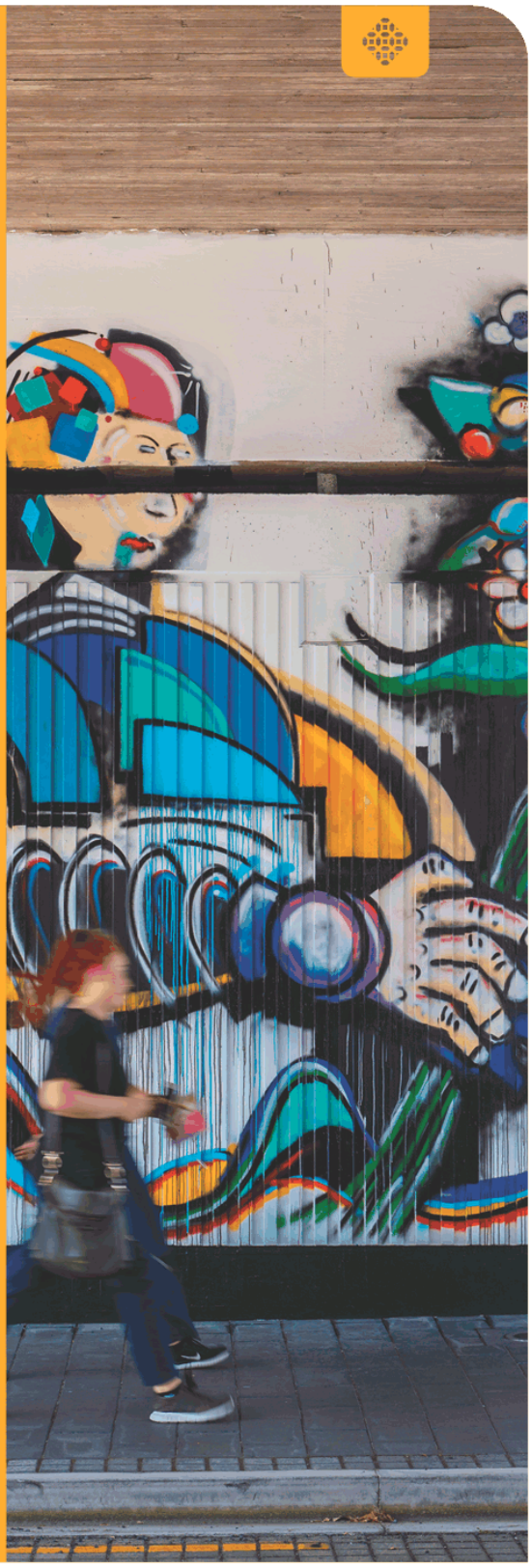
tō tātou eke whakamuri the future of us

ōtepoti | dunedin

10 year plan 2021-31



DUNEDIN CITY COUNCIL | kaunihera a-rohe o Ōtepoti

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Section 1

he kupu whakataki introduction

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setting the scene

Mayor's message

Kia ora and welcome to our 10 year plan 2021-31: Tō Tātou Eke Whakamuri – The future of us.

Thank you to everyone who took the time the join the conversation during the formation of this plan. Whether it was through a formal submission, engaging on social media, or simply talking to elected members and staff, the quantity and quality of feedback received was really appreciated.

This document outlines what we will now do for our city over the next decade and beyond.

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 and a swimming pool in Mosgiel.

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

We are going 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.

After considering requests from the community raised in their submissions, Council decided to provide funding to a range of projects that align with our strategic goals. This included things like support in principle for the development of a new destination playground; increasing the funding pool for place-based community groups; funding to support our local marae and funding to facilitate the creation of a live music action plan, just to name a few.

Of course, all of this comes at a cost, which is why we have a planned rates rise of 9.8% in the first year of this plan, and we need to increase borrowing over the 10 year period.

We're conscious of the impact the rates rise 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.

This plan is ambitious and exciting in terms of what we want to achieve for the future of us and our city. Thanks again to everyone who joined the conversation and told us what you thought was important for the future of this great small city.

Aaron Hawkins
Mayor of Dunedin

He karēre nā te Koromatua

Kia ora, nau mai ki te Mahere Kahuru Tau 2021-2031: Tō tātau āpōpō

Mihi kau atu ana ki a koutou katoa i tukuna mai tō reo ki te matapakika i te waihakataka mai o te mahere nei. Akahoa i tukuna ōkawa mai he tāpaetaka, i whakaaka ki te pāpāho pāpori, i kōrero noa ki kā kaikaunihera, kā kaimahi rānei. E mihi hoki ana ki te huhua, ki te kouka o ā koutou nā urupare.

He tuhika whakamārama tēnei i kā mahi e mahi ana tātau ki te tāone nei i te kahuru tau e heke mai ā, ki tua atu hoki.

E marohi ana mātau ki te whakapau i te $1.5 piriona tāra hai kā tau kahuru e heke mai nei ki te whakahou i kā kōrere 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 hokitia he whare tāpere hou.

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

E marohi ana mātau ki te haka i ētahi whare noho anō 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 tātau, pērā i kā tauraka waka.

Nō te āta whakaaro i kā tono i tukuna ki kā tāpaetaka o te hapori, i whakatauria ai e te Kaunihera he pūtea hai tuku atu ki ētahi kaupapa e hākai ana ki ā mātau whāika ā-rautaki. Tae noa atu rā ki te tautoko ā-whakaaro ki te whakatūtaka mai o tētahi papa tākaro whakaūraka; te whakapikitaka ake o te pūtea ki kā rōpū hapori ā-wāhi, he pūtea anō mā ō tātau marae, he pūtea hoki ki te whakatū i tētahi mahere pūoro mataora, ā, koirā hoki ētahi anake o kā momo mea e tautokona ana.

Ekari he utu anō i ēnei āhuataka katoa, koia e marohitia ana te whakapiki i te utu rēti ki te 9.8% i te tau tuatahi o tēnei mahere, ā, me te whakanui i tā tātau taurewa pūtea i kā tau kahuru e haere ake nei.

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

He tuhika mahere wawata nui, kākau hihiko tēnei i tāna e whai ai mō tō tātau āpōpō. He mihi anō atu ki a koutou katoa i whai wāhi ai tō reo ki te matapakika nei, ā, i whāki mai ō awhero mō te āpōpō o tēnei tāone mīharo nei.

Aaron Hawkins
Te Koromatua o Ōtepoti

What is the 10 year plan?

The 10 year plan 2021-31 helps shape our city for the future. The plan outlines the services and activities the DCC will provide, the projects we will carry out and the level of service the community can expect.

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

A 10 year plan looks a decade ahead, but is reviewed and consulted on every three years. An annual plan is prepared for the years in between.

Planning timeline

ko tō koromatua me kā kaikaunihera
mayor and councillors


Aaron Hawkins (Mayor)


Doug Hall


Jules Radich


Christine Garey (Deputy Mayor)


Carmen Houlahan


Chris Staynes


Sophie Barker


Marie Laufiso


Lee Vandervis


David Benson–Pope


Mike Lord


Steve Walker


Rachel Elder

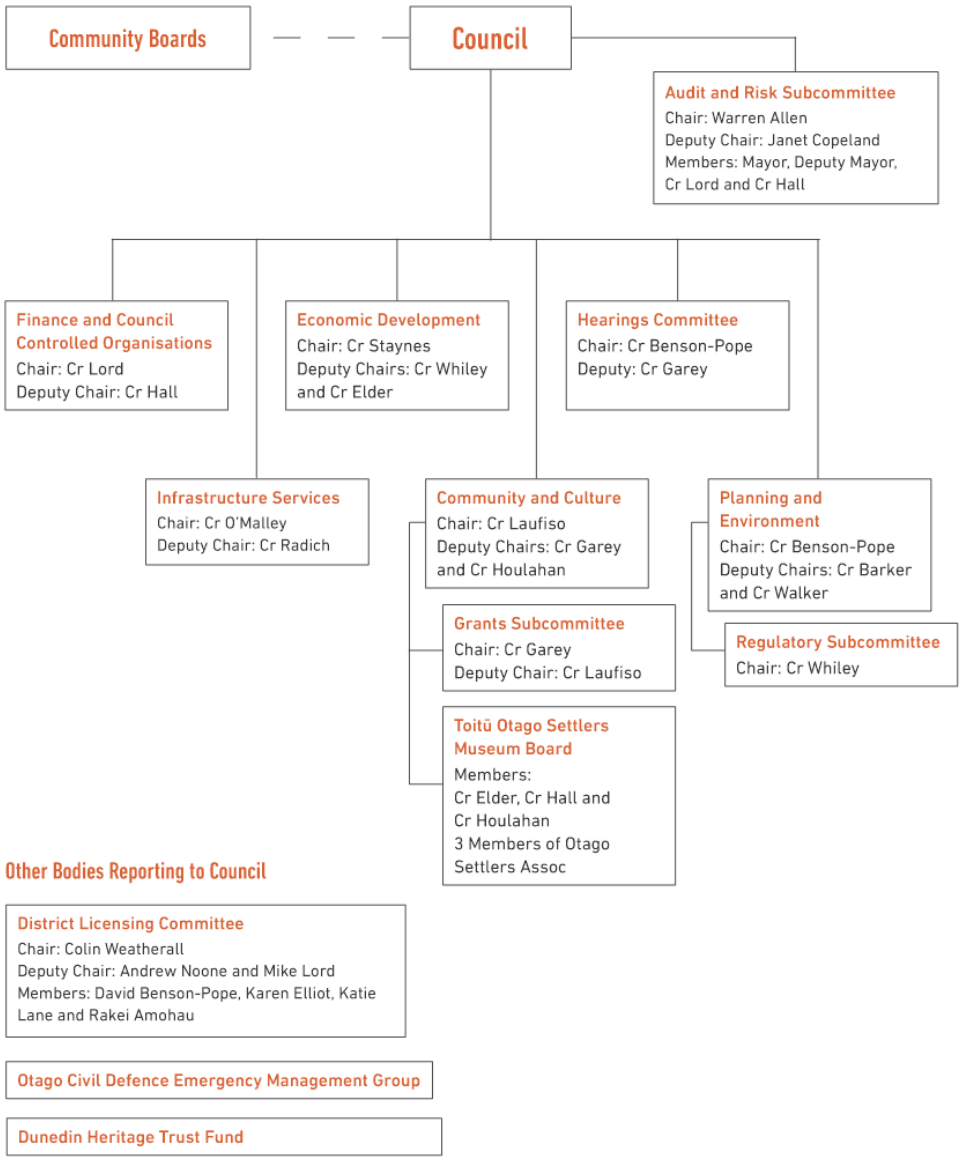

Jim O'Malley


Andrew Whiley

kā poari hapori community boards

Mosgiel - Taieri	Otago Peninsula	Saddle Hill	Strath Taieri	Waikouaiti Coast	West Harbour
Joy Davis (Chair)	Paul Pope (Chair)	Scott Weatherall (Chair)	Barry Williams (Chair)	Alasdair Morrison (Chair)	Francisca Griffin (Chair)
Dean McAlwee (Deputy Chair)	Hoani Langsbury (Deputy Chair)	Paul Weir (Deputy Chair)	Mark O'Neill (Deputy Chair)	Geraldine Tait (Deputy Chair)	Trevor Johnson (Deputy Chair)
Phillipa Bain	Lox Kellas	Christina McBratney	Blair Dale	Andy Barratt	Duncan Eddy
Martin Dillon	Graham McArthur	Keith McFadyen	David (Jock) Frew	Sonya Billyard	Ange McErlane
Brian Miller	Cheryl Neill	John Moyle	Leeann McLew	Mark Brown	Jacque Ruston
Brian Peat	Edna Stevenson	Leanne Stenhouse	Robin Thomas	Mandy Mayhem–Bullock	Vacancy
Cr Carmen Houlahan	Cr Andrew Whiley	Cr Jules Radich	Cr Mike Lord	Cr Jim O'Malley	Cr Steve Walker

te aka o te kōmiti kaunihera
council committee structure



Other Bodies Reporting to Council

District Licensing Committee
Chair: Colin Weatherall
Deputy Chair: Andrew Noone and Mike Lord
Members: David Benson-Pope, Karen Elliot, Katie Lane and Rakei Amohau

Otago Civil Defence Emergency Management Group

Dunedin Heritage Trust Fund

whakarāpopoto o te akoako hapori summary of community consultation

Community feedback

Community engagement on the draft 10 year plan 2021-31 took place between 23 March and 29 April 2021. A consultation document called 'tō tātou eke whakamuri/the future of us', was developed and distributed to the community. It set out key issues and proposals for the 10 year plan.

The consultation document sought specific feedback on five topics, kerbside collection, moving around our city, community housing, a performing arts venue, and public toilets. It also invited general feedback.

Council received 2,327 submissions (both on-line and in hard copy), social media comments, responses to online polls on specific topics, and feedback through community engagement activities and events.

All the community feedback was categorised into 60 topics. The 20 most commented on topics were:

Topic	Number of comments
Public toilets	1,023
Kerbside rubbish and recycling collection	903
Moving around our city	785
Performing arts venue	708
Our role as landlord - community housing	603
10 year plan general comments	188
Transport amenity requests	177
Parking	172
Rates	108
Parks and recreation amenity requests	96
Transport looking after what we have	92
Responding to climate change	68
Bus fares	67
Live music	62
Reducing our waste	59
3 waters looking after what we have	56
Debt	50
Parks and recreation looking after what we have	50
The bridge	46
Growth and planning changes	45

Council decision making

Council considered the community feedback received at its deliberations meeting on Monday 31 May to Thursday 3 June 2021. The following is a summary of the decisions made at that meeting. A complete record of the decisions can be found in the meeting minutes on the DCC website.

Public toilets

Council plans to build a new Changing Places bathroom, and put in two new toilets each year from 2022/23 to 2030/31. Council asked the community where the new public toilets should be located.

Council approved the following 10 year programme:

Year	Programme for a changing places bathroom and new public toilet locations
Year 1 2021/2022	Moray Place beside the central library. This will be a Changing Places bathroom.
Year 2 2022/2023	Central city, The Exchange area (existing toilets in Dowling Street will be removed); Harbour cycleway, St Leonards*;
Year 3 2023/2024	Otago Peninsula, Harwood Reserve*; South Dunedin, Navy Park;
Year 4 2024/2025	North Dunedin, close to North Ground sports ground; Karitane, Truby King Reserve*;
Year 5 2025/2026	North Dunedin, Ross Creek area; Waitati, Doctors Point*;
Year 6 2026/2027	Green Island Memorial Park playground*; Central city, Princes Street Market Reserve;
Year 7 2027/2028	Mosgiel, Brooklands park area*; Otago Peninsula, Okia Reserve*;
Year 8 2028/2029	Purakaunui Reserve*; Otago Peninsula, Tomahawk beach*;
Year 9 2029/2030	South Dunedin, St Kilda beach; Harbour cycleway, Harbour mouth molars area
Year 10 2030/2031	Waldronville, Kaikorai Estuary area*; North Dunedin, Maori Hill/Highgate area;

*- indicates Community Board area

Kerbside collection

Council sought feedback from the community on two options for future kerbside collection.

- **Option 1** – Four bins costing $270 - $310 each year, and an optional garden waste bin that would cost an additional $140 - $180 each year.
- **Option 2** – Three bins, costing $260 - $300 each year.

The Council adopted option 1, four bins plus one, as the new kerbside collection service, with new services expected to begin in mid-2023.

Moving around our city – shaping future Dunedin transport programme

Six projects were developed to ensure that transport disruption is minimised during and after the construction of the new Dunedin Hospital. The community was asked to provide feedback on which should be provided for in the 10 year plan. The six projects are:

- Harbour arterial improvements ($16.4 million)
- Central city parking management ($9.5 million)
- Park and ride facilities at Mosgiel and Burnside ($9.9 million)
- Princes Street bus priority ($6.4 million)
- Central cycle and pedestrian improvements ($6.5 million)
- Central city bike hubs, parking and facilities ($2.5 million)

The Council approved all six projects be provided for in the 10 year plan.

Performing arts venue

Community feedback was sought on two options for a mid-sized performing arts venue as follows:

- **Option 1** – The Athenaeum with a budget of $17.1 million capital costs, and $4.6 million ongoing costs each year once open.
- **Option 2** – The Mayfair Theatre with a budget of $31.2 million capital costs, and $3.7 million ongoing costs each year once open.

The Council decided that further engagement is to be undertaken with the performing arts community, in time for options to be considered for the 2022/23 Annual Plan. Council also decided that the amount of $17.1 million provided for in the 10 year plan be retained for the future development of a theatre.

Our role as landlord - community housing

Feedback was sought on three matters relating to community housing, as follows:

- Should rates be used to subsidise rents for the DCC's community housing;
- Should the DCC prioritise its community housing for people aged 65 and over;
- How much should the DCC invest in building new community housing over the next 10 years:
  - **Option 1** – spend $10 million to build more community housing, or
  - **Option 2** – spend $20 million to build more community housing.

Council supported rates being used to subsidise rents and decided that the amount of subsidy funded by rates revenue would be 10%. Council also asked that a review of the Revenue and Financing Policy for community housing be completed in time for the 2022/23 Annual Plan.

In terms of prioritising community housing for people aged 65 and over, Council has asked staff to undertake a broader review of the Council's waiting list criteria, based on feedback received in submissions. This review will be considered by Council in the first year of this 10 year plan.

Council decided that $20 million will be included in the 10 year plan to build more community housing, being $2 million each year over the 10 year period.

Funding requests

A number of funding requests were received during the community engagement period. Council decided to support the following requests:

Community Grants	City services grants - increase the budget by $40,000 to a total of $448,100 in year 1 of the plan and then inflation adjust it annually in years 2 to 10 of the 10 year plan.
	Place-based fund – increase the budget from $300,000 per annum to $550,000 per annum by 2026/27. Year 1 will increase by $100,000, followed by five $30,000 increases each year to 2026/27.
	Māori and Pasifika Innovation Fund – provide $90,000 annually, and approach the Otago Community Trust to partner with Council to match the funding.
	Māori Development Fund – provide $75,000 annually to support local marae.
Parks and recreation	Increase payment to Tomahawk Smaills Beachcare Trust from $6,500 per annum to $13,000 per annum for years 1 – 3 of the 10 year plan.
	Provide an additional $5,000 annual grant to the Middlemarch Swimming Club.
	Increase the annual grant for Mountain Bike Otago by $50,000 per annum, for the maintenance and development of mountain bike tracks on Council land.
	Include a grant budget of $187,500 in year 1 of the 10 year plan to contribute to the cost of replacing the external structure of the Dunedin North Intermediate School swimming pool. Note the grant will be the lesser of $187,500 or 37.5% of the actual cost.

Wildlife Hospital	A grant of $175,000 per annum for years 1 – 3 of the 10 year plan to be provided to the Wildlife Hospital.
Otago Museum	A grant of $175,000 in year 2 of the 10 year plan to contribute to the Otago Museum's seismic survey of its campus.

Things the council will investigate

The Council agreed to look into a number of matters as a result of community feedback on the 10 year plan.

Parks and recreation	Staff will work with Sport Otago, Otago Polytechnic, Tennis Otago and other stakeholders on options for a sports hub facility at Logan Park, and report back to Council in time for the 2022/23 Annual Plan.
	Staff will work with Sport Otago, Dunedin Gymnastics Academy and gym clubs to investigate options to find suitable facilities for their activities in the Sports Facilities Review Report.
	Staff will continue working with Cricket Otago to investigate a permanent greenhouse that supports covered outdoor training pitches for year round use, with a report on options by December 2021.
	Staff will investigate options for the development of a Destination Playground, in time for the 2022/23 Annual Plan.
Taskforce Green	The Council will investigate options for possible additional support in time for the 2022/23 Annual Plan.
Archives	Staff will continue to work with ARANZ and other stakeholders to accommodate the city archives.
Property	Staff will continue to work with the Port Chalmers Foundry Trust and other stakeholders on developing options for making the Sims Building safe, and report back in time for the 2022/23 Annual Plan.
Live Music	Include $10,000 in the budget to facilitate the creation of a Live Music Action Plan with interested parties.

kā kaupapa matua major projects

The Council has an ambitious plan for investing in our city and looking after what we have. This plan focuses on investing in infrastructure, both above and below ground, to build resilience and to enhance and improve our city. A dedicated work programme has been established to meet the challenges of climate change, and towards achieving Council's target to be a carbon neutral city by 2030.

Over the next 10 years, $1.5 billion has been budgeted for capital projects. Around $919 million of that budget will be used to replace and upgrade things like the city's water and wastewater pipes, resealing roads and footpaths, and looking after parks and recreational facilities such as playgrounds, pools and sports fields.

Around $526 million of the capital budget is for new projects that will improve our city, and around $90 million will be used to build new water and other infrastructure needed for the growth that this city is experiencing.

The challenge for Council will be the delivery of the capital work programme. We will manage delivery by improved forward planning, early contractor engagement and innovative procurement strategies.

Some of the major new capital projects included in this 10 year plan are outlined below. More detailed information on the capital programme is provided in Section 4 of this plan.

Central city upgrade

$60 million – the aim of this project is to improve safety, accessibility and amenity in the central city area. The upgrade work will be aligned with work on underground services such as water and wastewater pipes which need to be replaced. The work will be done in sections and staged over the 10 year plan.

Smooth Hill/Green Island landfill

$56 million – this is for the development of a new landfill at Smooth Hill, to replace the Green Island landfill on its closure.

Shaping future Dunedin transport

$51 million – this is made up of six projects developed to ensure that transport disruption is minimised during and after the construction of the new Dunedin Hospital. The six project are: completion of the harbour arterial route providing an alternative route that bypasses the central city; providing ways to help motorists find parking places and improve technology to make it easier to manage parking; Princes St bus priority at intersections where bus delays are currently experienced; filling gaps in the central cycle network and linking the harbour to the city centre; providing parking at Mosgiel and Burnside so commuters can take an express bus into the city; and installing hubs where bikes can be securely stored.

South Dunedin flood alleviation

$34 million – this is for a programme of works to help mitigate flooding in South Dunedin. The work will increase resilience to future rainfall events and includes work on the Forbury and Portobello Road areas.

Waste futures

$29 million – this project focuses on the minimisation of waste and carbon dioxide emission from waste. It includes providing for the roll out of the new kerbside collection system and developing waste diversion facilities such as an organics facility, a mixed recyclables sorting facility, a plastics granulation facility, a centrally located Rummage Store, and a bulk waste transfer facility.

Water supply resilience

$27 million – this project will increase water supply resilience and enable water stored in the recently refurbished Ross Creek Reservoir to be transferred to Mt Grand water treatment plant for treatment and distribution.

Moana pool

$21 million – this project includes upgrading the Moana Pool hydroslide, and renewing aging building assets including changing rooms, gym refurbishments and plant assets such as boilers, pumps and treatment systems.

Housing growth

$20 million - this project responds to the need for more community housing. It involves spending $2 million each year for 10 years, on building new community houses.

Performing Arts venue

$17 million – this funding has been provided for in the budget for the future provision of a performing arts venue. Before any decision is made where the venue might be, further engagement will be undertaken during the 2021/22 year, in time for the 2022/23 Annual Plan.

Port Chalmers water supply

$14 million – this project will increase water supply capacity from the Dunedin metropolitan system to Port Chalmers.

This will involve decommissioning the two raw dams and water treatment plant at Port Chalmers, used only to service cruise ships in summer and install a new water supply pipeline from the Mount Grand treatment plant to Port Chalmers.

District energy scheme

$11 million – this project involves investigating and implementing an Octagon-area low emissions heating scheme, that involves the distribution of hot water and/or steam (and potentially chilled water) from one or more central generation points via a piped network. This work would contribute to Council's zero carbon 2030 target and Carbon Management Policy.

South Dunedin library and community complex

$12 million – work is ready to begin on the new, purpose-built complex located on the corner of King Edward St and Macandrew Road. The facility will be a focal point for the community and 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.

te tahua mō te kahurutaka 10 year budget

capital costs for the next 10 years

$440m	Roading and footpaths 29%
$562m	3 Waters 37%
$109m	Waste management 7%
$113m	Reserves and recreational facilities 8%
$235m	Property 15%
$20m	Galleries, Libraries and Museums 1%
$5m	Regulatory services
$4m	Community and planning
$0	Economic development
$47m	Governance and support services 3%

total = $1.535b

operating costs for the next 10 years

$567m	Roading and footpaths 16%
$812m	3 Waters 24%
$274m	Waste management 8%
$425m	Reserves and recreational facilities 12%
$415m	Property 12%
$219m	Galleries, Libraries and Museums 6%
$125m	Regulatory services 4%
$136m	Community and planning 4%
$52m	Economic development 2%
$425m	Governance and support services 12%

total = $3.450b

he pūroko kaitātari kaute
independent auditor's report

Section 2

he tirohaka whānui strategic overview

Contents

te aka rautaki
our strategic framework

The DCC's current strategic framework

The DCC's strategic vision was developed through a city-wide engagement process that started in 2011. Developed over a period of approximately eight years, the first of the eight strategies was adopted in 2010 and the last completed in 2017.

Currently, there are eight strategies focused on long-term outcomes and Dunedin's development.

- The **3 Waters Strategic Direction Statement** sets out how the DCC will ensure the city has safe, reliable and affordable water services.
- The **Spatial Plan** shapes the form of the city.
- The **Economic Development Strategy** sets out priorities for creating jobs, incomes and opportunities.
- The **Social Wellbeing Strategy** outlines how the DCC will foster inclusive communities and quality lifestyles.
- The **30 year Integrated Transport Strategy** sets priorities for how the safe and efficient movement of people and goods will be supported.
- **Ara Toi Otepoti Arts and Culture Strategy** roadmaps strategic actions which support the creative sector in Dunedin and develop an environment which acknowledges the intrinsic value of the arts.
- **Te Ao Tūroa, Dunedin's Environment Strategy** delineates Dunedin's climate change impact plan and connects the communities with sustainable ecology and environmental actions.
- The **Parks and Recreation Strategy** develops the use of Dunedin's open spaces, recreation facilities and parks to connect and value our spaces and promote more active communities.

The DCC's work to achieve these strategic goals is underpinned by two overarching principles: Te Tiriti o Waitangi / the Treaty of Waitangi – the Council's work and partnership with Māori is guided by the Treaty principles; and sustainability – the Council takes a sustainable development approach that takes into account the social, economic, environmental and cultural interests of Dunedin's communities and the needs of future generations. The below image is an illustration of the current Strategic Framework.

Achieving great outcomes as a community

The purpose of a strategic approach to decision-making is ultimately to achieve great outcomes for the city. The hard work is done by everyone in the city when it comes to achieving our goals and the Council is just one of many stakeholders working to support Dunedin being one of the world's great small cities.

Summary of community outcomes, priorities & indicators

A summary of the community outcome priorities that set out what the city will be like if the Council achieves its goals, and the indicators for tracking progress in making this happen are shown below.

Outcome	Priorities	Indicators
Vision	Dunedin is one of the world's great small cities	Perception that Dunedin is one of the world's great small cities
Strategic principles	**Te Tiriti o Waitangi / the Treaty of Waitangi** A Treaty based partnership approach in our engagement with iwi Māori Partnership with Māori that is enduring, effective and valuable to all Partnership initiatives with mana whenua to create a Dunedin that has a healthy environment, a strong economy and vibrant communities	The DCC's capability to work with Maori is developed through the implementation of a Māori Cultural Capabilities Pathway for DCC staff and Councillors Meaningful partnership arrangements have been established with Māori in Dunedin An increased number of collaboratively developed partnership projects and ventures with mana whenua
	Sustainability	Percentage of residents agreeing that 'Dunedin is a sustainable city' Percentage of residents agreeing that 'the DCC is a leader in encouraging the development of a sustainable city'
A supportive city with caring communities and a great quality of life	**Connected people:** making people feel connected and involved in community and city affairs **Vibrant and cohesive communities:** building better communities both at a local/geographic level and communities of interest **Healthy and safe people:** promoting good health and ensuring people feel safe, and are safe **Reasonable standard of living:** promoting a good work/life balance and full employment **Affordable and healthy homes:** people are living in warm and healthy homes and affordable housing options are available to all	Percentage of residents who have experienced problems with damp or mould in their homes during winter Residents' sense of community within their local neighbourhood
A healthy city with reliable and quality water, wastewater and stormwater systems	**Meet water needs:** Utilising existing water sources for the safe and quality water needs of the city for the next 50 years **Adaptable supply:** Adaptable water supply to a variety of future climate change and population scenarios **Improve discharges:** Improving discharges to minimise the impact on the environment **Maintain service levels:** Maintaining, and where practicable, improving key service levels into the future **Kaitiakitaka:** An integrated approach to management of the three waters which embraces the concept of kaitiakitaka (Guardianship) **Waste Services:** Active commitment to zero waste, inclusive of a circular economy, to enhance the health of our environment and people by 2030	Satisfaction with the way the DCC manages the city's water related infrastructure

Outcome	Priorities	Indicators
A compact city with a vibrant CBD and thriving suburban and rural centres	**Liveable city:** a healthy and safe environment; quality air and water; a connected community; recreation, leisure and learning, opportunities; healthcare, and warm housing **Environmentally sustainable and resilient city:** resilient ecosystems and communities; actively responding to climate change; reducing dependence on non-renewable resources; seismic-strengthened heritage buildings **Memorable and distinctive city:** protecting significant landscapes; quality architecture and urban design; memorable and engaging public art; celebrating Tangata Whenua and European heritage; actively re-using built heritage **A city that enables a prosperous and diverse economy:** maintaining and growing our rural economy, industrial base and world class communications; attracting and retaining internationally-focused people; supporting and benefiting from the tertiary education sector **Accessible and connected city:** an urban form that supports accessibility from a range of modes and sustainable transport choices; a safe and efficient road network; affordable and convenient public transport; it is safe and pleasant to walk and cycle **A vibrant and exciting city:** a successful arts and culture scene, vibrant central city and local centres	Satisfaction with the way the city is developing in terms of its look and feel Number of new residential building consents issued in the past 12 months
A successful city with a diverse, innovative and productive economy	**Business vitality:** improving the ease of doing business and growing the value of exports **Alliances for innovation:** improving linkages between industry and research and increasing scale in innovative and tradable sectors **A hub for skills and talent:** increasing the retention of graduates, building the skills base and growing migrant numbers **Linkages beyond our borders:** increasing international investment and establishing strategic projects with other cities **A compelling destination:** marketing Dunedin and exporting education uplift	Growth in full time equivalent jobs Growth in real GDP per capita Ability to cover costs of everyday needs
A creative city with a rich and diverse arts and culture scene	**Identity pride:** embedding creativity in city decision-making **Access and inclusion:** investing in access to arts and culture and enabling self-expression **Creative economy:** leveraging the economic growth of the arts and culture sector **Inspired connections:** utilising existing networks and fostering new connections to drive creativity	Percentage of residents rating Dunedin as creative Percentage of residents visiting one or more cultural facility within the last 12 months

Outcome	Priorities	Indicators
A connected city with a safe, accessible and low-carbon transport system	**Safety:** prioritising safety improvements according to risk **Travel choices:** prioritising investment and space to improve the provision of active modes and public transport **Connectivity of centres:** improving connections within and between centres and the central city for public transport and active modes **Freight:** efficiently and effectively moving freight **Resilient network:** integrating land use and transport to reduce demand for vehicle travel and increasing the resilience of the transport network	Percentage of residents who walk, jog, cycle or take public transport to work Number of fatal and serious injury crashes
A sustainable city with healthy and treasured natural environments	**Resilient and carbon zero:** planning for and adapting to climate change and impacting positively on global environment and managing resources sustainably **Healthy environment:** sustaining ecosystem services, increasing indigenous biodiversity and restoring areas of ecological value **Caring for the natural world/Tiakitaka:** enjoying, connecting to, and celebrating the natural environment	City greenhouse gas emissions Total area of indigenous habitats in Dunedin protected by the Distract Plan, DCC reserve land and land held under QEII covenants and other statute-based protective mechanisms and/or recognised as Areas of Significant Conservation Value
An active city with quality and accessible recreational spaces and opportunities	**Active people:** people are living active lives by participating in formal and informal recreation and sport **Open spaces and facilities:** our parks and facilities are meeting the changing needs of our communities and are increasingly used **Treasured parks, natural landscapes, flora and fauna:** understanding, protecting and restoring our ecosystems and biodiversity, and our parks and landscapes bringing people together to celebrate our cultures and heritage **We work with others:** having strong relationships with tangata whenua, and creating effective local and national partnerships	Percentage of residents who participate in physical activity five or more days a week Percentage of residents using a park, reserve and/or open space and/or recreation facility at least once a month

Refreshing the Strategic Framework

In 2020, a high-level stocktake of the existing Strategic Framework was conducted. Based on this, the DCC will refresh the Framework, beginning work in the first year of this 10 year plan period. The Thriving Cities' City Portrait model of sustainability will be adapted as part of this refresh.

The objectives of the Strategic Framework refresh project are to enable a review and update DCC's strategies in a manner that is inclusive of mana whenua and the community, and addresses issues highlighted in the 2020 review. The project will achieve this by:

- Developing a good understanding of the DCC's current state and defining common principles and governance procedures to inform development of all strategies.
- Embedding the Thriving Cities – City Portrait model as a means of defining and measuring sustainable outcomes desired for Dunedin.
- Improving DCC partnership with mana whenua generally, with a focus on:
  - articulation of what Treaty principles will underpin the Strategic Framework
  - exploration of what sustainability and sustainable outcomes means to mana whenua
  - exploration of how a Te Ao Māori worldview can be used to develop a City Portrait, including examination of the doughnut economics model.
- Improving partnership with the Dunedin community and promoting the collaborative effort needed for success.
- Reviewing and updating DCC's strategies and reviewing these against strategic priorities identified through the City Portrait process.
- Enabling implementation of defined sustainable outcomes and ongoing monitoring and adjustment of the strategic objectives, while maintaining an integrated and collaborative approach.
- Reviewing Levels of Service in alignment with the updated strategic priorities.

Dunedin's residents will have the opportunity to contribute to, and collaborate on the development of a new Strategic Framework over the course of this project.

Our Zero Carbon 2030 goal

Climate change is a global problem requiring global action. New Zealand has signed the Paris Agreement, which commits New Zealand to reducing greenhouse gas emissions.

In 2019, the Government passed the Climate Change Response (Zero Carbon) Amendment Act. The Zero Carbon Act provides a framework by which New Zealand can develop and implement clear and stable climate change policies that:

- contribute to the global effort to limit the global average temperature increase to 1.5° Celsius above pre-industrial levels
- allow New Zealand to prepare for, and adapt to, the effects of climate change.

The Zero Carbon Act also sets out a new climate change programme, a new national target to cut emissions, and establishes an independent Climate Commission to provide advice and leadership on both emission reduction and adaptation.

In June 2019, Council declared a climate emergency and set the ambitious goal for Dunedin city to be net carbon neutral by 2030, adopting a two-part 'Zero Carbon 2030' target, as follows:

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

The first comprehensive snapshot of Dunedin's emissions profile as a city was produced by the DCC in 2016. An updated emissions profile for the city has just been completed, using data for the 2018/19 year. In 2018/19, Dunedin emitted a gross 1,573,008 tonnes of carbon dioxide equivalent (tCO2e), an increase of 1% on 2014/15 emissions.

The DCC has been measuring and reporting its organisational emissions since 2013/14. In 2018/19, the DCC's activities generated 41,852.88 tCO2e. This was down from a peak of 56,892.49 tCO2e in the 2017/18 year, but still represents an increase of 49% on 2013/14 emissions.

To achieve net zero emissions by 2030, both the DCC and the city will need to do things differently as we move to a zero carbon future. Initial steps to Dunedin being zero carbon by 2030 are set out in this plan.

Impacts of climate change on Dunedin

The impacts of climate change are being felt around the world. By the end of this century New Zealand will experience higher rainfall, more frequent extreme weather events, rising sea levels and higher temperatures. New Zealand communities are particularly vulnerable to changes in sea level and extreme rainfall because many of New Zealand's towns and cities are built on the coast or near rivers. The impacts of climate change may have a major impact on New Zealand society and everyday Kiwi's wellbeing now and into the future.

The first comprehensive review of Dunedin's climate change vulnerability and risk as a city was produced by the Dunedin City Council (DCC) in 2016. Dunedin may face significant risks from sea level rise and rainfall (resulting in flooding) and its impact on human health, critical infrastructure, water resources and ecosystems.

South Dunedin in particular, has a higher level of risk to natural hazards. Prior to European settlement, most of the South Dunedin area comprised wetlands, salt marsh, mudflats, lagoon and low sand dunes. South Dunedin now sits on reclaimed land, and much of this, when combined with high ground water, seasonal conditions, and tidal fluctuations, is susceptible to inundation, and infiltration of the stormwater and wastewater networks. Groundwater levels are projected to rise as sea levels rise, increasing the frequency of flooding and inundation. South Dunedin is also home to a community of thousands of people along with schools, businesses, and a significant amount of city infrastructure. Along the coastline, the dune system at St Kilda and St Clair is eroding, reducing natural character and restricting access the beach. These existing coastal erosion issues will be exacerbated by climate change.

Other parts of the city are also low-lying and exposed to either flooding (such as the Taieri Plains) and/or coastal hazards in other coastal areas. Increases in the intensity, duration and frequency of rainfall will influence how stormwater and other infrastructure, including flood protection, water supply and wastewater services will be managed.

The DCC's work on adapting to climate change has a particular focus on South Dunedin as the area of highest risk. The DCC has been working with the Otago Regional Council, the community, mana whenua, Central Government and others to understand what is happening in South Dunedin, build resilience, identify opportunities and options, and create plans for long-term adaptation. Initial actions to reduce the impacts of climate change on Dunedin are set out in this plan.

A growing city

Like many of New Zealand's major urban centres, Dunedin is experiencing a period of rapid population growth. Such rapid growth brings many positives however it can also create pressure on land and infrastructure to accommodate growth and on the housing market.

Dunedin's population is projected to grow at a faster rate until 2033, reaching a population of 141,417. From 2033 onwards the population growth rate will begin to taper off. Dunedin's population is also projected to age. By 2038 the 65 years and over demographic will be our second largest age group (after those aged 25 years and under).

Dunedin's dwelling numbers will experience similar trends to the Dunedin population; experiencing a sharp rate of expansion until 2038 reaching a total of 60,511 dwellings before growth slows.

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 economy into the future. In June 2020, the DCC commissioned a review of the DCC's growth projections to assess the impact of the COVID-19 recession and border restrictions. While the review did not anticipate significant differences in population and dwelling growth as a result of the pandemic, there is greater uncertainty around future growth as a result of the pandemic, particularly over the longer term.

Under the National Policy Statement on Urban Development, Dunedin is categorised as a tier 2 urban environment. This brings into effect a range of provisions relating to growth planning, such as assessing the amount of development capacity that is required. The DCC is planning for growth in numerous ways. Work is underway to enable further development capacity under the Second Generation Plan (2GP) and provide for infrastructure to accommodate anticipated growth. DCC is also preparing to start work on a Future Development Strategy, which will look at where and how Dunedin will grow over the next 30 years.

Kia mahi tahi me te mana whenua
working with mana whenua

Long term success and enduring partnership with Māori are important to the DCC. We acknowledge our Treaty of Waitangi responsibilities and we are committed to working in partnership to provide opportunities for Māori to contribute to decision making processes and to have an active role in the city's development.

DCC relationship with mana whenua and mataawaka

In recent years the DCC has taken solid steps toward growing our internal capability and progressing relationships with mana whenua and mataawaka. We recognise that this is an ongoing process as we move towards a future where it becomes business as usual for all our staff to view DCC work through a Māori responsiveness lens.

We continue to develop our relationship with mana whenua through the local Papatipu Rūnaka, Te Rūnanga o Ōtākou and Kāti Huirapa Rūnaka ki Puketeraki. In 2006 the DCC signed a Memorandum of Understanding that provides the framework through which the DCC and mana whenua give effect to Treaty partnership. The Araiteuru Marae Council, Dunedin's urban marae are also recognised as representing the mataawaka community in the city.

Māori Participation Working Party

Mana whenua and mataawaka interests are currently represented within the Council's governing arrangements by the Māori Participation Working Party (MPWP). Māori membership of the MPWP is made up from Kāti Huirapa ki Puketeraki Rūnaka, Te Rūnaka o Ōtākou and Araiteuru Marae. The MPWP was established as a Councillor advisory panel with the aim of providing greater understanding of Māori needs and aspirations and greater involvement in strategic decision making. The DCC is working closely with the MPWP members to ensure Māori representation arrangements are fit for purpose and reflect the changes occurring across the wider local government sector. Plans for the future of the MPWP include a review of the purpose and role of the MPWP and Māori representation on Council standing committees.

Partnership agreement

To assist in the city's development and in delivering services to the Māori community, the DCC signed an operational partnership agreement with Aukaha Ltd in 2019. This partnership agreement ensures mana whenua perspectives and mataawaka views are represented in decisions about the city, its community capacity and natural and physical resources. Aukaha is a Kāi Tahu Rūnaka based consultancy service. Aukaha represents five Papatipu Rūnaka across the broader Otago region. Aukaha provides a range of services including trade training for Māori and Pasifika, Business Development and Procurement, Resource Management and Cultural Services.

Building Māori capability

Recent key developments in 2021 in which the Council has expressed its Treaty partnership commitment include the development of the Manahautū (General Manager) Māori, Partnerships and Policy role as part of the executive leadership team. This role provides strategic advice and direction across the DCC business and works to develop partnership opportunities with mana whenua and mataawaka in Ōtepōti. Further areas of progress beginning in the later part of 2021 and progressing over the following 2 years, will include the development of a more culturally responsive Strategic Framework and a Māori Strategic Framework, Māori Capability plan and a Māori Engagement plan as part of the DCC Strategic Refresh Project.

10 Year Plan

The 10 year plan budget provides additional resources to support strategic initiatives to advance Māori development and continue to build strong relationships with mana whenua and mataawaka. The DCC and mana whenua will continue to work together to strengthen Treaty partnership across Council business, to foster the development of Māori capability and engagement and develop opportunities for mana whenua, mataawaka and the DCC to build strong and enduring relationships over the next 10 years.

Development Funding for Marae: Dunedin City is home to three Marae. Ōtākou Marae and Puketeraki Marae are both Ngāi Tahu ancestral marae and Araiteuru Marae is Dunedin City's urban marae. All three marae are vital in the development of Māori cultural connection and identity with each marae playing an important role in developing a sense of community for an increasing number of Dunedin residents. This funding allows the DCC to further develop our relationships with each of the City's marae and importantly, support each of the marae to develop capacity to continue their work in supporting Dunedin communities to thrive.

Innovation Funding for Māori and Pasifika: This funding is a continuation of two new funds that were originally established to support Māori and Pasifika communities post-Covid. The Hapori Māori Innovation and Development Fund and the Pasifika Communities Innovation and Development Fund will support innovation and development projects and initiatives that contribute and support Māori and Pasifika communities to grow and thrive.

he tirohaka o te tāone
snapshot of a great small city

Taupori | Population

Pāpori | Social

Ahurea | Culture

Ōhaka | Economy

Whare | Housing

Taiao | Environment

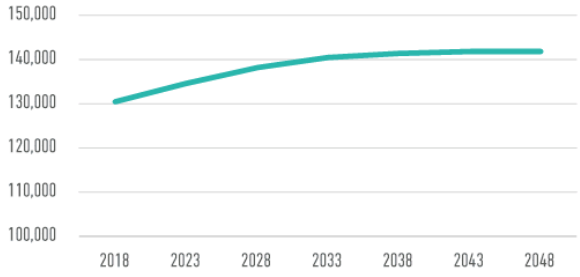
Āhuaraki hurihuri | Climate change

Ngāi māori ki ōtepoti | Māori in Dunedin

Ngāi pāsifika ki ōtepoti | Pāsifika in Dunedin

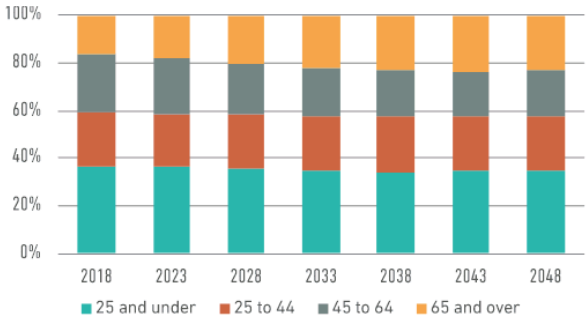
taupori population

Dunedin's total population over time



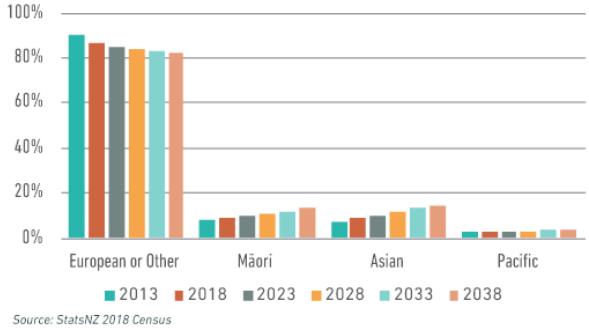
Source: StatsNZ 2018 Census

Dunedin's age groups over time



Source: StatsNZ 2018 Census

Dunedin's ethnicity make up over time



Source: StatsNZ 2018 Census

Dunedin's population of **130,480** in 2018 is projected to grow to **141,606** in 2048.

In 2018, **36%** of Dunedin's population is aged 25 and under, compared to **34%** of NZ's population.

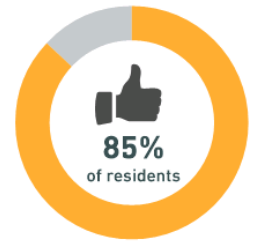
A **7%** increase in Dunedin's 65 years and over population is projected by 2048.

A **6%** decrease in the 45 – 64 age group is projected by 2048.

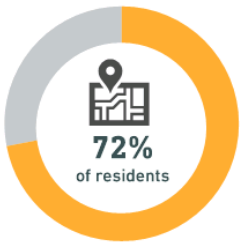
Dunedin's population is becoming more diverse, and by 2038 Māori, Asian and Pacific people are projected to increase by **5%**, **7%** and **1%** respectively.

Different age groups/demographics will have different housing needs to be planned for.

pāpori social



say they have a good quality of life



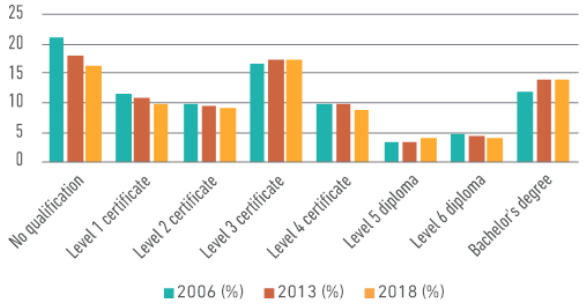
say they have pride in the look and feel of the city

Source: Quality of Life 2018

Dunedin residents' top five reasons for a high quality of life: Health and Wellbeing, Relationships, Financial Situation, Lifestyle, and Work.

Dunedin's youth are far more likely to experience stress and loneliness than any other age groups.

Highest qualification for Dunedin resident over time

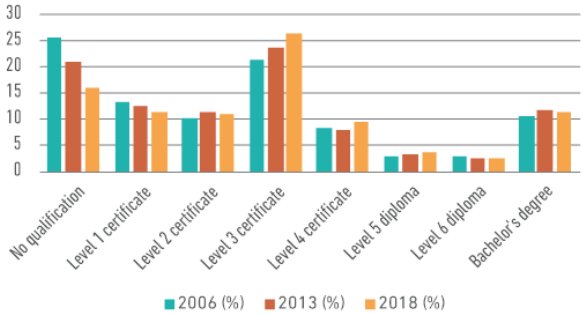


Source: StatsNZ 2018 Census

The number of Dunedin residents with no qualification has declined by 4.8% from 2006 to 2018 and has also declined by 9.4% for Māori residents.

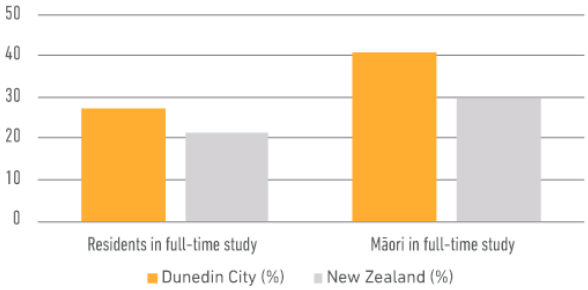
The number of NCEA level 3 or higher education achievers has increased by 6.9% from 2006 to 2018.

Highest qualification for Dunedin Māori over time



Source: StatsNZ 2018 Census

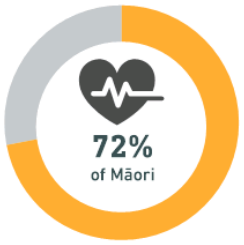
Dunedin residents in full time study vs New Zealand



Source: StatsNZ 2018 Census

27.4% of Dunedin residents were in full-time study in 2018, more than the NZ average of 21.3%.

rate their general health highly



rate their general health highly

Source: Quality of Life 2018

Dunedin residents rate their general health highly, but Māori residents are less likely to rate their general health as highly as the average resident.

ahurea culture

Dunedin is New Zealand's first UNESCO City of Literature. The city has three Marae, and many other locations of significance to Mana Whenua. There are 740 protected historic buildings.

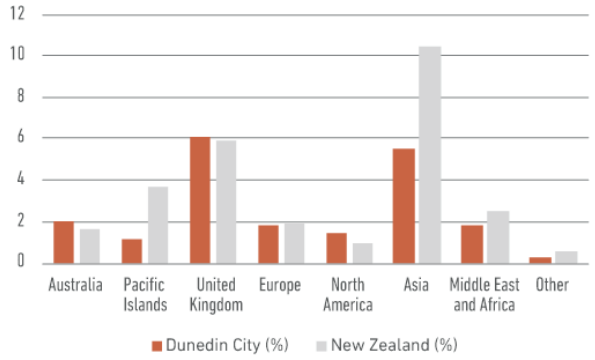
Dunedin's population consists of **2%** Australian, **6.1%** Britain and **1.4%** North American born residents compared to NZ's overall population consisting of **1.6%**, **5.9%** and **0.9%** respectively.

Dunedin has resettled **550** former refugees since 2016 with a majority coming from Palestine, Syria, and Afghanistan.

Just over half of Dunedin residents now no longer identify with an organised religion (**40.4%** in 2016 vs. **56%** in 2018).

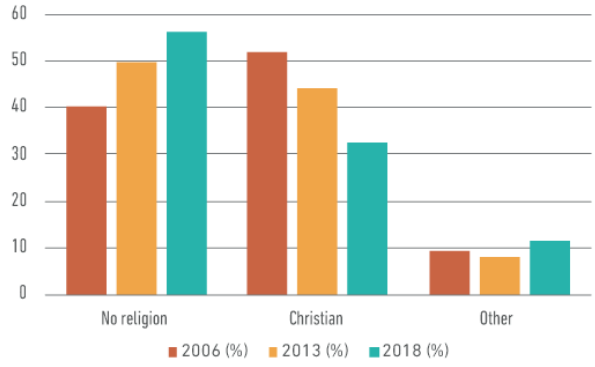
Christianity remains Dunedin's largest religious identity (**32.5%** in 2018), however Dunedin is also home to followers of Buddhism (**0.8%**), Hinduism (**0.9%**), Islam (**1%**), Judaism (**0.1%**) and traditional Māori beliefs (**0.2%**).

Dunedin residents born overseas – country of origin



Source: StatsNZ 2018 Census

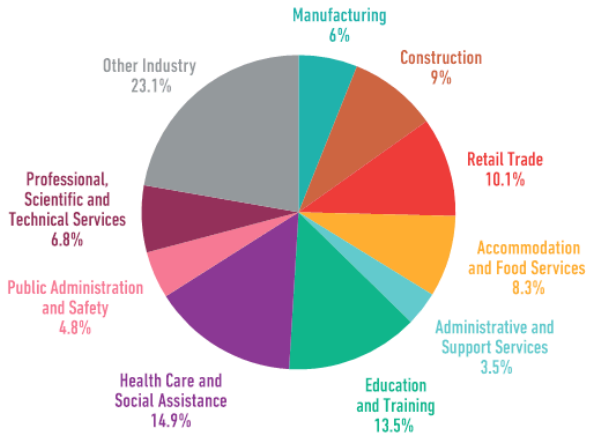
Major Religions



Source: StatsNZ 2018 Census

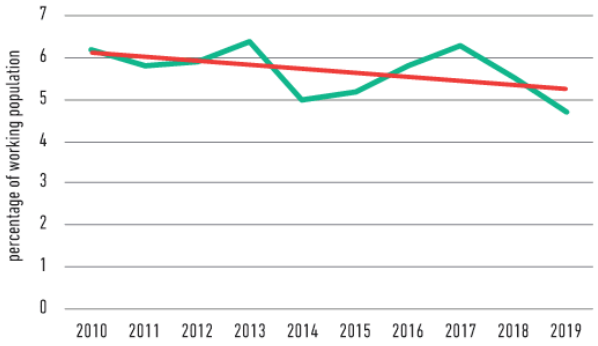
ōhaka economy

Dunedin's major employment industries 2019



Source: StatsNZ 2018 Census

Dunedin's unemployment rate over time



Sources: Infometrics quarterly reports

Dunedin's pre-Covid-19 economic growth was exceeding the New Zealand average. The number of people seeking unemployment support has been reducing over the past decade.

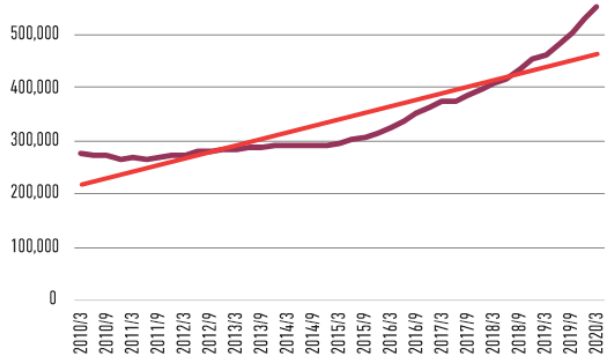
Employment in manufacturing has decreased from **9.2%** in 2009 to **6%** in 2019. Employment in construction has increased from **7%** in 2009 to **9%** in 2019.

Retail (**10.1%**), Education and Training (**13.5%**), and Health Care and Social Assistance (**14.9%**) continue to be the highest employment industries in 2019.

Unemployment rates have shown a decline from **8.1%** in the first quarter of 2010 to **5.4%** in the last quarter of 2019.

whare housing

Dunedin average house price over time



Sources: Infometrics quarterly reports

There has been a recent sharp increase in Dunedin's housing prices. Average house price in 2010 was **$276,048** versus an average in 2020 of **$552,297**.

While housing affordability has been a growing issue, Dunedin house prices are still lower (**25%**) than the NZ average.

There is an estimated need of **750** new domestic dwellings required to accommodate the city's estimated annual population growth.

Over the past 10 years, there has been an average of **372** new dwellings in Dunedin.

Dunedin's number and value of new residential buildings over time

Source: DCC Building Consents data

taiao environment

Dunedin has the world's only mainland albatross colony

11% of Dunedin city's land is protected under conservation value, equalling to roughly 36,000 hectares.

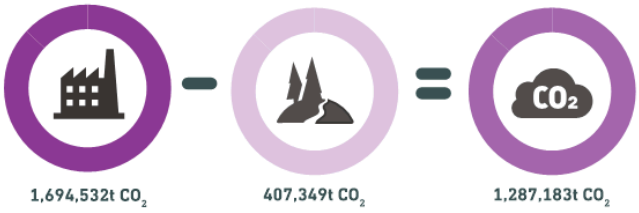
Dunedin has **30** native plants and species that are not found anywhere else in the world.

The entire Dunedin City area is Wahi Tupuna (ancestral landscape) as it was used and valued by mana whenua. Wahi Tupuna sites include settlements, battle sites, burial places, mahika kai areas and resources, trails and significant landscape features such as peaks.

Dunedin is home to some of New Zealand's major penguin and seal colonies

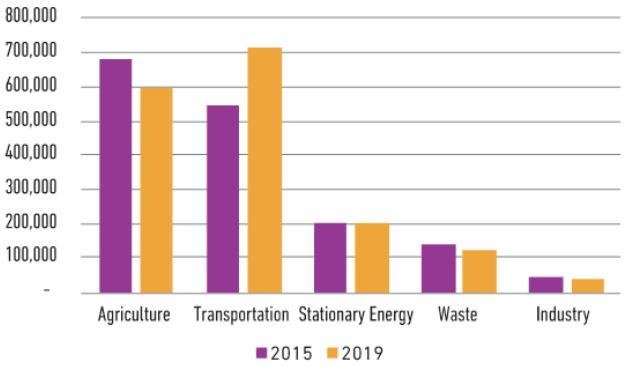
āhuaraki hurihuri climate change

Dunedin's net total emissions in 2019



Source: DCC Aecom Covenant of Mayor report 2019

Dunedin's emissions change 2015 to 2019



Source: DCC Aecom Covenant of Mayor reports 2015 and 2019

By 2090, low lying areas of Dunedin will experience at least 0.5 metres of sea level rise

By 2090, Dunedin will see a 5 to 13 percent increase in yearly rainfall

Source: Otago Climate Change predictions

In June 2019, Dunedin City Council declared a climate emergency for Dunedin with a goal of making Dunedin city net carbon neutral by 2030.

Dunedin produced roughly **1.6 million tonnes** of greenhouse gas emissions in 2018/19.

Approximately **400,000 tonnes** of greenhouse emissions are being sequestered through local forestry and native reserves.

Considering sequestration, Dunedin's total net emissions for 2018/19 is roughly **1.2 million tonnes**.

A variety of changes in temperature, rainfall and sea level rise will impact the city and natural environment in different ways that need to be prepared for.

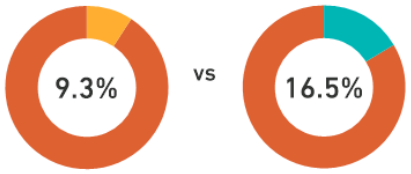
South Dunedin is a vibrant and diverse community that over 10,000 people call home. It is flat and conveniently located, and home to many businesses, schools and critical infrastructure that residents and the wider city rely on. South Dunedin was built on land reclaimed from a coastal wetland. This means that groundwater is already close to the surface and makes it hard for water to drain away when it rains.

South Dunedin has nearly 2700 homes that lie less than 50cm above the mean spring high tide mark – more than anywhere else in New Zealand – and over 70% are less than half that elevation.

ngāi māori ki ōtepoti
māori in dunedin

Māori population[1]

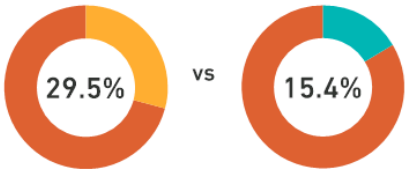
In 2018, 11,730 people living in Dunedin identified as Māori



Of people in Dunedin identify as Māori

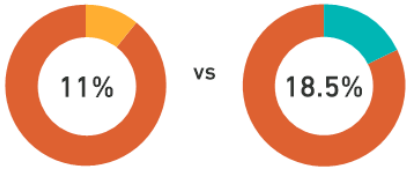
Of people in New Zealand identify as Māori

Dunedin's Māori population is younger than Dunedin's population overall



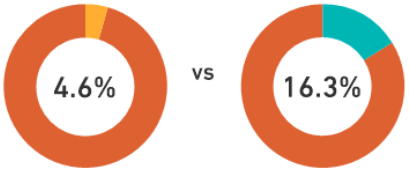
Of Māori people are aged less than 15 years

Of all Dunedin people



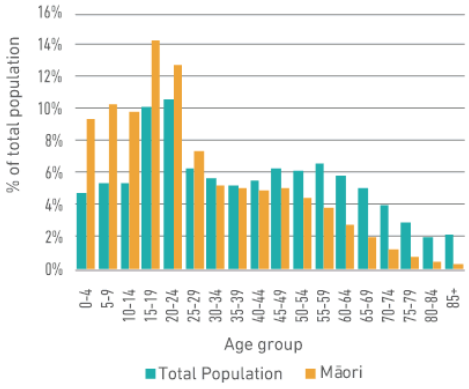
Of people in Dunedin are of Māori descent

Of all people in New Zealand are of Māori descent



Of Māori people are 65 years and over

Of all Dunedin people



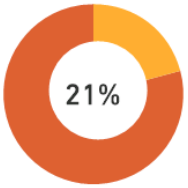
Dunedin poulation by median age (total vs Māori)

1 Source: Stats NZ, 2018 Census

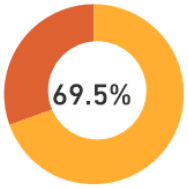
Māori cultural wellbeing[2]

63.7% of Māori took part in the care of Māori sites of significance, with their whānau, in the last 12 months

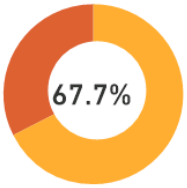
35.4% of Māori took part in caring for the health of the environment, with whānau, in the last 12 months



Know Marae Tupuna

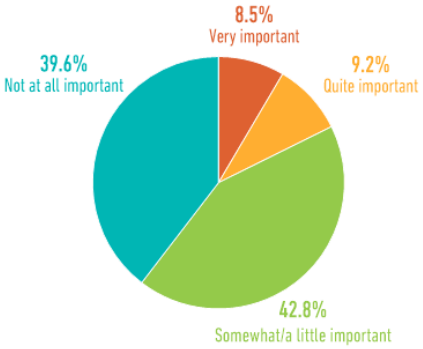


Been to Marae Tupuna in the previous 12 months

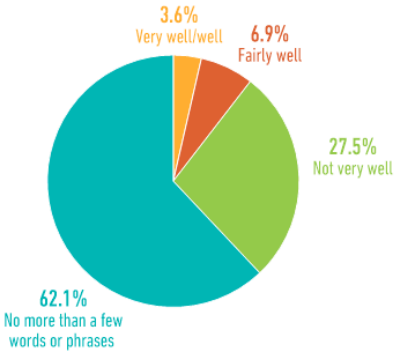


Would like to have been to Marae Tupuna more often in the previous 12 months

Importance of using Teo Reo Māori in daily life

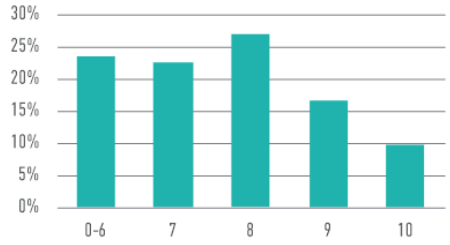


Able to speak Te Reo Māori (self-rated)

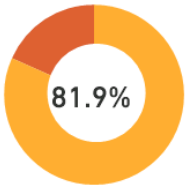


Whānau wellbeing

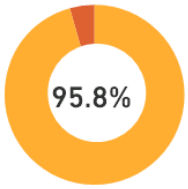
where 0 is extremely bad and 10 is extremely good



Contact with non-resident whānau



Have face-to-face contact with non-resident whānau



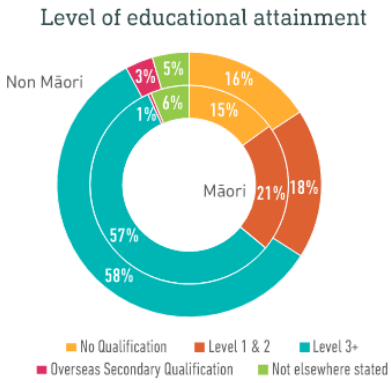
Have non-face-to-face contact with non-resident whānau

66.3% of Māori think they have the right amount of contact with whānau

31.3% of Māori think they don't have enough contact with whānau

2 Source: Te Kupenga, Stats NZ Tatauranga Aotearoa 2018 (Otago/Southland)

Māori educational achievement[3]



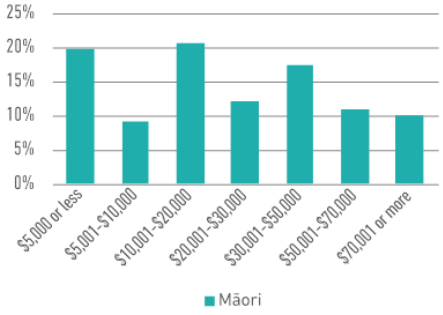
57.2% of Māori in Dunedin have attained a qualification at level 3 and higher

Māori economic wellbeing[4]

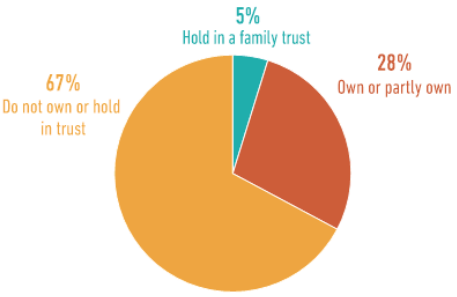
Māori people in Dunedin work in a variety of occupations.

Below are some of the top occupations:

Personal Income for Māori over 15 in Dunedin 2018



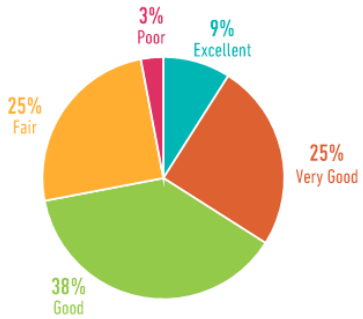
Māori home ownership in 2018



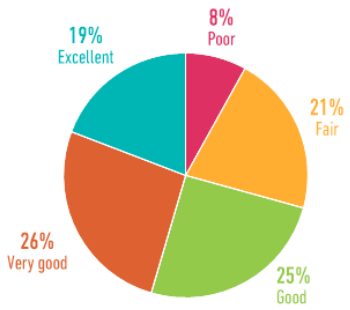
3 Source: Stats NZ, 2018 Census
4 Source: Stats NZ, 2018 Census

Māori social wellbeing[5]

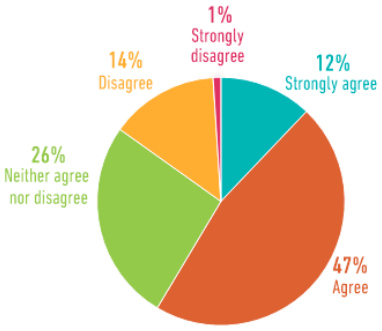
How Māori in Dunedin classify their physical health



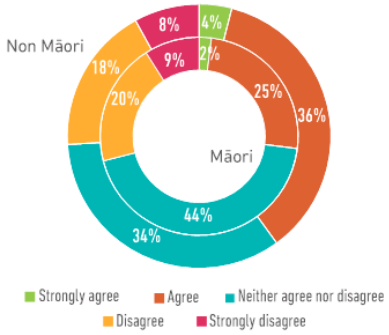
How Māori in Dunedin classify their mental health



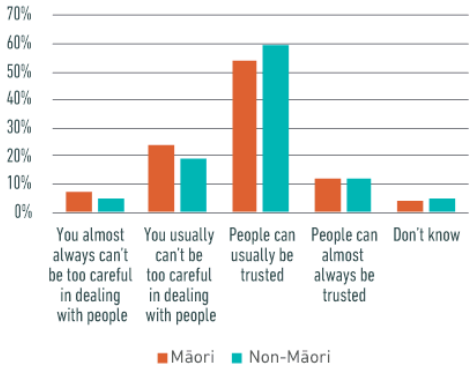
Sense of community experienced



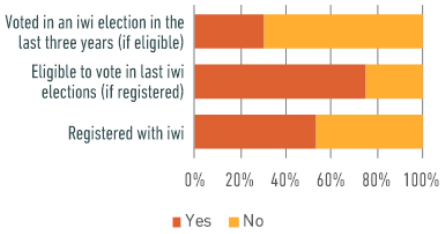
Confidence in Council decision making



Trust in other people, Māori and Non-Māori



Participation with iwi[6]

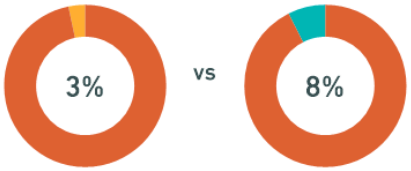


5 Source: 2020 Quality of Life Survey
6 Source: Te Kupenga, Stats NZ Tatauranga Aotearoa 2018 (Otago/Southland)

ngāi pāsifika ki ōtepoti
pāsifika in dunedin

Pāsifika population[1]

In 2018, 4161 people living in Dunedin identified as Pāsifika



Of people in Dunedin identify as Pāsifika

Of people in New Zealand identify as Pāsifika

Dunedin's Pāsifika population is younger than Dunedin's population overall

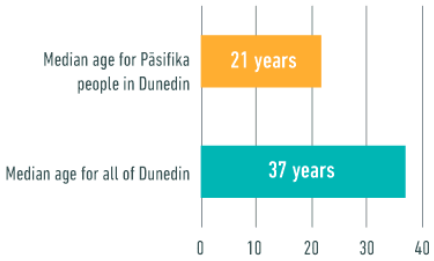
Of Pāsifika people are aged less than 15 years

Of all Dunedin people

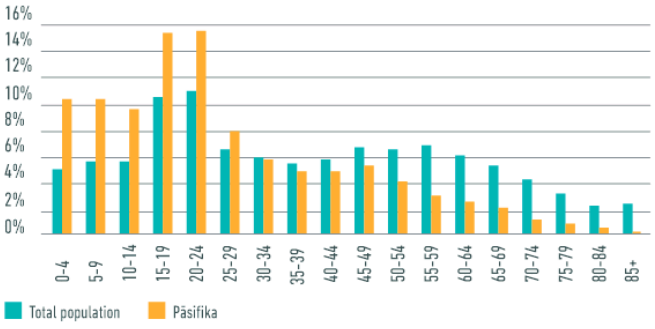
Of Pāsifika people are 65 years and over

Of all Dunedin people

Dunedin population by median age (total vs Pāsifika)



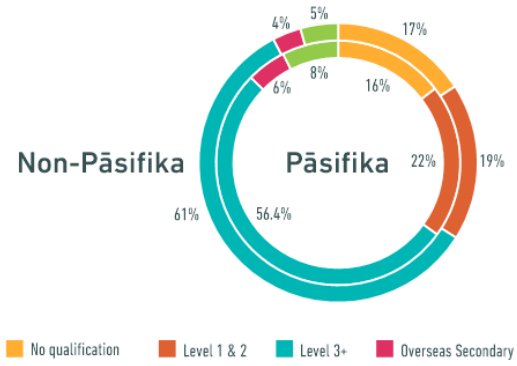
Dunedin population in 2018 by age group (total vs Pāsifika)



1 Source: Stats NZ, 2018 Census

Pāsifika educational achievement[2]

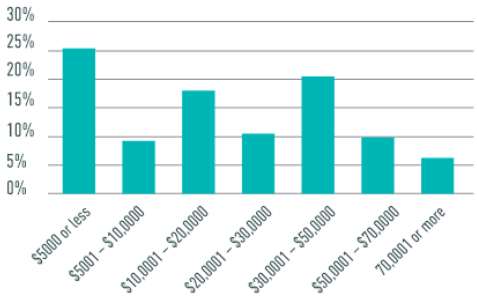
Highest qualifications obtained by Pāsifika and non-Pāsifika



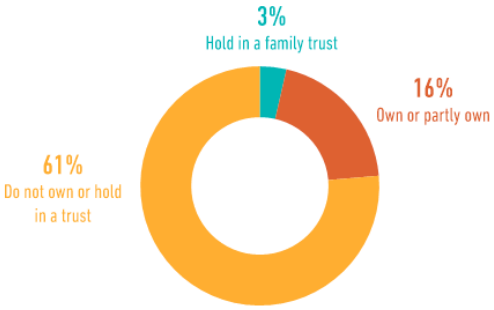
56.4% of Pāsifika in Dunedin have attained a qualification at level 3 and higher

Pāsifika economic wellbeing[3]

Personal income of Dunedin Pāsifika



Dunedin Pāsifika home ownership in 2018



2 Source: Stats NZ, 2018 Census
3 Source: Stats NZ, 2018 Census

he rautaki pūtea financial strategy

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 billion on capital projects over the next 10 years, compared with $878 million in the last 10 year plan. Of this, $919 million is dedicated to renewals, primarily replacing key 3 Waters and transport infrastructure, building the resilience of these essential assets. $526 million will be invested in new capital projects that will improve the city, and $90 million will be used to build new 3 Waters and other 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

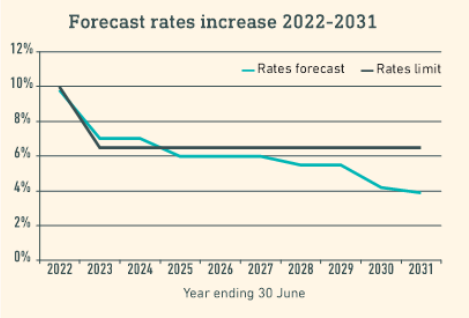
The Council's planned capital expenditure programme represents a significant uplift from the last 10 year plan, with renewals a key area of focus. The challenge for Council will be its ability to deliver this programme, acknowledging that the annual targets are higher than previous achievements, and 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 consulted 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.

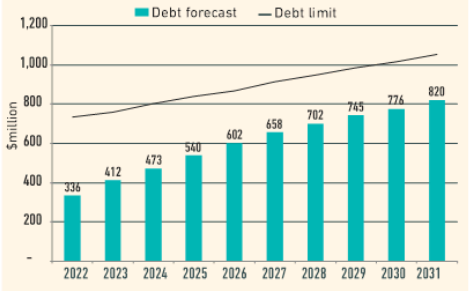
Debt is also used to fund the portion of capital renewals that is not covered by funded depreciation.

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.

Forecast borrowing for the years ending 30 June 2022-2031



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.

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 to 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.

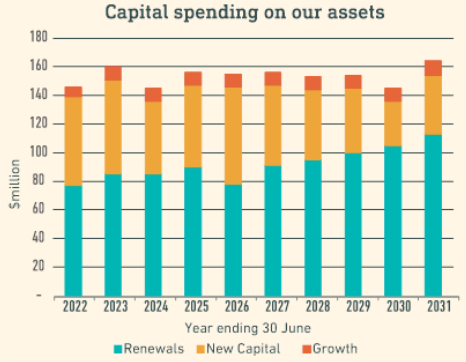
This Financial Strategy is closely linked to the Infrastructure Strategy so significant issues such as these can be properly considered. Updated information has been used to make decisions about assets that need renewing over the 10 year plan. The Infrastructure Strategy expands this timeframe out to 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

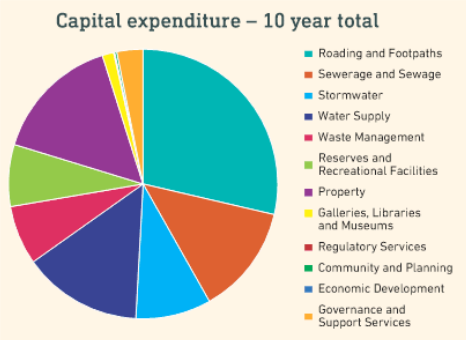
- investing in flood alleviation in South Dunedin
- investing in reducing our carbon emissions through waste minimisation initiatives
- investing in a new modern landfill to replace the current facility at Green Island

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

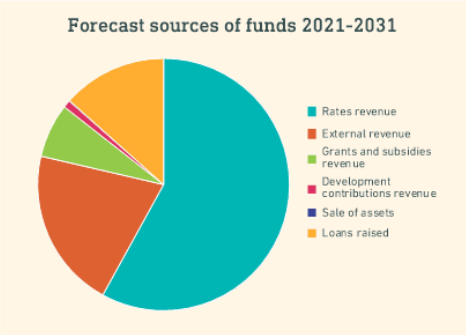


Maintaining services

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:

Investment property	$ million
Dunedin retail	28.500
Dunedin parking	25.000
Dunedin other	10.690
Christchurch	7.900
Wellington	15.400
Auckland	8.250
Total	95.740

Shareholder Advance
Council has provided an interest-bearing shareholder advance to Dunedin City Holdings Limited of $112 million, which has an associated annual income stream of $5.9 million.

Council-owned companies
Council-owned companies (CCOs) 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 CCOs 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

	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000	Overall 2022-31 $000
Debt											
Debt forecast	335,948	411,769	473,028	539,579	601,960	657,530	702,430	745,429	776,413	820,252	
Debt limit (at 250% of revenue)	735,965	759,818	801,598	838,755	866,650	913,358	949,615	986,088	1,015,940	1,053,218	
Total revenue	294,386	303,927	320,639	335,502	346,660	365,343	379,846	394,435	406,376	421,287	
Gross debt limit (less than 250% of revenue)	114.1%	135.5%	147.5%	160.8%	173.7%	180.0%	184.9%	189.0%	191.1%	194.7%	
Target Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	
Rates Increase											
Rates revenue	179,124	191,664	205,077	217,372	230,421	244,239	257,666	271,826	283,234	294,293	2,195,792
Increase	9.80%	7.00%	7.00%	6.00%	6.00%	6.00%	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
Operating Surplus											
Operating surplus greater than zero	8,117	8,141	7,197	10,300	8,902	13,914	16,640	14,911	14,288	15,813	
Target Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	
Balanced Budget											
Operating surplus	8,117	8,141	7,197	10,300	8,902	13,914	16,640	14,911	14,288	15,813	
Less:											
Development Contributions	(3,467)	(3,544)	(3,622)	(3,702)	(3,785)	(3,868)	(3,718)	(3,801)	(3,885)	(3,973)	
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	(14,405)	(8,293)	(10,655)	(9,635)	(6,296)	(9,588)	(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)	(13,781)	(7,759)	(11,182)	(7,179)	(5,362)	(3,768)	1,307	1,359	2,060	2,784	
Target Achieved	Not achieved	Not achieved	Not achieved	Not achieved	Not achieved	Not achieved	Achieved	Achieved	Achieved	Achieved	
Group Financial Income											
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	

he rautaki haka infrastructure strategy

Executive summary

This document sets out the Dunedin City Council's (DCC) strategy for managing drinking water, wastewater and stormwater (3 Waters) and transport infrastructure for the next 50 years. The strategy covers infrastructure assets operated by the DCC.

The purpose of this strategy is to:

- identify the significant infrastructure issues facing the DCC for the next 50 years
- identify how the DCC will manage the issues identified and any implications
- set out the most likely scenario for managing the city's network infrastructure to 2071.

Projects identified in the first 10 years of the strategy are funded as part of the DCC's 10-year plan. The 10 year plan provides for approximately $1.5 billion of capital spend over the 10 year period, and of this, approximately $1 billion is for 3 Waters and transport infrastructure. There is less certainty around the issues and options for the period 2031 to 2071 and projects identified beyond the first 10 years of the plan are currently unbudgeted.

Strategic priorities for network infrastructure

3 Waters

The strategic priorities for the 3 waters network are:

- meeting the water needs of the city for the next 50 years from existing water sources
- adapting to a variety of future scenarios for climate change and fluctuations in population
- reducing our reliance on non-renewable energy sources and oil-based products
- improving the quality of our discharges to minimise impacts on the environment
- ensuring that, as a minimum, key service levels are maintained into the future
- limiting cost increases to current affordability where practical
- adopting an integrated approach to management of the 3 Waters and embracing the concept of kaitiakitaka.

Transport

The strategic priorities for Dunedin's transport network are:

- improving Dunedin's road safety record
- providing safe, viable transport choices
- strengthening connections to, within and between Dunedin's centres
- supporting safe and efficient freight movement
- ensuring the ongoing resilience of Dunedin's transport system and key infrastructure.

The current state of Dunedin's network infrastructure

Water supply

Due to significant investment in the city's water supply assets over the past two decades, Dunedin City has high quality drinking water that complies with the Ministry of Health Drinking Water Standards. However, there are capacity issues in some areas of the network and some of the smaller, rural plants need work to improve reliability of treatment standards. In addition, as the infrastructure has been developed over a long period of time, some infrastructure does not meet today's requirements such as required fire flow pressures.

Wastewater

While the majority of the city's wastewater treatment plants are generally in good condition, there are many mechanical and electrical plant items that are reaching, or have reached, the end of their asset life. There are also some areas of the network and that are in poor condition due to the age of the pipes, resulting in stormwater and groundwater infiltrating the network, which can lead to wastewater overflows and 'wash-out' of the treatment plant process, particularly during heavy rainfall events and high tide. The condition and reliability of the rural wastewater systems vary across the five schemes.

Stormwater

The provision of stormwater services across the city includes the DCC, Otago Regional Council (ORC) and private watercourse (both open and piped) infrastructure. During heavy or prolonged rainfall, the drainage network no longer copes with flows in some areas, resulting in damage to property. Flows have increased due to changing climate and rainfall intensities, but also from development of the surrounding land. Issues can arise when a private watercourse has not been maintained or when private pipes are no longer of a size to safely convey flows.

Transport

There has been limited increases in renewals investment in the Dunedin transport network over the past five years, however, the cost of delivering renewals has increased by approximately 50%. The network has deteriorated as a result. Footpaths are generally in poorer condition than the roads. The city suffers from high crash statistics, particularly between motor vehicles and vulnerable roads users (i.e. cyclists and pedestrians). Resilience in the transport network infrastructure is under increasing pressure as many assets are becoming more at risk from flooding, erosion and king tides. Generally, the network has sufficient capacity with congestion only experienced in short morning and afternoon commuter peaks. Gaps still exist in the cycling network across the city with approximately 50% of the strategic cycleway network currently implemented.

Significant infrastructure issues and options for Dunedin

Regulatory, legislative and service delivery changes

The New Zealand Government is undertaking a substantial change programme that is expected to impact Dunedin's infrastructure services in the coming years. This includes reform of three waters regulatory and service delivery arrangements, freshwater reforms, review of the resource management system, changes to the way we provide for and manage urban growth, and reform of government and industry procurement systems. In addition, the Government Policy Statement on land transport, which sets out the Government's strategic direction for the land transport system over the next 10 years, is issued every three years.

3 waters regulatory and service delivery reform

The 3 waters industry is entering a period of significant change:

- there is a drive to improve the environmental performance of wastewater and stormwater systems
- drinking water regulation is changing
- a new water services regulator, Taumata Arowai, has been established
- the Government has proposed substantive reform of the 3 waters service delivery model, including the establishment of public, multi-regional water services entities, in response to affordability and capability challenges facing the sector.

More stringent regulation of 3 waters activities means that current levels of service will need to increase. Government funding for accelerating investment in 3 waters assets has already begun in connection with the Government's Three Waters Reform Programme.

Essential Freshwater Programme

The Government has also introduced changes to freshwater regulation through the Essential Freshwater Programme, which relate to the environmental regulation of stormwater and wastewater discharges and protection of drinking water sources.

The National Policy Statement for Freshwater Management 2020 (NPS-FM 2020) came into effect in September 2020. Regional councils are required to notify new or amended regional plans that give effect to the NPS-FM 2020 by 31 December 2024. These changes will have significant flow-on effects for 3 waters activities, through anticipated changes to permitted activities and more stringent requirements around discharges. Changes to engagement requirements are also expected which will promote tangata whenua involvement in freshwater management and decision making, and to ensure Māori freshwater values and the principals of Te Mana o te Wai are identified and provided for.

Resource management system review

In 2020, an independent panel appointed by the Minister for the Environment completed a comprehensive review of New Zealand's resource management system. The review's scope included looking at the Resource Management Act 1991 and its interfaces with the Local Government Act 2002, the Land Transport Management Act 2003, and the Climate Change Response Act 2002. The review recommended that the current Resource Management Act be replaced with three new pieces of legislation; a Natural and Built Environments Act, a Strategic Planning Act and a Managed Retreat and Climate Change Adaptation Act. The panel's report is expected to be followed in 2021 by consultation to develop government policy and a framework to link together the key pieces of legislation.

Urban Growth Agenda

The Urban Growth Agenda is a Government work programme that aims to remove barriers to the supply of land and infrastructure and make room for cities to grow up and out. It has five interconnected focus areas: infrastructure funding and financing; urban planning; spatial planning; transport pricing; and legislative reform.

The National Policy Statement on Urban Development 2020 (NPS-UD 2020) came into effect on 20 August 2020. The NPS-UD contributes to the Urban Growth Agenda by addressing constraints in New Zealand's planning system to ensure it enables growth and supports well-functioning urban environments. The NPS-UD 2020 categorises Dunedin as a tier 2 urban environment, bringing into effect a range of provisions relating to the amount of development capacity required to be serviceable with infrastructure.

Government Policy Statement on land transport

The Government Policy Statement on land transport (GPS) sets the Government's priorities on land transport investment over the next 10-year period.

The strategic priorities for GPS 2021 are:

- Safety – developing a transport system where no-one is killed or seriously injured
- Better Travel Options – providing people with better transport options
- Improving freight connections
- Climate Change – developing a low carbon transport system that supports emission reductions.

Investment in the transport network is typically co-funded by Waka Kotahi New Zealand Transport Agency (Waka Kotahi). Co-funding levels in DCC transport investment are generally linked to the level of alignment with the GPS.

The DCC's response

The DCC is managing the regulatory and legislative issues for 3 waters by undertaking strategic planning for network and treatment assets and progressing a proactive and comprehensive transition work programme to prepare for 3 waters reform. These projects include:

- asset management and policy improvements
- asset ownership options
- strengthening regulation
- servicing growth
- contract and capital delivery improvements
- system planning.

Replacing and renewing Dunedin's ageing infrastructure

Some assets of the 3 waters and transport networks require replacement based on their age and the likelihood they will not be able to maintain service levels in the future. Issues include cracked earthenware sewers letting in groundwater and causing overflows, and the transport network becoming unsafe. Without continued spending on renewal of these assets they are likely to deteriorate further. The DCC will increase spending on renewals over time. In some circumstances, 'like-for-like' renewals may no longer be enough to meet the needs and expectations of the community and regulators. This means it is likely the proportion of new capital against renewals funding will increase to allow for upgrades, particularly as the Government's 3 waters regulatory reform programme is implemented over the coming years.

The DCC will manage the renewal and replacement of ageing infrastructure by planning to renew assets as they reach the end of their useful lives or are in poor condition and to increase the level of renewal delivery year on year. There is also the ability to re-allocate funding from later years through the Annual Plan process to accelerate renewals if increased delivery is achieved. Renewals are targeted in areas with the highest risk and where possible are programmed to enable efficiencies between 3 waters and transport projects.

Responding to changes in demand for infrastructure

The DCC growth projections indicate Dunedin's population will increase from 126,255 (2018 Census) to be 144,249 by 2068. This will have an impact on the city's infrastructure.

3 waters and transport are planning for growth through specific capacity assessments and targeted capital works to meet projected demand.

The DCC is seeing growing diversity of travel choice across Dunedin; public transport, walking and cycling continue to be increasingly attractive options for people to get around the city or to and from work. The DCC will continue to invest in infrastructure to support and enable all transport modes across the city.

The Dunedin City District Plan controls what people can do on their land and how it can be developed. The main goal of the District Plan is to sustainably manage the natural and physical resources of Dunedin to meet the needs of current and future generations and to provide for their social, economic and cultural wellbeing and for their health and safety.

Under the Resource Management Act 1991, the DCC is required to review the District Plan every 10 years. A full review of the first Plan started in 2012. This review produced the Proposed Second-Generation Dunedin City District Plan, known as the 2GP. The 2GP is an entirely new plan, with a new format, new zones, objectives and policies, and many rule changes. The DCC must provide infrastructure to service relevant areas within the 2GP. The DCC initiated variation 2 to the 2GP on 12 February 2019. The purpose of the change was to identify targeted actions to address the shortfall in housing capacity over the next 10 years, in order to meet the DCC's obligations under the National Policy Statement for Urban Development.

The DCC will manage the response to changes in demand for infrastructure by planning and investing for a medium-high growth scenario over 2019-28 and a medium growth scenario from 2029 onwards. The 2021-31 capital programme is funded to investigate, and design new infrastructure required for the 2GP and Variation 2. The delivery of new infrastructure for 2GP and Variation 2 will be undertaken within the first 10 years of the programme and will be prioritised on demand in different areas. Remaining lower demand areas for 2 GP and Variation 2 infrastructure will be delivered over a longer period.

Public health and environmental outcomes

The 3 waters and transport networks provide important public health benefits to the community and deliver services which can impact on the natural environment. The provision of drinking water, wastewater and stormwater services directly affect public health and environmental outcomes through providing safe drinking water and management of wastewater and stormwater discharges. The provision of a safe and reliable transport network that supports the use of active transport modes directly affects public health through reduced road trauma and connected communities that are fit and healthy.

The DCC will manage the response to public health and environmental outcomes by increasing investment over time through existing renewals programmes and planning for changes to regulation and legislation.

Resilience to natural hazards

Natural hazards pose a lesser risk when infrastructure networks are resilient. Flooding, drought, catchment fire, landslides, rising groundwater and liquefaction in the event of an earthquake pose the most significant risks to Dunedin's infrastructure. The DCC is working to improve it's understanding of natural hazards and to develop options for resilient infrastructure networks into the future, including route resilience.

The DCC will manage this issue by ensuring investment in renewals and new capital specifically considers reducing the risk arising from natural hazards and where possible considers adaptive planning. Renewing aging infrastructure in flood prone and coastal erosion areas will reduce some risks arising from natural hazards. The DCC will continue to fund projects to improve the resilience of the water supply, wastewater, stormwater and transport network. Alpine Fault Quake Resilience and Lifelines resilience projects will also improve help resilience of the 3 waters and transport networks.

Planned increases or decreases in levels of service

The 3 waters industry is entering a period of significant change. The Government's reform programme is likely to require an increased level of service over time. Through strategic planning and improving asset management, the DCC will assess the costs and benefit of projects to meet new levels of service to ensure the best practicable options are implemented.

The transport levels of service for this 10 year plan demonstrate alignment with the GPS on Land Transport. Infrastructure investment to support active transport modes and public transport will continue to be invested in to improve levels of service in these areas. There are also opportunities to make amenity and service improvements in the central city through the Central City Plan projects to make the city more vibrant, support growth and to attract people to Dunedin.

The DCC will manage this issue by focusing on renewing infrastructure to reduce the risk of declining service levels and to increase resilience, while also investing in improving strategic service levels as planning and delivery capacity allows.

Zero Carbon 2030 target

In June 2019, the Council declared a climate emergency. The 'Zero Carbon 2030' target seeks to achieve city-wide net carbon neutrality (excluding biogenic methane) by 2030. The transport sector is Dunedin's most significant, and fastest growing, source of emissions. Emissions from this sector are closely linked to urban form, which in turn is greatly influenced by the provision of transport and 3 waters network infrastructure. Trends suggest that with increasing investment in infrastructure to improve the levels of service for active and public transport modes, there is a slow increase in uptake, and with increasing intensification of urban form, these trends are likely to continue.

Alignment of infrastructure provision with the Zero Carbon 2030 target will focus in the first instance on improving data quality, and amending internal policy and processes to ensure emissions reduction is central to strategic urban planning. In parallel, immediate capital investment in the transport network will be focused on projects that support mode choices.

The plan to address Dunedin's network infrastructure issues over the next 50 years

Dunedin is planning and investing for a medium-high growth scenario over 2021-28 and a medium growth scenario from 2029 onward. Because of this, significant work is required to enlarge and expand Dunedin's existing infrastructure. Renewals programmes and specific projects are also needed to address risks to health and safety, public health, levels of service and the environment, and to respond to new regulatory requirements.

In the short term, major renewals are needed at water treatment plants to ensure they continue to meet the Ministry of Health Drinking Water Standards and major renewals within the wastewater network and treatment plants are needed to ensure discharges will remain compliant and to provide a safe working environment for operational and maintenance staff. As 3 waters resource consents expire, investigations into the capacity of infrastructure, effects on the environment and working in partnership with Iwi will allow best practicable options for new resource consents to be achieved. The DCC will invest in flood alleviation in South Dunedin and Mosgiel, increase water supply resilience via the Port Chalmers and Water Supply projects and improve wet weather flow management on the wastewater networks.

In the medium term, water treatment plants will be upgraded as budgets allow to meet ongoing anticipated improvements in standards. Major renewals of water supply pipelines will also be undertaken to improve drinking water system resilience.

Large scale 3 waters projects are difficult to anticipate in the longer term due to a number of unknowns on how 3 waters reform and increased regulation will progress. However, within the timeframe of this Infrastructure Strategy, most 3 waters buildings and structures will require replacement or significant upgrades to ensure service levels are maintained. Some specific major projects are identified for post-2031 such as the Deep Creek/Deep Stream pipeline renewal and servicing the Variation 2 to the 2GP to enable growth. Further changes to the 3 waters networks may also be required depending on demographic changes within the city. Ongoing strategic planning within 3 waters will produce long-term strategic investment plans for the 2024-34 10-year plan.

The level of investment in transport renewals and maintenance across the city aims to maintain existing levels of service but does assume some transport mode shift associated with growth occurs to mitigate traffic congestion. In the short to medium term, improved planning and increased investment is required for assets such as sea walls, retaining walls and drainage assets in light of changing weather patterns. Overall, the mid to long-term, budgets are set with the aim of maintaining assets at their current condition. The nature and extent of capital programmes required over the longer term is more uncertain, however the impacts of climate change are likely to place pressure on the network's capacity to remain resilient in coastal, flood-prone, low-lying areas and will likely require some mitigation.

Long term investment in the Transport network will need to focus on resilience to natural hazards (e.g. St Clair sea-wall), and consider efficiency and movement of freight and people (Mosgiel heavy vehicle bypass and central city bypass) and an increased level of service in public transport for our city's main commuting populations.

To support the Council's Zero Carbon 2030 target, projects will aim to minimise carbon emissions both in the construction and operational phases. In addition, tight integration of land use, infrastructure and transport system planning will be essential, particularly in the implementation of the National Policy Statement – Urban Development and the development of a Future Development Strategy.

The DCC will continue to invest in relationships with professional and local government bodies such as Water New Zealand, Local Government New Zealand, Society of Local Government Managers, Institute of Public Works Engineers Australasia and Central Government to avoid duplication of effort and identify approaches used by other groups that can be applied in a local context.

Why our infrastructure is important

This section covers the purposes of our various infrastructure networks and explains how they work.

Water supply

Purpose of the water supply network

The purpose of the water supply network is to protect public health by delivering adequate quantities of safe water to water users. Clean drinking water is essential for public health and for the safe and productive operation of many businesses. The DCC provides drinking water services to protect the health of its residents and visitors and to support economic activity.

What's involved in supplying water?

The DCC manages the collection, supply, treatment and distribution of water to domestic and commercial residents in Dunedin. The below list covers the main aspects of the water supply system.

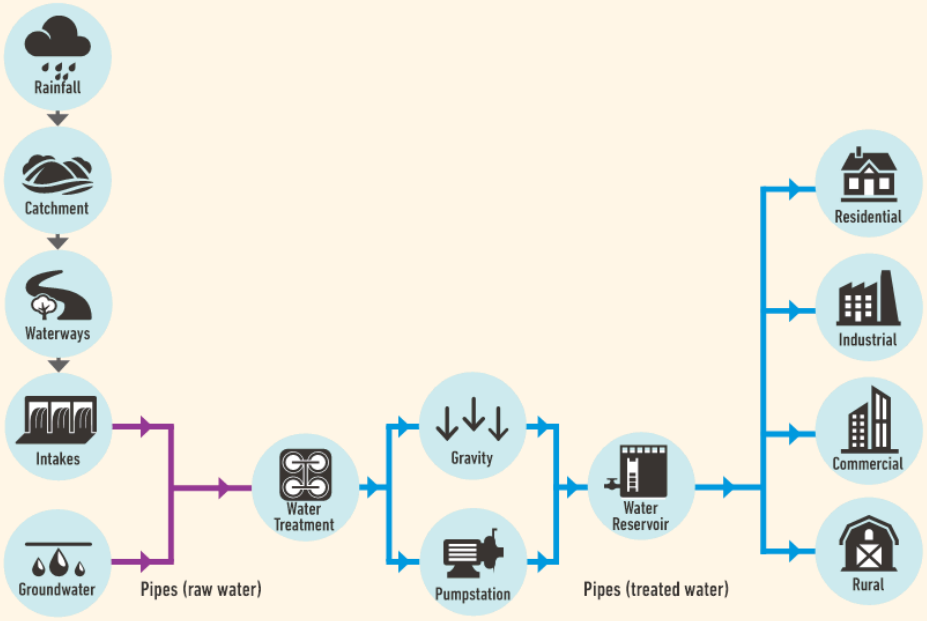
- Catchment: an area where water is collected by the natural landscape. The DCC holds 21,000ha of water catchment within its territory, and most of this land is in the protected Deep Stream and Deep Creek catchments.
- Untreated (raw) water: water that is collected from the catchments.
- Water supply: the main supply pipelines that carry raw water from the catchments to the raw water reservoirs or directly to the treatment plants.
- Treatment: raw water is treated at one of Dunedin's six water treatment plants.
- Distribution: the main pipelines between the treatment plants and the treated water reservoirs.
- Reticulation: pipelines that distribute water from the treated water reservoirs to the property boundary.

Water supply level of service measures

The water supply network provides the following levels of service:

- the water is safe to drink
- service calls are responded to promptly
- the water tastes and looks pleasant
- water is supplied at adequate pressure
- the water supply is reliable
- the Council is responsive to customer concerns
- water resources are used efficiently and sustainably.

How our water supply infrastructure works



Wastewater

Purpose of the wastewater network

Wastewater is taken from commercial and domestic properties via pipes and pumps to one of seven waste water treatment plants in the district. The wastewater system aims to protect the health of the community by providing cost effective, reticulated wastewater services throughout the urban area, and to treat wastewater to a high standard before it is discharged into the environment.

What's involved in the wastewater network?

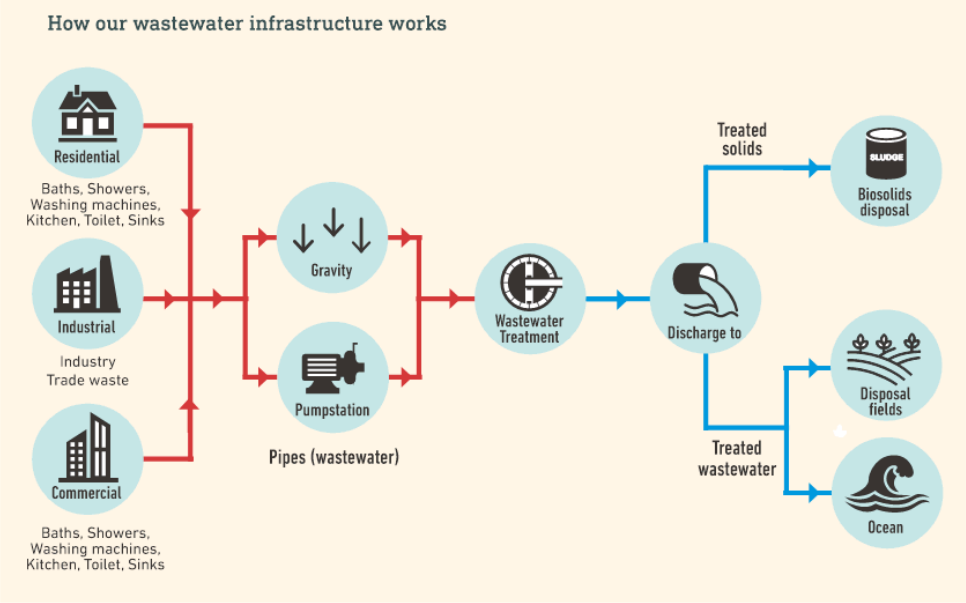
The DCC manages the collection, treatment and disposal of wastewater from residential and commercial customers across Dunedin. The below list covers the main aspects of the wastewater system.

- Reticulation: the network collects wastewater from domestic and commercial private lateral connections. The majority of the 918km of publicly owned wastewater reticulation system operates via gravity, with pipe size varying from 150mm to 1800mm in diameter.
- Pump stations: there are 79 wastewater pump stations throughout the reticulated network that pump wastewater from low points back into the gravity network. A critical pump station located at Musselburgh accounts for half of the wastewater pump station asset base (by value).
- Treatment: the DCC owns seven wastewater treatment plants. The population served by each plant varies from fewer than 100 for the smallest plant (Seacliff) to more than 83,000 for the largest plant (Tahuna). Treated wastewater is then returned into the environment.
- Biosolids: (or sludges) are the major by-product of the wastewater treatment process. They are the organic material that remains after sludge is treated. The vast majority of biosolids are generated by 3 waters wastewater treatment processes (with a small amount from the drinking water treatment process). Currently, Dunedin's biosolids are incinerated at the Tahuna wastewater treatment plant or disposed of at Green Island Landfill.

Wastewater level of service measures

The wastewater network provides the following levels of service:

- sewage is managed without adversely affecting the quality of the receiving environment
- service calls are responded to promptly
- the wastewater service is reliable, and the Council is responsive to customer concerns.



Stormwater

Purpose of the stormwater network

The stormwater network collects rainwater from the roofs of houses and buildings, footpaths and roads and diverts it to the ground, into waterways or the ocean. Effective management of stormwater is essential to prevent flooding of properties and businesses. Controls are necessary to ensure stormwater does not become excessively contaminated leading to pollution of watercourses, the harbour or the ocean. The DCC is not engaged in flood protection and control works except where it relates to stormwater or to protect assets such as roads.

What's involved in the stormwater network?

The DCC provides reticulated stormwater services to the city and to most areas that also receive reticulated wastewater. When an area is developed, stormwater generally increases due to runoff from impermeable surfaces (e.g. roofs, roads, car parks, or compacted soil). It flows naturally from higher to lower ground, and ultimately discharges into natural watercourses such as wetlands, creeks, rivers or the sea. Land development results in the creation of both private and public stormwater systems. These networks exist co-operatively to collect and transfer stormwater to waterways, and in some cases the marine environment, efficiently minimising damage to downstream assets.

The below list covers the main aspects of the stormwater system.

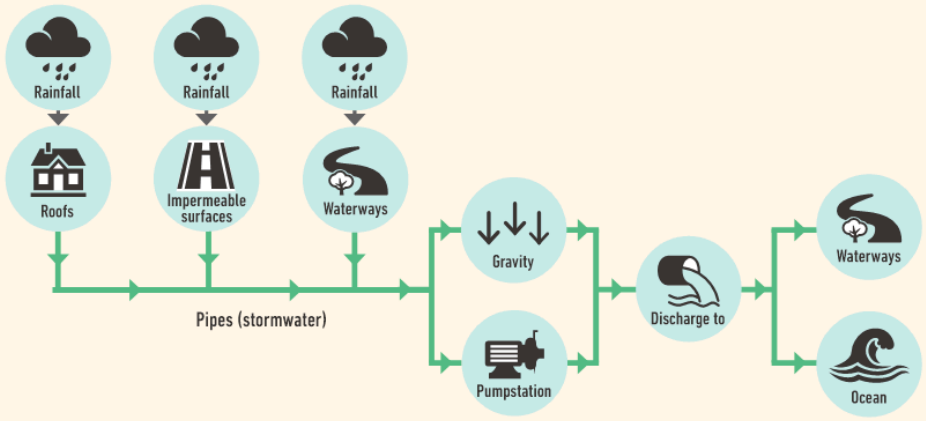
- Reticulation: the reticulated network collects stormwater from domestic and commercial connections, mud tanks and some watercourses, and discharges stormwater into watercourses, streams and the sea. Most of the 378km of publicly owned stormwater reticulation system operates via gravity, with pipe size varying from 100mm to 2700mm in diameter.
- Pump stations: there are 11 stormwater pump stations throughout the reticulated network that pump stormwater from low points back into the gravity network or to discharge points. The most critical pump stations are in South Dunedin and Mosgiel.
- Overland flow paths: structures such as swales direct and convey stormwater overland into the stormwater system.

Stormwater level of service measures

The stormwater network will provide the following major levels of service:

- stormwater services perform adequately and reliably
- stormwater is managed without adversely affecting the quality of the receiving environment
- service calls are responded to promptly.

How our stormwater infrastructure works



Note: Impermeable surfaces include: Footpaths, Driveways, Road surfaces (via Mudtanks) etc.

Transport

Purpose of the transport network

The role of a transport network is to provide access to move people and goods to destinations such as centres of employment, services, and amenities. Transport assets allow people choice about how they move around the city for either commuter or recreational purposes. Roading infrastructure also connects Dunedin to national and international road, rail, shipping and air transportation networks. Land transport investment promotes keeping people in employment, improves productivity, and supports economic growth and connected communities.

What's involved in the transport network?

The DCC manages a large network of transport infrastructure which includes roads (both sealed and unsealed) footpaths, cycle ways, streetlights, traffic signals, signs and road markings, retaining walls, bridges, culverts and seawalls.

The list below covers the main aspects of the transport network

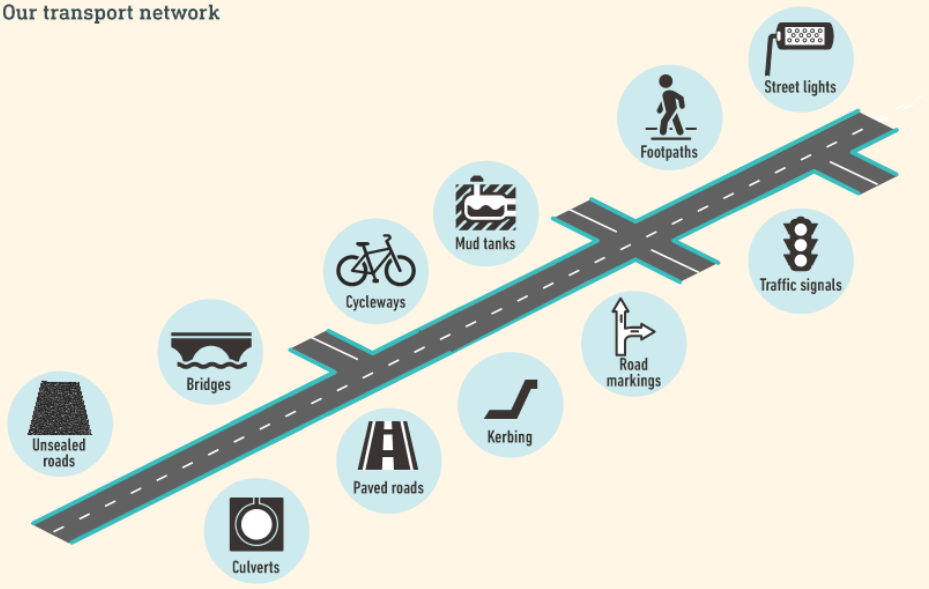
- 1071km of sealed roads
- 695km of unsealed roads
- 968km of footpaths
- 261 bridges
- 42km of seawall
- 8478 mud tanks
- 5742 culverts.

Transport levels of service

The transport network provides the following levels of service:

- the transport network facilitates safe travel
- the transport network facilitates active travel
- the transport network facilitates comfortable travel
- the transport network facilitates accessibility
- the transport network facilitates efficient travel
- the transport network facilitates sustainable maintenance
- the transport network is maintained in a responsive manner
- the use of electric vehicles (EV's) is supported
- minimising transport disruption during and after the construction of the new Dunedin Hospital rebuild will be supported through the Shaping Future Dunedin project.

Our transport network



How the infrastructure strategy contributes to Dunedin's community outcomes

Investing in Dunedin's water and transport infrastructure will contribute to achieving the city's community outcomes and the vision of making Dunedin one of the world's great small cities.

This table shows how key projects link to Dunedin's community outcomes.

Community outcome	Infrastructure projects contributing to the community outcomes
A supportive city with caring communities and a great quality of life	The central city upgrade will improve safety, support growth, support mode choice and contribute to a more vibrant and thriving central city environment for people to enjoy. The tertiary precinct upgrade will enhance safety and accessibility in this area while supporting growth and mode choice, creating a better quality of life through health benefits. The Dunedin urban cycleways will improve road safety for cyclists and continue to close the gaps of the cycleway network across the city. Providing active modes of transport is directly linked to health outcomes. The minor safety improvements programme will support safety and accessibility, particularly around schools and known areas where safety and accessibility are known issues. This will lead to better safety outcomes. The series of major centres upgrades will increase amenity in our major town centres across the city outside of the Central Business District (CBD), which will provide support for retail.
A healthy city with reliable and quality water, wastewater and stormwater systems	Upgrades and replacing ageing assets at the water treatment plants will ensure compliance with drinking water standards to supply adequate safe water to the community. The South Dunedin Flood Alleviation and Mosgiel Stormwater Network Improvement projects will reduce the risk of flooding by improving stormwater management in these areas. Port Chalmers water supply improvements will boost year-round reliability of drinking water to residents of Port Chalmers. Targeted renewals of the 3 waters networks will have a range of improvements in the water system such as supply aesthetics, increased fire flows and reduced supply interruptions. Inflow and infiltration to the wastewater network will be reduced. Upgrades and replacing ageing assets at the Metropolitan wastewater treatment plants will improve treatment reliability and wet weather flow management. Interventions to reduce wet weather wastewater overflows in Kaikorai Valley and South Dunedin will prepare the DCC for anticipated new standards for wastewater treatment and discharges. Rural wastewater scheme upgrades will ensure compliance with regulatory standards and reduce flooding risks. Development and implementation of a long-term Biosolids Strategy will provide sustainable, lower carbon solutions for dealing with Dunedin's waste sludges.
A sustainable city with healthy and treasured natural environments	A series of projects are programmed to improve the resilience of Dunedin's metro water supply for now and into the future. Assessing the ability of 3 waters networks and treatment plants to ensure compliance with new environmental standards and developing best practicable options. The Peninsula connection improvements will increase resilience to high tides and weather events. The LED street lighting upgrade will reduce energy needs.

Community outcome	Infrastructure projects contributing to the community outcomes
An active city with quality and accessible recreational spaces and opportunities	The Peninsula connection improvements will provide for walking and cycling along the Peninsula. Further development of Dunedin's urban cycle ways will encourage cycling uptake. The tertiary precinct upgrade will enhance the pedestrian and cycling environment in this area. The city to waterfront connection will improve accessibility and amenity in the waterfront area and contribute to a more vibrant and thriving city environment. The Shaping Future Dunedin Transport suite of works will improve how people move into, out of and around central Dunedin.
A successful city with a diverse, innovative and productive economy	Investing in increased capacity in 3 waters systems to enable growth in the city. Increasing and maintaining the level of asset renewals within 3 waters will support local and regional infrastructure providers. The central city upgrade will contribute to a more vibrant and thriving central city environment attracting more people to live, work, study and visit Dunedin. The central city upgrades aim to create retail prosperity in the CBD. The city to waterfront connection will improve accessibility and amenity in the waterfront area and contribute to a more vibrant and thriving city environment. The series of major centres upgrades will increase amenity and investment in our major town centres outside of the CBD. The tertiary precinct upgrade will improve the amenity and vibrancy of the streets around Dunedin's tertiary institutions and encourage and support active and public transport use.
A creative city with a rich and diverse arts and culture scene	The Art and Creativity in Infrastructure Policy will embed art and creativity into infrastructure projects.
A connected city with a safe, accessible and low-carbon transport system	The Peninsula connection improvements will improve safety, resilience and walking and cycling options. Further development of Dunedin's urban cycle ways will encourage cycling uptake and close the gaps in the Dunedin network for cycling. The city to waterfront connection will improve accessibility and amenity in the waterfront area and contribute to a more vibrant and thriving city environment. Ongoing annual programme of renewals will maintain existing levels of service across the transport network, including pavement reseals, pavement rehabilitations, seawalls, retaining walls, bridges, footpaths and kerb and channels. The minor safety improvements programme will improve safety and accessibility. The series of major centres upgrades will increase the level of service in our major town centres outside of the CBD.

Where are we now? Dunedin's water and transport infrastructure

This section covers the current condition and situation of the city's 3 waters and transport infrastructure.

3 Waters

As one of the country's earliest metropolitan centres, Dunedin's 3 waters infrastructure pre-dates that of other centres. Some assets are older than 150 years and still operate as essential pieces of the network today. As Dunedin has grown, so have the 3 waters networks, resulting in widely distributed networks with a broad range of pipe materials, diameters and construction methods. As areas were connected to the different networks at different times, there can be wide variation in age, condition and capacity of assets in the same location. As a result of age, many assets need repair and/or replacement. We mainly deliver our operational services in house, but some specialist resources are outsourced such as specialist maintenance providers, consultant services, design services and capital delivery contractors across 3 waters. This strategy does not look to change the service delivery approach as there is little benefit while the 3 Waters reform programme is unfolding.

Water supply

Today, most of the water supply needed for the city comes from the Deep Stream and Deep Creek catchments. This is then treated at Dunedin's two major treatment plants – Mount Grand and Southern – before being distributed for public consumption. In addition, the DCC operates four smaller community water treatment plants: Waikouaiti, Outram, West Taieri and Port Chalmers. The Port Chalmers water treatment plant is only operated during periods of high demand, such as cruise ship season, to supplement the main metropolitan supply.

Wastewater

Dunedin's Main Interceptor Sewer was constructed between 1903 and 1908. This sewer, which has gradually increased in size, is still in use today, running from the Dunedin Railway Station to the Tahuna wastewater treatment plant. It takes wastewater from a large part of the Dunedin metropolitan area, the West Harbour catchment as far as Port Chalmers and the East Harbour as far as Portobello. The second largest wastewater system collates flows from the north-west and west of the city, Brighton and Waldronville and is treated at Green Island wastewater treatment plant. In addition, the DCC operates wastewater networks and treatment plants at Mosgiel, Middlemarch, Warrington, Seacliff and Waikouaiti/Karitane.

As time has progressed, and community expectations around wastewater discharges have changed, treatment plants have been consolidated and upgraded. The most recent major upgrade, completed in 2016, was to the Tahuna wastewater treatment plant, with minor upgrades underway at Seacliff wastewater treatment plant.

Stormwater

Stormwater infrastructure in Dunedin consists of public and privately owned open and piped watercourses, the DCC owned reticulated stormwater networks and Otago Regional Council owned or managed drainage schemes, streams and river systems. As Dunedin has grown, the stormwater network has grown with it.

Increases in the scale and frequency of rainfall events and growing public expectations about the quality of stormwater discharges to the environment are significant challenges to be met by all those who own or manage stormwater infrastructure.

Due to the complex nature of stormwater systems, addressing stormwater issues can be expensive, require specialist skills and a catchment-based approach with the coordination of many individual watercourse owners. The current requirement for private infrastructure owners to maintain their watercourses does not always result in the best overall outcomes for the city and may be better managed by one entity. However, the DCC's drainage rates do not currently make any allowance for maintaining infrastructure identified as privately owned.

Transport

Dunedin's transport network is relatively complex in comparison to most provincial centres. It is made up of a diverse range of assets and has an equally high mix of urban and rural roads within a varied topography. Footpaths are generally in poorer condition than the roads. Maintaining transport levels of service is supported by the funding arrangements with Waka Kotahi year on year.

Resilience in the road network is an ongoing issue as many roads across the city are at risk from flooding, erosion and king tides. Heavy vehicle movements continue to put pressure on road pavements and deterioration of roading assets is being observed. This is particularly evident on roads from the south to the Port and the inner harbour. Certain routes across Dunedin are seeing congestion in short commuter peak travel windows.

In addition, the city suffers from the social cost of road trauma with reasonably high crash statistics across the city. Crash statistics are particularly high between motor vehicles and vulnerable road users such as pedestrians. Gaps exist in the strategic cycling network with approximately 50% of the network currently implemented across the city.

Maintenance services are outsourced via a 10 year maintenance agreement with Fulton Hogan. Other capital works and structure inspections are also outsourced to contractors.

Managing Dunedin's water and transport infrastructure

Today, Dunedin's water and transport infrastructure are worth $4.1 billion (gross asset replacement cost).

3 Waters

Several factors are considered when managing Dunedin's water infrastructure:

- asset age, condition and performance[1]
- changing weather patterns (such as rainfall intensity and drought frequency)
- changes to population or land use
- changes to legislative and regulatory requirements, such as drinking water standards and national policy statements.

When infrastructure assets are not performing as required, or are unable to meet new standards, capital projects are scoped so deficiencies can be addressed. These projects are prioritised based on the criticality of the assets and the likely impact of any loss of service and programmed into 3 waters budgets. Strategic Planning is currently underway for water and wastewater, and will soon commence for stormwater, in the form of system planning. For wastewater it considers from the source (e.g. residential, commercial and industrial customers) to disposal (e.g. the ocean) and for drinking water it considers from the catchment (e.g. a river) to the customer's tap. Long-term optimal solutions can be developed by looking holistically at factors such as capacity, performance, growth, new standards, overflows, and storage.

Funding for infrastructure is categorised in two ways. Renewals funding is targeted at maintaining existing service levels, whereas new capital funding can both maintain existing service levels (where current assets can no longer achieve required outputs e.g. raw water quality changes require increased treatment to maintain standards) or be targeted at increasing levels of service in order to meet modern standards. These standards include new consent conditions for water take and discharge permits, changes to the drinking water standards, health and safety improvements, increasing capacity to meet additional demand and improvements to operational efficiency.

Both renewals funding and new capital funding are often used together on specific projects. The renewal of an undersized pipe will use renewal funding in the 'like for like' replacement portion of the works, while an incremental change in pipe diameter is considered 'new capital'.

Transport

Several factors are considered when managing Dunedin's transport infrastructure:

- asset age, condition and performance
- changes to population and land use
- changes to GPS on land transport
- maintenance to repair defects and preserve remaining life.

Most of the transport network's maintenance, renewal and new capital programmes are subsidised by Waka Kotahi at a funding assistance rate of 53% – 51%. Every year a funding bid is submitted to Waka Kotahi for co-funding the transport network programmes. In recent years construction prices have increased significantly, creating financial pressures in delivering renewal and maintenance programmes with limited Waka Kotahi funding and corresponding DCC share.

This Infrastructure Strategy assumes that there will be constraints in Waka Kotahi funding (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. In the short term at least, renewals co-funding from Waka Kotahi 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%. Investing in the renewal of the network will continue, to ensure levels of service are maintained. 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.

The Dunedin Integrated Transport Strategy 2013 is an overarching strategy covering the whole of Dunedin's transport system and is designed to enable the DCC to review its investment priorities and ensure they are relevant to the current and future needs of Dunedin. It identifies and outlines areas of focus developed from several transport challenges and issues that Dunedin faces. The Strategy focuses on transport choice whilst maintaining the levels of service for road users. A corresponding asset management plan determines a condition-based asset maintenance and renewal programme that sets the level of investment required to maintain the existing transport infrastructure across Dunedin City.

1 3 waters level of service measures are set out in the 10-year plan.

How does the DCC assess the condition of water supply assets?

Methods for assessing the condition of the DCC's 3 waters infrastructure vary by asset type but typically involve visual or physical inspection. Water pipes are more difficult to assess due to the continual flow of water through them. Instead, small sections of pipe must be taken out for inspection. The condition of treatment plants is routinely inspected by DCC staff to ensure assets are appropriately maintained. Specialist engineering advice is used as required. The DCC 3 Waters Group is currently undertaking a series of improvements to water treatment asset condition assessments.

Summary of water supply assets

Asset condition

- Significant number of assets in poor condition
- Some assets in poor condition
- No or few assets in poor condition

Asset capacity

- Significant capacity issues currently experienced
- Capacity issues in some areas and/or capacity issues can be expected
- No or minor capacity issues and none are currently expected

Asset group and type		Purpose and description	Number/Length	Value $000	Asset condition	Asset capacity
Metropolitan Water Systems including the Dunedin City (Mount Grand, Southern and Port Chalmers) and Mosgiel supplies						
Raw Water Supply	Bore pumps and intake structures	Extract raw water from surface sources – from Deep Creek, Deep Stream (supplying Mount Grand Treatment Plant), Silverstream and tributaries (supplying Southern Treatment Plant), Cedar Farm Creek and Brosnahan's Creek (supplying the Port Chalmers Treatment Plant).	18	3,326	Intakes and pumps in active service are maintained in good condition.	Current risks in supply demand within the network are planned for remedial action within the short – medium term, while longer-term risks will be addressed as part of water system planning to inform the 2024-34 10 year plan. The recent refurbishment of the Ross Creek Reservoir is one of several projects aimed at increasing the security of raw water supply to the Dunedin metropolitan area. Existing capacity, while good, is susceptible to drought and the failure of critical assets. The ability to supply water in such events will be improved when the Ross Creek Reservoir is able to supply Mount Grand Water Treatment Plant via the building of a new supply pipeline.
	Raw water pipelines and pump stations	Take untreated water from source to treatment plants. This includes the Taieri River pipe bridge carrying water from Deep Creek and Deep Stream, and the Puddle Alley and Silverstream pump stations, pushing water from the Taieri bores and Silverstream respectively, up to the Southern Reservoir.	157km pipelines one pipe bridge two pump stations	232,528	The majority of the raw water pipelines are in good condition, however sections of the Deep Stream and Deep Creek pipelines upstream of the Taieri River pipe bridge are in poor condition, with specific concerns relating to the joints between sections of pipe. Enabling supply from the Ross Creek Reservoir will make these pipelines less critical, enabling the renewal of the pipelines to be pushed out while various long-term options are considered. Repairs to the pipelines are made as required.	

Asset group and type		Purpose and description	Number/Length	Value $000	Asset condition	Asset capacity
Raw Water Supply	Raw Water Reservoirs	Raw water storage for supply to treatment plants (dams), including Port Chalmers (Cedar Farm and Rossville), Mount Grand and Southern reservoirs as 'live' supplies, with Ross Creek and Sullivan's Dam not currently live supplies.	Six	21,454	Raw water reservoirs are managed in accordance with the Dam Safety Assurance Programme (DSAP) overseen by the consenting authority. All raw water reservoirs are in good condition, however ongoing work will be planned as required by the DSAP.	
Water Treatment	Treatment Plants	Plant and equipment used to screen, filter, pH adjust, and disinfect water to meet the Drinking Water Standards New Zealand (DWSNZ), and plant and equipment used to monitor and control individual processes.	Three plants (Mt Grand, Southern and Port Chalmers)	77,319	Plant and equipment at the water treatment plants are maintained in good condition to ensure water produced meets drinking water standards. Recent condition assessments have produced a plan of renewals over the period of the plan to ensure the treatment plants can continue to supply drinking water which meets national standards.	Recent process capacity assessments showed most of the water treatment plants can cope with current and future demand. Where future demand risks have been identified, system planning will produce the best practicable option, which may include plant rationalisation. The Port Chalmers Treatment Plant runs seasonally (October to April), when peak demand from cruise ships is unable to be met by the Dunedin city supply alone. This is an expensive water supply arrangement. Rationalisation of this supply is planned on completion of feasibility studies, which is expected to result in water supply from Mount Grand Water Treatment Plant and a new supply pipeline.

Asset group and type		Purpose and description	Number/Length	Value $000	Asset condition	Asset capacity
Treated Water Distribution	Treated Water Pipelines and Pump Stations	Transport water from treatment plants around the network, with pump stations boosting water to areas of the network unable to be reached by gravity feed alone. Includes the 25km treated water pipeline connecting the northern water schemes of Waitati, Warrington and Seacliff to the Dunedin City water supply.	989 km pipelines 18 pump stations 23,626 minor point assets (valves, hydrants and meters)	456,364	As with some other 3 waters networks, areas of the network are in excellent condition while other areas are in poor or very poor condition, which affects flow and pressure to customers. Ongoing renewals are targeted at areas of very poor condition. Renewals of flow meters have been stepped up since 2010 but many are still outside their expected lives and are likely to be in poor condition for assets of this type.	Capacity in the treated water network is defined as being where the flow rate of water supplied by an individual fire hydrant within the network meets the requirements of the NZ Fire Service Code of Practice for Fire Fighting Water Supplies (Standards NZ reference NZ PAS 4509:2008). For the Dunedin City and Mosgiel water supplies, some of hydrants across the city are non-compliant with the standard. This generally relates to water mains installed before 1960, where the 100mm diameter pipes were appropriately sized at the time of installation but are undersized for today's demand. In peak summer demand, some pipelines do not meet sufficient capacity and so these are targeted for replacement. A programme of renewals and new capital works targeting these areas is underway, with targeted pipeline renewals as the next package of works, aimed at improving pressure management and fire flows.
	Treated Water Reservoirs	Treated water storage within the network to meet peak demand and ensure supply in the event of network outages.	44	33,159	Regular maintenance means that most city reservoirs are in good condition. Some reservoirs will require replacement within 50 years and have been accounted for as part of the forecast renewals.	
	Service connections	Service lines, tobies, manifolds and backflows preventers connecting private properties to the water network in a safe manner.	44,132	111,597	A significant proportion of service connections in the metropolitan area are older style 'toby' connections. These will be replaced with modern manifold connections when capital works are being undertaken in an area.	
Rural Water Supplies	Waikouaiti/ Karitane/ Merton	Extract water from Waikouaiti River, treat to drinking water standards and pump or gravity feed to properties in the Waikouaiti urban water supply area, and the Karitane and Merton rural water supply areas.	one plant 96 km pipelines three pump stations 2,638 minor point assets (valves, hydrants and meters)	28,485	The Waikouaiti water treatment plant is in generally good condition though some assets with shorter lifespans (filter membranes) are nearing the end of their useful lives and in correspondingly average to poor condition. There is a scheme which will extend into the early years of the plan which renews these assets. Condition of water mains in Karitane is of concern with a high number of breaks per kilometre being an indicator of poor asset condition. This will be addressed through the current renewal work in this area.	There are identified capacity issues in the Waikouaiti and Karitane treated water networks. Recent capital works have been completed in Waikouaiti to address some of these issues; further works are programmed within the Karitane township and from the Waikouaiti Reservoir to the Waikouaiti township in the near future to improve capacity. There are still known capacity issues in the Edinburgh Street (Waikouaiti) area, which will not be completely alleviated by the recent and planned upgrade works. Further work will be programmed in year 7-10 of the strategy to improve capacity in this area. The Merton supply is a restricted rural scheme with enough capacity for the foreseeable future. Upgrades to the Waikouaiti Water Treatment Plant will improve taste and aesthetics.

Asset group and type		Purpose and description	Number/Length	Value $000	Asset condition	Asset capacity
Rural Water Supplies	Outram	Extract water using a bore pump located adjacent to the Taieri River, treat to meet drinking water standards, and gravity fed to properties within the Outram water supply zone.	One plant 17 km pipelines one pump station 961 minor point assets (valves, hydrants and meters)	6,359	Condition within the Outram network is generally good to excellent. Recent condition assessments of the treatment plant have produced a plan of renewals over the period of the plan to ensure the plant can continue to supply drinking water which meets national standards.	Recent capacity assessments have shown that work is needed to meet future demand within the treatment plant. The strategic investment plan for longer term upgrades are part of the water system planning.
	West Taieri Rural Scheme (Restricted)	Water extracted from the Waipori River, treated to meet drinking water standards, and pumped to Dunedin Airport and privately-owned tanks within the West Taieri water supply zone.	One plant 127 km pipelines five pump stations 392 minor point assets (valves, hydrants and meters)	8,921	The West Taieri water treatment plant is in generally good condition, although some shorter lifespan assets are nearing the end of their useful lives and are in correspondingly average to poor condition. The piped network is also generally in good condition with a relatively small number of breaks per kilometre.	There is sufficient capacity within the West Taieri Rural Scheme to meet demand for the foreseeable future.

How does the DCC assess the condition of wastewater assets?

Visual inspection methods, such as closed-circuit television (CCTV) filming, are used to assess the condition of wastewater pipes. The results from these CCTV inspections are used to determine if assets need to be repaired or replaced.

DCC staff undertake visual and physical inspections of the condition of treatment plants and pump stations to ensure assets are appropriately maintained. Specialist engineering advice is used as required. Data on material /unit type, age, condition, performance, location, capacity, criticality and remaining life is collected for 3 waters assets. Confidence in the condition information about the DCC's wastewater network and treatment assets ranges varies. The DCC 3 Waters Group is currently undertaking a series of improvements to wastewater treatment asset condition assessments.

Summary of wastewater assets

Asset condition
Significant number of assets in poor condition
Some assets in poor condition
No or few assets in poor condition

Asset capacity
Significant capacity issues currently experienced
Capacity issues in some areas and/or capacity issues can be expected
No or minor capacity issues and none are currently expected

Asset group and type		Purpose and description	Number/Length	Value $000	Asset condition	Asset capacity
Tahuna catchment						
Metropolitan Wastewater Systems	Wastewater Network	Transport untreated wastewater from customers' point of discharge to Tahuna wastewater treatment plant.	618 km pipelines (including 4.5 km main interceptor sewer) 39 pump stations 14,176 network access points (manholes, lampholes etc.)	520,352	With a high proportion of early 20th century pipework, much of the network feeding the Tahuna WASTEWATER TREATMENT PLANT is in poor condition. A large portion of the network is older earthenware pipe with more joints than modern equivalents. As they deteriorate, these joints allow considerable volumes of water to infiltrate into the network, exceeding network capacity during heavy rainfall events and resulting in wastewater overflows downstream. Pipeline renewals are focussed on areas of high inflow and infiltration.	High intensity rainfall events can lead to inflow and infiltration entering the network with wastewater systems becoming overwhelmed and overflowing, while at the treatment plants wash out can occur which severely disrupts treatment processes. Incapacities upstream in the Tahuna wastewater catchment overflow into stormwater catchments flowing into the South Dunedin area, further exacerbating flooding issues in the area. The performance and possible solutions to wet weather flow management will continue, by undertaking flow monitoring and incorporating the ground water model information. The best practicable solutions will be assessed for cost and their ability to deal with growth, resilience and carbon impacts.

Asset group and type		Purpose and description	Number/Length	Value $000	Asset condition	Asset capacity
Metropolitan Wastewater Systems	Wastewater Treatment and discharge to ocean outfall	Treat wastewater to meet discharge consent conditions.	One treatment plant 1.1 km outfall pipe off Middle Beach	136,251	The upgrade of the Tahuna wastewater treatment plant means parts of the plant are in good to excellent condition. Some sections or the original building will require some further remedial works in the short to medium term. The condition of the rising mains from the Musselburgh pump station to Tahuna wastewater treatment plant are poor, with investigations into options starting in 2020 to inform remedial action in the short-medium term.	The recent process capacity assessments have shown the Metropolitan treatment plants have capacity to treat to current environmental standards now and in the future, but small-scale renewals are needed to continue capacity as the assets age. As with most city plants, wet weather flows can overwhelm the system and solutions will be developed as part of the wastewater system planning.
Green Island catchment (excluding Mosgiel)						
Metropolitan Wastewater Systems	Wastewater Network	Transport untreated wastewater from customers' point of discharge to Green Island wastewater treatment plants	121 km pipelines 26 pump stations 2,037 network access points (e.g. manholes lampholes.)	117,419	The Green Island network is generally in good condition given its age, however the plant does receive high wet weather flow volumes due toinflow and infiltration problems in the catchment.	Some treatment capacity is available within the Green Island network, however wet weather flows can overwhelm the system. Solutions will be developed as part of system planning.
	Wastewater Treatment and discharge to ocean outfall.	Treat wastewater to meet discharge consent conditions.	one treatment plant 850m outfall off coast at Waldronville	26,962	The Green Island wastewater treatment plant is in average condition given its age. Smaller scale renewals and process changes are needed to continue to meet levels of service and implement short-term wet weather flow management operational processes.	The recent process capacity assessments have shown the Metropolitan treatment plants have capacity to treat to current environmental standards now and in the future, but small-scale renewals are needed to continue capacity as the assets age. As with most city plants, wet weather flows can overwhelm the system and solutions will be developed as part of the wastewater system planning project.
Mosgiel catchment (includes Allanton)						
Metropolitan Wastewater Systems	Wastewater Network	Transport untreated wastewater from customers' point of discharge to wastewater treatment plants	113km pipelines six pump stations 2,226 network access points (manholes, lampholes etc.)	87,354	Some areas of the Mosgiel wastewater network are in excellent condition, while other areas are in poor or very poor condition. While the overall network is a similar age to the Green Island network, the way in which the Mosgiel network was constructed means that it experiences significantly higher infiltration during rainfall events. During heavy rainfall events groundwater levels become elevated which increases the amount of groundwater infiltrating into the wastewater network.	There are significant incapacities in the network servicing the Mosgiel wastewater treatment plant catchment. High levels of inflow and infiltration result in wastewater overflows to roads, homes and properties during heavy rainfall events. Preliminary investigative work has shown that large-scale pipeline and pump station upgrades are needed to reduce the risk of flooding.

	Asset group and type	Purpose and description	Number/Length	Value $000	Asset condition	Asset capacity
Metropolitan Wastewater Systems	Wastewater Treatment and transfer to Green Island	Treat wastewater to remove solids and organic matter, transfer to Green Island Wastewater for UV treatment prior to discharge.	one treatment plant 20 km transfer line to Green Island	25,812	The Mosgiel wastewater treatment plant has some mechanical, electrical and civil plant items in poor condition resulting in increased operations and maintenance costs. Renewals will be stepped up to improve overall plant condition to maintain service while awaiting long term options from system planning.	While there is sufficient capacity within the Mosgiel wastewater treatment plant for dry weather flows, the pipeline that transfers effluent from the Mosgiel wastewater treatment plant for final treatment at the Green Island wastewater treatment plant is at capacity during heavy rainfall events, resulting in a bottleneck at the treatment plant. Investigative work is underway to determine the most appropriate solution long term.
Rural Wastewater Schemes	**Waikouaiti (including Karitane), Seacliff, Warrington and Middlemarch catchments**					
	Wastewater Network	Transport untreated wastewater from customers' point of discharge to wastewater treatment plants	43 km pipelines 10 pump stations	29,002	Rural wastewater network assets vary between 'very good' and 'poor' condition. The Karitane portion of the network is in very good condition having been installed as an entirely new network in 1983. Renewal of older assets is incorporated as part of forecast renewals as assets reach the end of their useful lives.	There is incapacity in the Waikouaiti/Karitane network which show up as minor wastewater overflows at the Karitane No. 1 pump station during heavy rainfall events. There are no known network capacity issues in Seacliff or Warrington. There are known capacity issues in Middlemarch due to inflow and infiltration issues evidenced by minor network overflows in wet weather, work is underway to understand the best 'whole of system' solution for the area.
	Wastewater Treatment and discharge to land	Treat wastewater to meet discharge consent conditions.	four treatment plants and associated disposal areas	4,297	The rural wastewater treatment plants are generally in good condition, with renewals planned over the next 10 years as discharge consents expire. Treatment options will be considered as renewals are planned, with Seacliff being the first of the northern wastewater treatment plants programmed for renewal.	There is enough capacity within the existing wastewater treatment plants for current and forecast flows in the short term. The plants will be upgraded over the next 10 years prior to their discharge consents expiring, with any forecast capacity changes accounted for as the upgrades are planned.

How does the DCC assess the condition of stormwater assets?

The condition of stormwater pipes is primarily assessed through CCTV filming. The results from CCTV inspections are used to determine whether assets need repair or replacement, and when this needs to happen. The condition of pump station assets is routinely inspected by DCC staff to ensure assets are appropriately maintained. Specialist engineering advice is used as required. Data on material /unit type, age, condition, performance, location, capacity, criticality and remaining life is collected for 3 waters assets. The DCC 3 Waters Group is currently planning to undertake a series of improvements to stormwater asset condition assessments.

Summary of stormwater assets

Asset condition	Asset capacity
Significant number of assets in poor condition	Significant capacity issues currently experienced
Some assets in poor condition	Capacity issues in some areas and/or capacity issues can be expected
No or few assets in poor condition	No or minor capacity issues and none are currently expected

Area	Asset type	Purpose/ description	Number/ Length	Value $000	Asset condition	Asset capacity
South Dunedin (includes the individual stormwater catchments of Orari Street, St Clair, Portsmouth Drive, and South Dunedin)	Pipe network	Transport stormwater water to pump stations or outlets	97km pipelines 2,454 network access points (manholes, lampholes etc.)	155,861	Condition of the pipe network in the wider South Dunedin stormwater catchment area varies widely based on the age, diameter and construction materials of individual pipes. Older large diameter pipes are generally in sound condition, due to the construction methods of the era.	In heavy rainfall events the stormwater network in South Dunedin can become overwhelmed, resulting in flooding of roads, homes and properties. This is exacerbated by areas of high ground water, particularly around high tide. Hydraulic modelling indicates the stormwater network is performing below the expected level of service. The DCC is working with the ORC and GNS Science to develop and incorporate groundwater into the hydraulic model for the area. Significant capital works are proposed to bring these assets up to currently accepted design standards.
	Pump stations	Pump storm-water during times of significant inflow	three pump stations	5,120	The majority of pump stations are in average condition with some requiring attention to wet wells, pipes and pumps.	Pump station capacity is generally good; issues relate to incapacity within the wider network.
Mosgiel, East Taieri and Outram	Pipes	Transport stormwater water to pump stations or outlets	57km pipelines 1,023 network access points (manholes, lampholes etc.)	66,442	Condition of the pipe network in the Mosgiel, East Taieri and Outram area varies widely based on the diameter and construction materials of individual pipes.	Mosgiel is a very sensitive stormwater catchment; the area is the flood plain for the Taieri River and Silverstream and is underlain by the extensive Taieri Aquifer which is responsive to river levels. The DCC stormwater network discharges into the Taieri River, Silverstream and other tributaries, and when those waterways are high stormwater discharge is impeded. Mosgiel frequently experiences catchment-wide nuisance flooding in small rainfall events. Deep flooding and property flooding are experienced in some areas. Capital works are proposed after modelling improvements have assessed the best practicable option to bring areas of the network with capacity issues up to currently accepted design standards.

Area	Asset type	Purpose/ description	Number/ Length	Value $000	Asset condition	Asset capacity
	Pump stations	Pump stormwater during times of significant inflow	five pump stations	1,284	Many pump stations are in average condition with some requiring attention to wet wells, pipes and pumps.	Pump station capacity is generally fair; issues have tended to be with incapacity within the wider network. Capital works are planned to enhance pump station performance in conjunction with pipe improvements above.
Centre City (includes the individual catchments of Halsey Street, Mason Street, Kitchener Street and Ravensbourne Road) Outlying areas: Port Chalmers, Brighton/Waldronville, Green Island, Waikouaiti/ Karitane and Warrington.	Pipes	Transport stormwater water to pump stations or outlets	233km 7,406 network access points (manholes, lampholes etc.)	265,152	Condition of the pipe network in the Centre City area varies widely based on the age, diameter and construction materials of individual pipes. Older large diameter pipes are mostly in sound condition, due to the construction methods of the era. Capital works are proposed via the Central City, Tertiary Precinct and general renewals projects.	Capacity issues exist in small discrete areas of the network. These issues will be addressed through focused capital works. The DCC is working with the ORC and GNS Science to develop and incorporate a groundwater model for the central city area. Northern area – there are limited networks installed in the townships of Waikouaiti, Karitane and Warrington. Both – stormwater system planning will be developed in the early years of this 10-year plan and will provide a basis for future investment.
	Pump stations	Pump stormwater during times of significant inflow	three pump stations	1,541	Many pump stations are in good condition with some attention required on specific wet wells, pipes and pumps. The pump station renewals projects target these issues.	Pump station capacity is generally good.

How does the DCC assess the condition of transport assets?

Assessing the condition of above ground infrastructure like roads, cycleways and footpaths is more straightforward than assessing the condition of pipes and other underground infrastructure. The transport team uses a rolling programme of condition assessments to inform its maintenance and renewals decisions which translates into the Asset Management plan which enables co-funding with Waka Kotahi. The level of confidence in the knowledge of the DCC's transport assets is high.

Summary of transport assets

Asset condition

Significant number of assets in poor condition
Some assets in poor condition
No or few assets in poor condition

Asset capacity

Significant capacity issues currently experienced
Capacity issues in some areas and/or capacity issues can be expected
No or minor capacity issues and none are currently expected

Asset group and type	Number/ Length	Value $000	Asset Condition	Asset capacity
Paved roads	1,071 km	824,880	Road pavements are in decline. Most of Dunedin's sealed pavements have a theoretical useful life ranging from 60 – 100 years. 57% of pavements are aged 60 years and over. Based on condition assessment road condition is in decline. Smooth travel exposure for urban roads has sat below target for the past 11 years and has slowly declined.	In capacity terms the Dunedin urban network is experiencing congestion at certain parts of the day. With the hospital re-build coming congestion will increase so intervention such as the Harbour Arterial bypass are required. In addition, offering Transport choices will be necessary to avoid congestion in the future.
Unsealed gravel roads	693km	28,284	Gravel roads are maintained in a good condition; however, dust suppression methods have changed meaning potentially gravel roads will see higher volumes of dust.	In capacity terms the Dunedin transport network is fit for purpose and can cope with traffic demands.
Footpaths & Cycleways	976 km	177,700	There are a high percentage of footpaths that have exceeded their life, or are nearing the end of their economic life. Asphalt footpaths, that represent 76% of footpaths, have approximately 23% of the network at the end or nearing the end of their expected economic life. Concrete footpaths, that make up 6% of footpaths, have approximately 48% exceeding their expected economic life. Slurry seals, that represent 9% of footpaths, has 84% exceeding or nearing the end of their expected economic life. In the past 3 years 18% of the network have shown signs of deteriorating with a higher proportion moving to average condition from good to very good.	In capacity terms Dunedin's footpaths are fit for purpose and can cope with pedestrian demands.
Road drainage Kerbing		175,571	Kerb and channel condition are showing signs of decline. In 2019/20 6% of the network was in poor to very poor condition and without sustained investment this is expected to rise as more reach the end of their economic lives.	Good
Signs, road markings and signals	20,403 signs 79 signalled intersections	10,721	Signs, road markings and signals are maintained to a good condition.	Good
Street lights	13,656 streetlights, 5 base stations, 3,313 tele-cells	27,900	LED rollout will be complete by the middle of 2021	Good

Asset group and type	Number/ Length	Value $000	Asset Condition	Asset capacity
Bridges and large culverts	243 bridges 61 large culverts	100,217	Bridges are in largely good condition.	Good
Culverts and mud-tanks	5,734 culverts 8,331 mud-tanks	72,127	Culverts have 5% in poor condition, 35% in average condition, 36% in good condition and 20% in very good condition. 4% are awaiting condition rating. The expected age for mud-tanks is 80 years. 74% are aged between 70-79 years thus nearing the end of their estimated lives, however in terms of their structural condition (which is largely unknown) as long as mud-tanks are adequately maintained it would be expected they would live well beyond their estimated lives.	Given changing weather patterns, emphasis has been placed on ensuring culverts and mud-tanks are maintained to a high standard. Capacity may become an issue in the face of significant adverse conditions.
Seawalls	41 km	35,480	Seawalls have 6% in very poor condition, 13% in poor condition, 23% in average condition, 39% in good condition and 19% in very good condition.	Isolated areas of the network are compromised during significant weather events and will require future investment.
Retaining walls	31 km	27,832	Many of Dunedin's retaining walls were made many years ago and do not meet the current design requirements. Many provide resistance to surface erosion, rain and weathering but are not able to retain saturated retained material. As such many may be at risk of failure during high rainfall events and are routinely inspected and monitored for movement and condition.	Given changing weather patterns and the age of some retaining walls capacity may become an issue.
Minor structures		9,950	Minor structures are maintained regularly and are in good condition.	Good

Significant infrastructure issues and opportunities for Dunedin

This section sets out the key infrastructure challenges and opportunities for Dunedin and the main options and implications for managing these over the next 50 years.

Regulatory, legislative and service delivery changes

The Government is undertaking a substantial change programme that is expected to impact Dunedin's infrastructure services in the coming years. This includes reform of 3 waters regulatory and service delivery arrangements, freshwater reforms, review of the resource management system and changes to the way we provide for and manage urban growth. In addition, the Government Policy Statement on land transport, which sets out the Government's strategic direction for the land transport system over the next 10 years, is issued every three years.

3 Waters regulatory and service delivery reform

The Government's Inquiry into the Havelock North water supply contamination event of 2016 recommended a suite of changes to improve the safety of drinking water in New Zealand. Three key issues were identified – regulatory weakness, funding and financing challenges, and capability and capacity challenges.

In 2017, the Government established the Three Waters Review. The Review acknowledges multiple challenges facing 3 water services, including funding pressures, ageing infrastructure, rising environmental standards, climate change, seasonal pressure from tourism, and an industry-wide shortage of skilled and qualified people. From the outset, the Government made it clear that it would explore a variety of possible interventions to lift the performance of these services, including changes to both regulatory and service delivery arrangements.

The Government has begun implementing a package of 3 waters regulatory reforms designed to:

- improve national-level leadership, oversight, and support relating to the 3 waters through the creation of Taumata Arowai, the new, dedicated water services regulator
- significantly strengthen compliance monitoring and enforcement relating to drinking water regulation
- manage risks to drinking water safety and ensure sources of drinking water are protected
- improve the environmental performance and transparency of wastewater and stormwater networks.

In July 2020, the Government introduced the Water Services Bill to Parliament. The Bill, if passed, would implement system-wide reforms to the regulation of drinking water and source water, as well as introducing new national-level reporting and monitoring requirements for wastewater and stormwater. Parliament also passed legislation establishing Taumata Arowai as a new Crown entity.

Taumata Arowai is currently being built and will take up its regulatory responsibilities after Parliament passes the Water Services Bill. This is expected to occur in the second half of 2021. From that point, Taumata Arowai will oversee, administer and enforce the regulatory system for drinking water and perform national-level oversight and advisory functions relating to wastewater and stormwater. Regional councils will still regulate wastewater and stormwater discharges to the environment under the Resource Management Act 1991.

Further regulatory reforms may include the introduction of national environmental standards for wastewater discharges and overflows.

In addition to regulatory reforms, the Government has launched a suite of 3 waters service delivery reform proposals. The Government intends to transfer 3 waters service delivery functions from councils to new,

Major decision: participation in Government 3 waters service delivery reform programme

The DCC agreed to 'opt in' to the first stage of the Government's 3 waters service delivery reform programme in August 2020.

In December 2020, the Government decided that participation in the service delivery reform programme would continue to be voluntary, and that councils would be asked to make a second decision on participation in late-2021. All councils will be included in one of the new water services entities by default but will have the option to decide not to continue to participate.

The Government will promote an amendment to the Local Government Act 2002 that, if passed, will enable councils to transfer ownership of 3 waters assets and services to new entities. The proposed amendment will also provide a fit-for-purpose consultation process that sets out how local government will engage with communities and iwi/Māori about the reform proposals and make decisions.

This decision is only for service delivery reform. Council is unable to opt out of the regulatory elements of 3 waters reform.

public multi-regional water entities. Participation in the service delivery reform programme is voluntary, but the Government has made its preference for full participation by councils clear. In July 2020, the Government provided an indicative timeline for a three stage service delivery reform work programme, with each stage accompanied by a tranche of stimulus funding, and the DCC agreed to 'opt in' to the first stage in August 2020. Councils will be asked to make a second decision on participation in late-2021. All councils will be included in one of the new proposed water services entities by default but will have the option to decide not to continue to participate. According to an updated reform timeline published in December 2020, the proposed water services entities would commence operation in about 2023.

Through voluntary participation in stage 1, the DCC received Tranche 1 stimulus funding totalling $15.84 million in November 2020 to be spent by 31 March 2022. The purpose of the funding is to support the Government's reform objectives, stimulate economic recovery through job creation and increase and/or accelerate investment in 3 waters infrastructure.

Essential Freshwater Programme

The Government has also introduced changes to freshwater regulation through the Essential Freshwater Programme. The Essential Freshwater Programme aims to:

- Stop further degradation of New Zealand's freshwater
- Start making immediate improvements so water quality improves within five years
- Reverse past damage to bring New Zealand's waterways and ecosystems to a healthy state within a generation.

There are overlaps between the Essential Freshwater Programme and the Three Waters Review, which relate to the environmental regulation of stormwater and wastewater discharges and protection of drinking water sources.

The National Policy Statement for Freshwater Management 2020 (NPS-FM 2020) came into effect in September 2020. The NPS-FM 2020 requires regional councils to manage freshwater in a way that gives effect to Te Mana o te Wai, a concept that refers to the fundamental importance of water and recognises that protecting the health of freshwater protects the health and well-being of the wider environment and the mauri of the water itself. Regional councils are required to notify new or amended regional plans that give effect to the NPS-FM by 31 December 2024.

The Essential Freshwater Programme has also included introduction of new National Environmental Standards for Freshwater and amendments to existing regulations for the measurement and reporting of water takes. Further regulatory changes proposed include amendments to the NES for Sources of Human Drinking Water, which would strengthen the ability of regional councils and territorial authorities to manage risks to drinking water posed by activities in drinking water catchments.

Overall, the changes made through the Essential Freshwater Programme will have significant flow-on effects for 3 waters activities, through anticipated changes to permitted activities and more stringent requirements around discharges. Changes to engagement requirements are also expected in order to promote active tangata whenua involvement in freshwater management and decision making, and to ensure Māori freshwater values are identified and provided for.

Resource management system review

In 2020, an independent panel appointed by the Minister for the Environment completed a comprehensive review of New Zealand's resource management system. The review's scope included looking at the Resource Management Act 1991 and its interfaces with the Local Government Act 2002. The review recommended the current Resource Management Act be replaced with three new pieces of legislation: a Natural and Built Environments Act, a Strategic Planning Act and a Managed Retreat and Climate Change Adaptation Act. The panel's report is expected to be followed in 2021 by consultation to develop government policy and a framework to link together the key pieces of legislation.

Urban Growth Agenda

The Urban Growth Agenda is a Government work programme that aims to remove barriers to the supply of land and infrastructure and make room for cities to grow up and out. It has five interconnected focus areas: infrastructure funding and financing; urban planning; spatial planning; transport pricing; and legislative reform.

The National Policy Statement on Urban Development 2020 (NPS-UD 2020) came into effect on 20 August 2020. The NPS-UD contributes to the Urban Growth Agenda by addressing constraints in New Zealand's planning system to ensure it enables growth and supports well-functioning urban environments. The NPS-UD 2020 categorises Dunedin as a tier 2 urban environment, bringing into effect a range of provisions relating to the amount of development capacity required to be serviceable with infrastructure.

Government Policy Statement on Land Transport

The Government Policy Statement on land transport (GPS) sets the Government's priorities on land transport investment over the next 10-year period. It sets out how money is spent on activities such as public transport, state highway improvements, local roads and road safety. The GPS is reviewed and updated every three years. Changes to priorities in the GPS impact on the DCC's renewal and capital programmes.

The strategic priorities for GPS 2021 are:

- Safety – developing a transport system where no-one is killed or seriously injured
- Better Travel Options – providing people with better transport options
- Improving freight connections
- Climate Change – developing a low carbon transport system that supports emission reductions.

The Land Transport (Rail) Legislation Act 2020 (the Rail Act) came into force on 1 July 2020. The Rail Act amends the Land Transport Management Act 2003 (the LTMA) and

the Land Transport Act 1998 to implement a new long-term planning and funding system for the heavy rail track network owned by KiwiRail.

The new framework brings the planning and funding of the rail network under the land transport planning and funding regime set by the LTMA. This will allow local authorities to have input into how the rail network influences the movement of freight and people in their areas.

Principal Options and Implications of responding to regulatory, legislative and service delivery changes: 3 waters

While a decision whether to transfer the DCC's 3 waters assets and service delivery functions to a new entity will not be made until late-2021, the DCC 3 Waters Group has initiated a series of projects that will assist with preparation for regulatory, legislative and service delivery changes. These projects focus on organisational impacts, which have potentially large financial implications for the DCC and so all options must be carefully considered. System planning is also key to preparing for reform.

Some projects have already commenced to better understand the capability and capacity of the water, wastewater and stormwater systems to meet current and future anticipated standards. This is complemented by projects to assess the impacts of wastewater and stormwater discharges on the receiving water environments and an assessment of the treatment plants to meet anticipated future treatment standards.

The 2021-31 capital programme does not fund any improvements needed to meet anticipated new regulatory standards in drinking water, wastewater or stormwater as these are not yet confirmed. However the current workplan will assess the ability of the systems to meet a range of new, enhanced standards as well as the baseline investment needed to address more urgent operational risks to maintain current service levels. Longer term strategic investment plans and enhancements needed from system planning will be incorporated into the 10 year plan 2024-34 as the outputs of system planning become available.

Principal options and implications to respond to 3 waters reform

The option that the DCC has decided to take is highlighted in green.

Option	1-10 years (2031)	10-30 years (2051)	30-50 years (2071)
Continue current 3 Waters Group work programme (status quo)	Passive approach to reform, responses to the Government's reform programme would be reactive and any change in direction would have to be manged within existing budgets and staffing levels.	High likelihood of unplanned investment needs to meet new anticipated standards, which will negatively impact other capital investment projects and could affect service levels.	Unknown as yet.
Proactive, moderate scope transition work programme	Staff are prepared for potential transition into a new water services entity, the DCC has prior understanding of the impacts of reforms and options to manage transition. Projects within the programme aim to reduce risks and ensure a favourable balance sheet position at the time of any potential asset transfer. Timeline targets the 2024-24 10-year plan and some projects may not be complete prior to a potential transition.	Medium–long term investment plans based on improved evidence; any enhancements needed have been programmed via the best practicable solution method. Impacts on rates for various service level provision available.	As previous.
Proactive, comprehensive transition work programme	As above, but with accelerated delivery of key outputs and a wider scope of improvement activities.	As above, but with additional planning and data to produce robust long-term investment plans and a thorough understanding of further planning, policy and delivery improvements needed.	As previous.

Section 6.3 (Responding to changes in demand for infrastructure) includes further detail on how the DCC will respond to changes that arise out of the Government's Urban Growth Agenda.

Section 6.4 (Public health and environmental outcomes) includes further detail on how the DCC will respond to changes arising from 3 waters regulatory reforms and the Essential Freshwater Programme.

Replacing and renewing ageing infrastructure

Dunedin has $4.1 billion in water supply, wastewater, stormwater and transport assets.

The DCC's planning is increasingly focused on sound asset condition and risk assessment, planning and delivery opportunities, and long-term asset solutions that provide lasting value for residents, businesses and the environment. Asset management planning is most efficient and effective when all options, including renewals and upgrades, are considered holistically. This can identify opportunities to make more systemic improvements. Systematic improvements can extend network life while maintaining levels of service or in some cases improve levels of service where that would be of value to the community and the environment.

In the next 10 years, DCC has identified opportunities to address some infrastructure issues by investing in a combination of renewals and new capital. Projects such as the Central City Plan and Tertiary Precinct upgrades will replace ageing 3 waters and transport infrastructure and deliver public realm improvements to support a thriving tertiary and retail sector.

3 Waters

The DCC 3 waters assets have a value of $2.4 billion, with assets depreciating by approximately $30.7 million annually. The renewals spend profile within this plan is a significant increase from previous plans due to the ageing asset base and the risk of not meeting stated levels of service. Budget increases year on year will enable a higher rate of renewals as the plan progresses. Annual budgets may be brought forward through the annual plan process if an increased rate of delivery is successful (as described in section 9). In order to deliver an increased programme, 3 waters has set up new delivery models and longer-term programme contracts. The stimulus funding grant received as part of the Government Three Waters Reform Programme has accelerated network renewals in year 1 of the plan. Proposed future grants are an opportunity to uplift the renewals programme further.

Assets do not always need replacing as they reach their theoretical life. Performance or condition can indicate that the asset can continue to run beyond the asset life within acceptable levels of risk (e.g. non-critical assets such as tobies) or alternative approaches to asset management may be adopted. For example, the largest and oldest of Dunedin's sewer pipes are actively monitored by CCTV to assess when renewal or replacement is needed. This allows 3 waters capital expenditure to be focussed on the renewal of assets not performing as required or unable to meet new standards, based on the criticality of those assets and the likely impact of any loss of service.

Transport

Dunedin's transport network is made up of a diverse range of assets. They are revalued annually and in 2020 had a total replacement value of $1.7 billion. Assets depreciate by approximately $23.4 million annually. Careful management of these assets is paramount to ensure investment is prioritised where most needed. Emphasis is therefore placed on regular inspections and ongoing condition assessments. This information helps guide renewal investment to the right place at the right time.

Many of the city's transport assets are ageing with a number nearing or having exceeded the end of their useful economic lives. When an asset reaches about 75% of its service life, deterioration will accelerate. For example, if a road pavement is left beyond this point without maintenance, the cost to renew the asset could be 4-5 times higher. Maintenance and renewal interventions are interlinked. Timely repairs can extend the time until a reseal is required on a road, resealing at the right time will extend the life of the pavement structure beneath. Routine maintenance deals with defects such as cracks and potholes before more serious problems develop.

In addition, certain renewals are considered as part of the Major Projects Programme, namely the Central City upgrade and the Tertiary Precinct. Both projects require significant transport and 3 water renewals so delivering them together creates efficiency and minimises disruption. Where opportunities exist to combine these types of renewals activities and they are large enough in dollar value, they are delivered through the Major Projects Programme.

Principal options and implications of replacing and renewing ageing infrastructure

The option that the DCC has decided to take is highlighted in green.

Option	1-10 years (2031)	10-30 years (2051)	30-50 years (2071)
Renewals delivery continues at current rates, with no plans to increase internal or external delivery capacity	Transport and 3 waters renewals continue to be prioritised in accordance with known asset condition and performance within existing budgets, however ageing assets mean risk to service levels increase. Gravel road re-metaling, pavement rehabilitation, pavement renewals, traffic service renewals and structures have a static spend in the 10 year plan to meet asset management requirements.	The value of renewals required versus those undertaken is expected to increase until at least 2048 based on the increasing age of assets and inflation. The programme will be regularly reviewed to determine whether strategic upgrades would be preferable.	The value of renewals undertaken is expected to flat line in the long-term. The design and delivery of renewals will become more effective in maintaining service levels over the longer term, as internal and external capacity to deliver is increased.

Option	1-10 years (2031)	10-30 years (2051)	30-50 years (2071)
Renewals delivery is increased over time as internal and external capacity to deliver is increased.	As above, however renewals delivery will be gradually increased year by year as internal and external delivery capacity allows. For 3 waters in particular, this will allow the renewals backlog to be partly reduced and allow strategic upgrades to be undertaken at the same time as renewals as well as planning for anticipated new standards. The bulk of asset renewals for 2021-2023 target the highest risk issues at treatment plants that impact on health and safety and levels of service. For transport, footpath renewals increase over the 10 Year Plan to improve the condition of the asset to help facilitate active modes of transport. Drainage spend over the 10 Year Plan gradually increases to reflect that the city will be under increasing pressure with increased weather events and sea level rise.	The renewals programme will be more effective in reducing maintenance and operating expenditure and reducing the risk of deteriorating service levels. Non-critical issues, or those that affect a limited number of customers, can be addressed more quickly than they otherwise would.	As above, however infrastructure risk profiles will be reduced as delivery of the renewals programme begins to outpace the rate at which asset age and condition deteriorates. Operations and maintenance costs can be reduced, and issues will become less prevalent.
Renewals delivery is accelerated in the early years of the plan, increased overall renewals budgets.	As above, but with significant budget moved to years 1-6 to address priority renewals. Increased overall budget to allow deferred or removed projects to be completed, to reduce further reduce risks to service levels and health and safety. There is a high likelihood this option is not deliverable.	The renewals programme will be most effective in reducing maintenance and operating expenditure and has the lowest risk of deteriorating service levels. Budgets in these years are not affected by any deferrals in the previous 10 years.	The value of renewals undertaken is expected to flat line at a much faster rate than in other options.

Responding to changes in demand for infrastructure

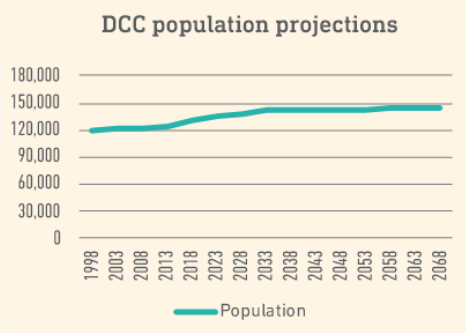
Factors such as population growth, the rate and type of economic growth, the rate of growth in dwellings and where future housing developments occur will have an impact on the demand for infrastructure. An important part of good asset management is enabling sustainable growth by undertaking investments that address both service levels and future capacity at the same time, while taking opportunities to rationalise the complexity of networks that have grown over many decades. This can also reduce future repair and maintenance costs.

Population and dwelling growth

The COVID-19 pandemic has created uncertainty around Dunedin's future growth. Dunedin's population is projected to be relatively resilient in the near term, despite the impact of COVID-19. Current projections indicate the population will continue to grow sharply until 2033, reaching 141,417. From 2034 onwards, the population rate will begin to taper off returning to a medium growth scenario. By 2038, the 65 years and over demographic will be Dunedin's second largest age group (behind 25 and under).

Dunedin's dwelling numbers will experience similar trends to the Dunedin population, experiencing a sharp rate of expansion until 2038 reaching a total of 60,511 dwellings. Projections then indicate that dwelling expansion will slow. This is likely to be a result of an ageing population and the changing make up of families and households.

Variations to the 2GP will define where forecast growth might occur across Dunedin.



Planning for growth in housing and business development

Under the National Policy Statement for Urban Development 2020, Dunedin is categorised as a tier 2 urban environment (the requirements of which are in the table below). This brings into effect a range of provisions relating to the amount of development capacity that is required to be serviceable with infrastructure. 2GP Variation 2 comprises a number of discrete changes that will add additional housing capacity into the 2GP.

National Policy Statement on Urban Development 2020[2]

Term	Infrastructure requirements
Short-term (within the next three years)	Development capacity must have: • adequate existing development infrastructure to support the development of the land.
Medium-term (3 – 10 years)	Development capacity must have either: • adequate existing development infrastructure to support the development of the land, or • funding for adequate infrastructure to support development of the land identified in a long-term plan.
Long-term (10 – 30 years)	Development capacity must have either: • adequate existing development infrastructure to support the development of the land, or • funding for adequate infrastructure to support development of the land identified in a long-term plan, or • development infrastructure identified in an infrastructure strategy.

Visitor growth

Dunedin's successful tourism marketing, which attracted large cruise ships and major stadium events, resulted in Dunedin's 'peak day' visitor numbers growing steadily from 2013 to 2018. However, with the impact of COVID-19 on tourism, 'peak day' visitor numbers are expected to drop sharply in the short term, with a recovery period between 2023-2028 as tourism markets re-establish. Pre COVID-19 levels of growth are projected by 2031, with peak day visitor numbers reaching 27,886 by 2033.

Economic growth

The COVID-19 pandemic has created uncertainty around Dunedin's future growth and economic performance. As detailed above, the impact on visitor numbers will have an impact on Dunedin's tourism economy.

The changing make up and rate of growth in the economy may impact on demand for network infrastructure. For example, Port Otago at Port Chalmers is New Zealand's 5th largest port (by value) and a key link in New Zealand's international supply chain as a regional hub for the export of high value products including meat, dairy, timber, fish, horticulture and other agriculturally based products. Reduced international demand for export products will reduce heavy vehicle movements accessing the port, which will put less pressure on road pavements and network congestion.

2 https://www.mfe.govt.nz/about-national-policy-statement-urban-development

Principal Options and implications for responding to changes in demand for infrastructure

StatsNZ guidance issued in June 2019 recommended the use of the medium-high projections scenario for Dunedin until 2028, and the medium growth scenario from 2028 until 2043. While a pre-COVID single set of projections was developed, reflecting the most probable growth scenario, there is significant uncertainty in any projections. There is a particularly high level of uncertainty for projections over the longer term (e.g. 2028-68).

The option that the DCC has decided to take is highlighted in green.

Option	10-years (2031)	10-30 years (2051)	30-50 years (2071)
Plan and invest for a medium-high growth scenario over 2019-28 and a medium growth scenario from 2029 onward (target high demand 2GP and Variation 2 areas in 2021-31 for delivery, remaining 2GP and Variation 2 areas over a longer period)	Existing network infrastructure capacity will be adequate in currently serviced areas, with augmentation required in localised areas. 3 waters budgets allow for network growth required under high demand 2GP and Variation 2 areas. If actual growth is higher than the medium scenario, infrastructure will more quickly reach capacity and there is a risk of insufficient infrastructure in areas where assets are at or near capacity. Decisions on where and how to augment infrastructure in localised areas in response to growth will occur once Variation 2 to the 2GP has been adopted.	Existing network infra-structure capacity will need to be augmented in localised areas in both current and newly serviced areas, provide remaining capacity for 2GP and Variation 2. If actual growth is higher than the medium scenario, infrastructure capacity will be exceeded in localised areas and require additions to the capacity of some major assets.	The majority of the 3 waters and transport renewal programme will be complete, resulting in a lower average age for assets and increased network capacity. Major assets will be due for replacement or modernisation at this time. A decline in population may have funding consequences. Technological change may improve asset efficiency.

Option	10-years (2031)	10-30 years (2051)	30-50 years (2071)
Plan and invest for a medium-high growth scenario over 2019-28 and a medium growth scenario from 2029 onward (target 2GP and Variation 2 in 2021-31)	As above, however budgets allow for infrastructure growth required under the 2GP and Variation 2, with adequate budgets to accommodate investment. If actual growth is higher than the medium scenario, servicing of Variation 2 will require an accelerated response. There is a high likelihood this option is not deliverable as investigation work is still underway and ability to undertake work is constrained by budgets, internal resource, contractor and material availability.	Planned growth has been serviced and so infrastructure capacity is not a limiting factor to development. Lower growth investment is needed in this period. If actual growth is higher than the medium scenario, infrastructure capacity will be exceeded in localised areas and require additions to the capacity of some major assets.	As above.

Public health and environmental outcomes

The 3 waters and transport networks provide important public health and safety benefits to the community and deliver services which can impact on the natural environment.

3 Waters

With 3 waters reform, it is likely capital improvements will be required to meet enhanced protection of drinking water sources, water management practices and new standards for drinking water, wastewater and stormwater services. In anticipation of the reforms and the potential transition into a new entity (if the DCC does not opt out of the Government's service delivery reform programme), the DCC is undertaking a programme of work to strengthen regulation policies and improve asset ownership, asset management and delivery processes. The DCC is also underway with a project to update drinking water safety plans to better align with the new regulatory system. The DCC will continue with water system planning processes to guide capital investment strategies which will support the continued provision of safe drinking water to serviced communities.

Under the Local Government Act 2002 (LGA), the DCC is required to undertake a Water and Sanitary Services Assessment (WSSA) from time to time. The purpose of the assessment is to assess, from a public health perspective, the adequacy of water and other sanitary services available to communities in terms of five specified factors. The DCC is considering the best way to carry out the next reviews, and it may be most efficient to undertake it as part of system planning.

The Health Act 1956 requires the DCC to comply with the criteria set out in the Drinking Water Standards for New Zealand. The standards set maximum amounts for substances, organisms, contaminants or residues that may be present in drinking water, requires monitoring, and prescribes remedial actions in the event of non-compliance. Drinking water suppliers must also have approved Water Safety Plans for large supplies to identify and manage risk – from the raw water catchment to the treatment plant and within the distribution network – and operate in accordance with those plans.

Resource consents to discharge treated effluent to the environment are held for each of Dunedin's seven wastewater treatment plants, except for Mosgiel where effluent is transferred to Green Island for ultraviolet disinfection treatment before discharge. Three of the resource consents are due to expire within the next 10 years and so projects are planned to investigate best practicable options for new consents and the impact of anticipated new standards. System planning will address future consent changes and investment plans to address improvements needed.

The DCC currently has six constructed wastewater overflows consented by the ORC. These overflows are designed to manage the public health risk in heavy rainfall events by allowing discharge of diluted wastewater at specific points of the network, rather than in an uncontrolled manner at low points in the network (including into private property). The consented overflows are signposted to alert the public to the potential risk of exposure to diluted wastewater in the event of heavy rainfall. As wastewater assets are renewed and upgraded, these overflows will activate less often with smaller discharges. Under water reform, it is anticipated the quantity and quality of wastewater discharges will also have to meet new standards.

The DCC holds resource consents to discharge stormwater to the coastal marine area. Those consents expire in 2048. Key stormwater discharges are part of the environmental monitoring programme and work is underway to improve the stormwater hydraulic models for key areas. The 3 Waters Group plans to undertake stormwater system planning for all areas in the early years of the plan, starting with a review and improvement of the hydraulic models. Under the current rules of the Regional Plan: Water, most of Dunedin's stormwater discharges are permitted, subject to certain provisions. The wider implications of water reform mean tighter regulation on quality and quantity of stormwater discharges is likely.

The DCC's long-held approach has been to enable property owners to build and maintain their own pipes or open watercourse infrastructure. Roughly half the city is serviced by private pipes and streams, many of which are 100+ years old and in poor condition, with confusion

over ownership and responsibility. Developing solutions to the complex stormwater problems is often beyond the means of most landowners. Failure of these assets can lead to flooding, sinkholes and landslips. A new approach to dealing with hazards from privately-owned stormwater assets was approved in 2019 (known as the watercourse programme), which aims to reduce these risks on the highest priority sites. Through the programme of work to prepare for reform, 3 waters will review the policy on watercourse asset ownership and the financial impacts of this on the DCC.

Transport

Waka Kotahi's Road to Zero aims to have a 40% reduction in deaths and serious injuries from 2018 – 2030 and sets out a series of initiatives to address road safety. The city's accident statistics show limited improvement in Dunedin with the death and serious injury numbers static over recent years. Safety initiatives are developed around our transport infrastructure for both motorists and vulnerable users such as pedestrians and cyclists.

An analysis of crash statistics indicates factors which contribute to Dunedin's safety record are: intersections; young drivers; older drivers; and distractions. Dunedin also has a diverse network ranging from busy urban roads through to quiet rural roads. In some cases, the transition between urban and rural is very abrupt. The central city is also compact and needs to cater for a wide range of user groups, such as cyclists, pedestrians, cars and heavy freight vehicles. State Highway 1 runs through the University of Otago, Otago Polytechnic and the CBD. Improving network safety is a key issue to be addressed through specific safety improvement programmes, major capital projects and in considering safety improvements when undertaking renewal works.

Safety interventions undertaken by the Transport group include:

- upgrading pedestrian facilities
- upgrading major arterials with priority bus routes
- implementing road safety education campaigns to raise awareness of road safety, public transport safety and pedestrian safety
- using fixed safety cameras at intersections and other high-risk areas
- implementing a prioritised programme of safety engineering projects
- providing separated cycling infrastructure.

The ability to be able to move around easily across a variety of modes is linked to health, social and economic benefits. Providing transport choices will have health benefits as more active modes of transport are taken up. A goal of the Integrated Transport Strategy is to increase the percentage of people who walk, cycle, and take public transport to work from 16 percent to 40 percent by 2024. Committing to the goal of increasing active/sustainable transport will also contribute to the city's environmental commitments of carbon zero 2030, reduce congestion and improve the health of those incorporating physical activity into their daily commute. Investment in providing safe and attractive infrastructure for active modes is expected to increase the desirability of active transport modes.

Principal Options and implications for responding to public health and environmental concerns

The option that the DCC has decided to take is highlighted in green.

Option	10-years (2031)	10-30 years (2051)	30-50 years (2071)
Existing public health and environmental impacts are not prioritised	Compliance with DWSNZ is not prioritised and water and wastewater treatment plants are not upgraded in a timely manner to keep pace with changing standards. Incidence and volume of wastewater overflows to the environment will likely increase as will incidences of habitable floor flooding. For Transport, limited network safety improvement packages are implemented, resulting in no decreases to the numbers of serious injury or death statistics on the Dunedin transport network.	Water treatment plants are not upgraded to meet DWSNZ changes and treatment processes fall short of increased standards. Wastewater discharges to the environment and the volume of discharges continue to increase. Consents required to continue to discharge to environment would be unlikely to be renewed resulting in prosecution and fines. Incidence of habitable floor flooding will increase. No specific investment to decrease the number of serious injuries or deaths on the Dunedin transport network.	Water treatment plants are not upgraded to meet DWSNZ changes and treatment plant processes become so outdated that compliance would not be able to be achieved without significant widespread large scale capital works. Wastewater discharges to environment likely to become the norm with the associated degradation of receiving waters. Discharges likely to have no consents and incur fines in each instance where a discharge occurs. No specific investment to decrease the number of serious injuries or deaths on the Dunedin transport network.

Option	10-years (2031)	10-30 years (2051)	30-50 years (2071)
Improve public health & environmental outcomes by investing in public transport, road safety and 3 waters upgrades and renewals programmes. Investment is increased over time.	Water treatment plants meet DWSNZ standards and prepare for new standards and regulation by the newly established Taumata Arowai. Wastewater discharges reduce as renewals remove inflow and infiltration from wastewater networks. A long-term investment plan to address wet weather flows is developed. Stormwater discharge impacts are understood, best practicable solutions to flooding are implemented and system planning provides a long-term investment plan. Transport investments are focussed on reducing deaths and serious injury in high risk transport corridors. Public Health outcomes are also achieved by continued investment in active transport modes such as walking and cycling.	Water treatment plants continue to meet DWSNZ measures and are updated as required to meet any changes in standards. Best practicable option for all wastewater overflows implemented. New sustainable solutions to stormwater management are implemented. Continued investment in road safety and active transport modes results in decreased road trauma on the transport network and a healthy connected community.	Water treatment plants continue to meet DWSNZ measures and are updated as required to meet any changes in standards. New sustainable solutions to stormwater management are implemented. Continued investment in road safety and active transport modes results in decreased road trauma on the transport network and a healthy connected community.
Prioritise public health and environmental concerns over other considerations. Investment is prioritised in the earlier years of the plan.	As above, however budgets moved to years 1-6. Improvements to drinking water resilience, wastewater discharges and stormwater overflows can be addressed more quickly however lost opportunities to benefit from the synergies obtained through aligning cross-network renewals. Reducing the number of deaths and serious injury is achieved by additional investment in road safety. The strategic cycleway network is delivered earlier and expanded. There is a likelihood this option is not deliverable and may result in increased disruption to residents due to construction projects not being well aligned across 3 waters and transport assets and other asset providers.	As above.	As above.

Resilience to natural hazards

Flooding, landslides, drought, catchment fire, rising groundwater and the risk of liquefaction in the event of an earthquake pose the most significant risks to Dunedin's infrastructure. It is anticipated these risks will increase over time as a result of climate change.

Climate change

Climate change impacts include more extreme rainfall events, causing increased frequency and severity of flood events, while experiencing less rainfall overall can impact on water supply. Dry periods increase the risk of drought and catchment fire (which impacts on drinking water quality). Rising groundwater as a result of sea level rise in low-lying areas is the one of the most significant risks facing Dunedin from climate change. High groundwater can cause problems such as increased frequency of flooding, boggy ground and surface ponding, damage to infrastructure and buildings, and a risk of liquefaction in earthquakes along with associated social wellbeing issues.

Dunedin has significant low-lying areas that are within 0.5m of the current spring high tide mark (estimated at 2,684 Dunedin homes, 116 business and 35km of roads)[3]. Older people and vulnerable populations find it more challenging to manage the impacts of natural hazards.

3 Parliamentary Commissioner for the Environment (2015) Rising Seas

South Dunedin has an increasingly aged population and one of the lowest decile demographics in the country.

The DCC will respond to climate change by following the Dynamic Adaptative Policy Pathways model that is embedded within the Coastal Hazards and Climate Change Guidance published by the Ministry for the Environment. DCC is currently focusing on, particularly through the South Dunedin Futures Project, broadening the community's understanding of the climate change risks that will affect them in the coming decades. In doing so, DCC want the community to be well informed and engaged in the investment decisions that will be needed to secure a prosperous future for the city. While many Dunedin communities want to see tangible actions to respond to climate change events, DCC's current focus is on preparing well rather than rushing and risk maladaptation outcomes.

Because of the complex nature of managing climate change risks, DCC is also developing partnerships with stakeholders to ensure the appropriate expertise is involved to make wise investment decisions for the future. These partnerships include: regional council, other local authorities, central government agencies including the Ministry for the Environment, the Climate Change Commission, the community, academics, the Infrastructure Commission and professionals such as engineers and lawyers.

Earthquakes

Seismic activity can cause widespread damage to network infrastructure. Destruction of critical built infrastructure and displacement of piped infrastructure can render 3 waters systems inoperable and unable to deliver clean drinking water or to transport and treat wastewater safely. Liquefaction can cause more damage to underground pipes than ground movement and is a significant contributor to pipe failure in earthquakes. Dunedin has several areas with moderate to high likelihood of liquefaction in an earthquake.

Seismic activity could also cause isolation across the transport network if certain areas are cut off due to rubble, slips, liquefaction or land displacement. Dunedin is vulnerable to isolation given the limited number of routes in or out of the city. Dunedin is predominately serviced by a motorway in from the north and a motorway in from the south with the alternative route from the north on Mt Cargill road. Dunedin's Akatore fault has potential to disrupt the network to the south of the City.

Flooding and landslides

Some parts of Dunedin are susceptible to flooding and landslides during heavy rainfall events. Flooding and landslides can damage homes, business and infrastructure. Flood risks are due to several factors including:

- Rainfall events exceeding design tolerances.
- Limited capacity in parts of the wastewater network as a result of rainwater and groundwater infiltration to the wastewater network from ageing and cracked pipes and inflow to the wastewater network from direct stormwater connections
- Low-lying areas where the groundwater is close to the surface so rainwater cannot drain away.
- Sea level rise, more extreme rainfall events and storm surges increasing the frequency of flood events in the future.
- Mud-tanks can become blocked and creating a flooding hazard
- The low elevation of some roading infrastructure can cause roads to become flooded and cut off.

Manhole surcharging can create a safety hazard in flood events on the Transport corridor when manholes covers become dislodged. Communities in low-lying coastal areas serviced by septic tanks (rather than a reticulated wastewater system) may be at higher risk of groundwater contamination during flood events. More extreme rainfall events and storm surges may lead to larger and more frequent slips and damage to 3 waters and transport infrastructure including sea walls, bridges and culverts.

As weather events become more frequent and severe, the infrastructure networks and community's ability to recover will continue to be put under increasing pressure.

Drought, higher mean temperatures and catchment fires

Prolonged periods of drought pose a risk to Dunedin's water supply. Furthermore, drier water catchments yield less water and are more prone to large scale fires. Catchment fires can result in highly turbid water that that is more expensive to treat or is unable to be treated by existing treatment processes. Higher mean temperatures increase the risk of algal blooms within raw water reservoirs, which may require expensive treatment. In addition, odour issues at wastewater treatment sites and within the network are more likely at higher temperatures.

From a transport perspective, higher temperatures can cause degradation in the roading infrastructure. Droughts can also present a fire risk for roadside vegetation.

Building resilience to natural hazards

The DCC has improved its understanding of natural hazards to assist in developing options for a resilient infrastructure network into the future. The DCC are working in partnership with other agencies such as GNS Science and ORC to further enhance our understanding of groundwater and impacts of sea level rise, particularly in South Dunedin.

The Peninsula Connection project is an example of building a more resilient asset by raising the road to allow for predicted sea level rise while widening the transport corridor (for safety purposes) and creating a shared path (for mode choice purposes).

System planning for 3 waters is focussed on an adaptive approach to investment, planning for natural hazards and ensuring resilient solutions are implemented. Long-term investment plans will be ready for the 2024-34 10 year plan, however early work to increase resilience to some water supplies and targeted metro wastewater treatment plant wet weather flow management are budgeted within the 2021-31 capital programme.

Planning is also underway to look at the resilience of the Transport network in the case of a seismic event, specifically around the supply chain and getting goods to and from Dunedin. Planning is also underway for any Alpine Fault activity. In a seismic event involving the Alpine Fault, Dunedin would likely be the least affected so may have to become a recovery hub for the lower South Island.

Principal options and implications for building resilience to natural hazards

The option that the DCC has decided to take is highlighted in green.

Option	10-years (2031)	10-30 years (2051)	30-50 years (2071)
Planned renewals and projects will reduce some risks arising from natural hazards	Renewing pipes and other infrastructure in flood prone areas will reduce some risks arising from natural hazards. Continue to fund projects to improve the resilience of the water supply network. AF8 (Alpine fault quake resilience)[4] and Lifelines resilience projects will improve resilience of 3 waters network. Existing transport infrastructure is renewed like for like. Significant weather events will remain a problem for isolated areas of the network; largely in coastal, slip prone and low-lying areas.	Renewing pipes and other infrastructure in flood prone areas will reduce some risks arising from natural hazards. Existing transport infrastructure renewed like for like. Significant weather events will remain a problem for isolated areas of the network; largely in coastal, slip prone and low-lying areas.	Natural hazard risks fully considered when renewals are planned. Updated design tolerances incorporated into asset renewals. Existing transport infrastructure renewed like for like. Significant weather events will remain a problem for isolated areas of the network; largely in coastal, slip prone and low-lying areas.
Invest in new capital to specifically reduce the risk arising from natural hazards	As above, however investment is made in specific new projects to minimise the risks from natural hazards, in particular climate change and the risk to assets. Projects such as South Dunedin Flood Alleviation assess the future impacts of climate change (such as sea level rise, rainfall patterns and flooding) and looks for solutions to mitigate these risks. We will also undertake adaptive planning pathways – events are uncertain and so infrastructure planning will need to be agile and adapt to various scenarios.	New capital incorporated into renewals where a known hazard requires mitigation.	New capital incorporated into renewals where a known hazard requires mitigation.

Planned increases or decreases in levels of service

The DCC upgrades assets in response to growth or higher service demands. These include improving taste and odour of drinking water and making improvements to roads to improve transport choice and safety.

3 Waters

The highest priority service levels for 3 waters are: water quality and supply reliability, the adequate performance of networks and the impacts of 3 waters discharges and overflows on the environment, plus internal service measures such as health and safety.

The upcoming 3 waters reform will require further improvements to drinking water supplies; such as quality, quantity and management, and require improvements in wastewater and stormwater management. No funding allowance has been made in the 2021 – 31 10 year plan for enhanced standards in water, wastewater or stormwater as at the time of writing these are unknown.

A large part of the work programme within 3 waters in the shorter term is to prepare for anticipated new standards associated with reform. This will include: increased monitoring of assets, assessing internal capability and capacity to undertake the projects proposed in the capital expenditure programme (including the tranche 1 stimulus funding) and improving asset and compliance management practices.

Water

Some capital projects to upgrade water treatment capability have been initiated to improve drinking water aesthetics and taste and provide enhanced monitoring. At the water treatment plants, a programme of work to improve wet weather flow management has begun and additional monitoring has been installed to assist in understanding what investment will be needed to meet any national standards introduced through 3 waters reform.

4 DCC is an active participant in the Alpine fault quake resilience (AF8) programme. This is a scenario-based planning project, managed by the Ministry of Civil Defence and Emergency Management, with the intention of preparing plans in response to a major earthquake on the Alpine Fault.

Wastewater

Ageing pipes and sewers are creating 'nuisance' level problems for some residents. The larger issues are caused by inflow and infiltration into the wastewater systems which can lead to surcharge, flooding and hydraulic pressures at the wastewater treatment plants. Renewal programmes on the network are focussed on reducing inflow and infiltration to reduce wet weather overflows and treatment plant wash-out. At pump stations the aim is to increase reliability to maintain network performance and at the treatment plants assets are to be renewed to maintain compliance with resource consents and reduce health and safety risks.

Stormwater

Sea level rise leading to rising groundwater in low-lying parts of Dunedin will make it more difficult to meet current stormwater levels of service. As groundwater rises, additional investment will be required in wastewater and stormwater infrastructure to maintain existing service levels. To support this, the DCC will remain focused on the renewal of assets with new projects to address areas where levels of service issues currently exist. Following previous floods, investment in an expanded stormwater network, in addition to focused improvements in the most heavily affected areas (South Dunedin, Mosgiel), is anticipated.

Transport

The priority service levels for the transport network are:

- Safety – all users of the transport network are catered for in a safe network.
- Resilience – The availability and restoration of the network function when there is a weather or emergency event
- Accessibility – The ease with which people can reach key destinations and the transport networks available to them.
- Travel time reliability – The reliability of travel time on key routes during peak use
- Cost efficiency – The relative costs and efficiency of the network compared with other networks.

There are a number of projects in the 2021 – 31 capital programme, including the Shaping Dunedin Future Transport (SFDT) programme, that aim to respond to levels of service across the city in light of the hospital rebuild and growth in the city, some of which are detailed below.

- Harbour arterial improvements: The harbour arterial route would run along Wharf St and Thomas Burns St to provide an alternative route bypassing the city centre, avoiding the new hospital during and after construction.
- Park and Ride facilities at Mosgiel and Burnside: Parking areas, where people can leave their car and catch a city-bound express bus service.
- Central city parking management: Implementation of a plan to improve the parking experience, wayfinding of parking and a review of the pricing structure of parking.
- Strategic cycleway network: To fill the gaps and expand the existing cycling network across the city to provide a safe and connected cycle network.
- Central City bike hubs: Hubs where cyclists can lock their bikes in sheltered lockers and other facilities, such as repair and charging services, in North Dunedin, Central City and South Dunedin/Oval.
- Bus priority measures and safety improvements: Providing infrastructure to prioritise buses and safety improvements for pedestrians in and around the CBD.

ORC are investing in additional bus hubs and improved public transport and Waka Kotahi is investing in enhancing the state highway, intersections and other cycleways as part of the SDFT programme.

Principal options and implications for increasing or decreasing levels of service

The option that the DCC has decided to take is highlighted in green.

Option	10-years (2031)	10-30 years (2051)	30-50 years (2071)
Plan and invest to maintain service levels	Focus on renewing network infrastructure to reduce the risk of declining service levels. Do not plan or invest for changes to service levels.	Maintain capacity to manage current risk, however no increases in service levels may undermine growth in future. Does not plan for regulatory and legislative changes, which will see an increase in required levels of service for 3 waters, of which the impact upon rates is currently unknown.	Demographically driven decline in population may mean costs directly linked to service level delivery are borne by fewer residents if growth does not occur.

Option	10-years (2031)	10-30 years (2051)	30-50 years (2071)
Plan and invest to maintain and increase some strategic service levels	Renew infrastructure to reduce the risk of declining service levels and to increase resilience, while also investing in improving strategic service levels. Planning for 3 waters regulatory and service delivery reforms continue. Increase investment in active and public transport modes to contribute to carbon zero 2030 goals.	Balance our ability to manage future demands, with strategic investments aimed at encouraging sustainable growth through improved service levels. Planning and implementation to deal with the longer-term impacts of regulatory and legislative changes such as the anticipated wastewater and stormwater service level enhancements.	If investing in infrastructure to attract more people to live and study in Dunedin results in higher than projected growth, this may improve ongoing affordability of service level increases. A long-term investment programme is built up from enhanced monitoring and investment can be phased to deliver maximum benefits and efficiencies.
Plan and invest to increase some strategic service levels through enhanced projects	Renew infrastructure to reduce the risk of declining service levels and to increase resilience, while investing strongly in significantly improving strategic service levels through new and enhanced projects. High likelihood this option is not deliverable.	If strong growth does not occur, a higher cost will be borne by existing residents. This may limit the ability to maintain and operate changes to service levels. The impact on rates of any changes in strategic service levels are currently not understood, and so best practicable options cannot be chosen. There is the risk that abortive work will be undertaken and additional spend needed to meet new standards.	If investing in infrastructure to attract more people to live and study in Dunedin results in higher than projected growth, this may improve ongoing affordability of service level increases.

Zero Carbon 2030 target

In June 2019, Council declared a climate emergency and brought forward the city's emissions reduction target by 20 years. The 'Zero Carbon 2030' target seeks to achieve city-wide net carbon neutrality (excluding biogenic methane) by 2030. For biogenic methane, the target aligns with central Government, aiming to achieve a 24% to 47% reduction below 2017 levels by 2050, including 10% reduction below 2017 levels by 2030.

Current impact of 3 waters infrastructure on city-wide emissions

3 waters infrastructure impacts on city-wide emissions in a number of ways.

- Biological processes from wastewater treatment were assessed as being responsible for approx. 0.2% of the city's emissions in 2018/19.
- Some sludge generated in wastewater treatment processes is currently sent to landfill, contributing to solid waste emissions.
- Diesel, LPG and electricity used in distribution, treatment and disposal processes associated with 3 waters networks all contribute to stationary energy sector emissions.
- The availability of servicing in various parts of the city shapes urban form, which in turn impacts on transport sector emissions.
- Construction and maintenance processes associated with the 3 waters network also contribute to the city's emissions profile.

Historically, carbon emissions have not been a key consideration in the design of 3 waters plant and network infrastructure. As a result, neither existing plant nor network configuration is optimised to minimise emissions. In addition, the current need to prioritise reactive operational expenditure, to address process challenges and compliance risks, hinders significant immediate investment in aligning these facilities and assets with Zero Carbon ambitions. Another key consideration is service delivery reform and increasing treatment standards for water and wastewater – these are very likely to result in more intensive treatment processes, which in turn are likely to drive increases in energy demand. The extent to which these requirements may undermine emissions reduction efforts is currently unknown, but may be significant.

In terms of 3 waters' impact on urban form, urban intensification (particularly around the CBD, centres and along public transport routes) is preferable to urban expansion, because it is more likely to support and promote low emission transport systems. The DCC's overall urban form objective of a 'compact city with resilient townships' is intended to be achieved through urban consolidation and prioritising use of existing capacity within existing urban areas. Rules in the 2GP currently restrict development in some new medium density areas due to constraints in

the 3 waters network, and the degree to which additional intensification is achievable is similarly limited in some locations by 3 waters network capacity.

Current impact of transport infrastructure on city-wide emissions

The transport sector is Dunedin's most significant, and fastest growing, source of emissions. In 2018/19, transport was assessed as contributing 39% of Dunedin's total gross emissions, with the largest proportion of this (27% of gross emissions) stemming from land transport. The configuration of the local road network, and the relative levels of service for different modes, shape residents' travel choices and therefore the city's emissions profile.

Dunedin has a reliance on cars, which has constrained the uptake of alternative modes of travel. According to the 2018 census data, 68.5% of the community within Otago used private or company vehicles as the means of travelling to work. Global and national trends suggest, however, that with increasing investment in infrastructure to improve the levels of service for alternative modes, there is a slow increase in uptake of these modes. This is reflected in cyclist numbers on monitored routes, and in bus patronage data in Dunedin.

In March 2019, a central city bus hub was established and in 2020 the ORC implemented a cheaper and simpler fare and card system for public transport. Both initiatives appear to have encouraged further uptake of public transport with patronage steadily increasing.

Aligning infrastructure work programmes with the Zero Carbon 2030 target

For both transport and 3 waters, improvements in data quality has been identified as a key step in supporting efforts to reduce emissions.

In the transport network, investigations into the end use of fuel purchased within Dunedin, and residents' travel choices, will help the Transport team prioritise and tailor emissions-reducing interventions.

For the 3 waters network, an emissions baseline for existing plant and network operations needs to be established, to help identify and prioritise opportunities for emissions reduction.

Development of policies, processes and guidance to support the integration of the Zero Carbon 2030 target into infrastructure teams' planning and day-to-day operations, is underway. This includes revision of the DCC's existing Carbon Management Policy (2017) for the organisation (which will assist to align all infrastructure projects, including renewals, with emissions reduction ambitions). Clearly defining the outcomes sought to give effect to the Zero Carbon 2030 target will ensure these can be embedded in strategic planning, including 3 waters system planning. It is considered that this will, in turn, clearly align transport and 3 waters expenditure with Zero Carbon ambitions from 2024 onwards.

Looking forward, there is also provision in the 10 year plan to embed Zero Carbon-related considerations in the DCC's performance management framework, asset management and procurement processes, and reporting.

For transport, the speed and depth of changes required to achieve the Zero Carbon 2030 target represent a very significant departure from business-as-usual. Provision for these alternative modes, and residents' use of them, will need to increase substantially over the decade to 2030. This will rely not only on DCC investment, but also on the degree to which partner agencies focus their investment on facilitating a rapid transition to a low emission transport system – and the extent to which this is supported by the community. The development of a Zero Carbon Plan for the city, scheduled for 2021, is anticipated to assist with this process.

For both transport and 3 waters, the need to cater for population growth, discussed in section 6.3, is both a challenge and an opportunity in achieving alignment with the Zero Carbon 2030 target. City Development, in consultation with transport and 3 waters, is developing an approach to provide for Dunedin's growth. Variation 2 is considering additional changes to address the shortfall in medium-term housing capacity.

Major projects and decisions

This section shows the major infrastructure projects and key infrastructure decisions over the next 50 years. Significant future decisions are subject to the DCC's Policy on Significance and Engagement, and significance will be determined by the DCC in the context of decisions about the 10 year plan.

Major projects and key decisions	Issues in response to	Description	Options	Type	Cost	Expected timing	Carbon Neutrality
3 Waters Reform							
Decision on participation in Three Waters Reform Programme+ (+service delivery reforms –proposed transfer of local government 3 waters assets and service delivery functions to new water services entities)	Regulatory, legislative and service delivery changes	The DCC will decide whether to continue participating or 'opt out' of the Government's 3 waters service delivery reform programme in late 2021. The Government will promote an amendment to the Local Government Act 2002 that, if passed, would enable councils to transfer ownership of 3 waters assets and services to new entities. The proposed amendment will also provide a fit-for-purpose consultation process that sets out how local government will engage with communities and iwi/Māori about the reform proposals and make decisions. This decision is only for service delivery reform. Council is unable to opt out of the regulatory elements of 3 waters reform.	Option 1: agree to continue DCC participation in the Three Waters Reform Programme. This is expected to lead to the transfer of DCC 3 waters assets and service delivery functions to a new water services entity in about 2023. Option 2: 'opt out' of the Three Waters Reform Programme. Retain 3 waters assets and service delivery functions within the DCC.	Council decision.	Costs relating to making this decision, including costs related to running a public consultation process, are yet to be determined.	Late 2021	Likely no effect on emissions
Projects to prepare for regulatory, legislative and service delivery changes	Regulatory, legislative and service delivery changes Planned increase in levels of service	Prepare the 3 Waters Group, the wider DCC and Dunedin for implementation of changes to 3 waters regulatory systems, and the potential transition to a new entity for 3 waters service delivery. The purpose of these projects is to establish certainty on the impact of reform and reduce associated risks. Other benefits include enabling a co-operative exit, leveraging value for Dunedin and setting up a new water services entity for success. The focus areas are contract and capital delivery, asset ownership, system planning, asset management, strengthening regulation and servicing growth.	Options to be developed via the various projects currently in planning stages.	To be determined	Costs will be determined based on strategic need and deliverability.	2021 – 23	Likely no effect on emissions

Major projects and key decisions	Issues in response to	Description	Options	Type	Cost	Expected timing	Carbon Neutrality
System Planning	Regulatory and Legislative Changes Planned increase in levels of service. Response to growth in demand. Public health and environmental outcomes Renewing and replacing assets Resilience to natural hazards	3 Waters 'whole of system' strategic planning to develop baseline and long-term investment plans. Identify current and future issues, develop objectives and levels of service and create long and short list options for the systems. In the short term, the baseline stage of this work informs the Metro WWTP Resilience Project. Long-term, strategic capital investment plans are produced. These will inform the 2024-34 10-year plan.	Options to be developed via the various projects currently in planning stages. A decision will be made on long term investment plans in the 2024-34 10 year plan.	Majority of planning is OPEX, produces CAPEX plans, amount to be determined.	Costs will be determined based on strategic need, affordability and deliverability.	2021 – 51	Unknown
Network infrastructure							
The need for new capital expenditure will be reassessed following decisions on areas for new development in the 2GP and then Variation 2	Response to growth in demand Public health and environmental outcomes	Using a medium growth scenario, demand is estimated at 4,000 new dwellings between 2021 and 2031 and 7,000 new dwellings by 2071. Growth funding has been allocated to allow for substantial planning and design within the first 12-18 months, followed by a steady programme of capital delivery over the remaining term of the 10 year plan. Detailed planning is in progress, with the initial planning focussed on high priority areas that have been identified in consultation with developers. As the planning and design develops, the phasing of capital works may change through the annual plan process to meet development requirements.	Options for responding to increase in demand will be developed once the 2GP and Variation 2 appeals process is completed. The costs included in the 10 year plan are an estimate of the 3 waters and transport network infrastructure requirements to meet the growth needs of 2GP and Variation 2.	To be determined	$104 million to be funded by development contributions and debt financing where appropriate.	2021 – 36	Likely increase in emissions
Water and Sanitary Services assessment	Public health and environmental outcomes	The Water and Sanitary Services Assessment is a district-wide assessment of the provision of water and sanitary services (such as wastewater, stormwater, public toilets and cemeteries). The assessment reviews the adequacy of existing systems in serviced communities and any health risks arising from the absence of systems in un-serviced communities. The most recent assessment was completed in 2007.	Options will be considered in the Water and Sanitary Services assessment.	To be determined	Costs will be determined based on the outcomes and associated Council decisions from the Water and Sanitary Services Assessments.	2021-23	Possible increase in emissions

Major projects and key decisions	Issues in response to	Description	Options	Type	Cost	Expected timing	Carbon Neutrality
Other Network Renewals	Renewing and replacing assets Public Health and environmental outcomes	These are ongoing pipeline renewals projects (not already identified below) across all 3 waters network assets. These renewals will be focused on: areas of high inflow and infiltration rates, aged assets, high break rates and customer complaints. This will address risks in water supply reliability and pressure, water quality, wastewater overflows, flooding and pipeline collapse.	The preferred option is a steady spend over the 10-year period.	Renewals	$57 million (note the remainder of the renewals budget is allocated to specific network renewals identified elsewhere in the table).	2021 – 31	Likely no effect on emissions
Minor Network Renewals	Renewing and replacing assets Public Health and environmental outcomes	Reactive, smaller scale network renewals and repairs across all 3 waters, mostly undertaken by the network contractor.	Reactive work is undertaken as required.	Renewals	$50 million	2021 – 31	Likely no effect on emissions
Water supply							
Water supply resilience	Response to growth in demand Public health and environmental outcomes Renewing and replacing assets Resilience to natural hazards	Projects intended to improve the ability of the water supply network to provide adequate safe potable water regardless of forecast changes in climate and population, and in the event of a natural disaster. Activities include the Ross Creek to Mount Grand transfer line, water treatment plant renewals and upgrades and pump station renewals and upgrades. Some minor renewals and monitoring work have commenced as part of the 3 waters reform tranche 1 funding.	Further work is needed on detailed design and deliverability, plus risks may materialise which would change the timing of some projects. Options are in development.	New Capital and Renewals	$76.7 million	2021 – 31	Likely no effect on emissions
Dam Safety Action Plan	Renewing and replacing assets Resilience to natural hazards	Physical works required in order to continue to comply with Dam Safety requirements. Some work has commenced as part of the 3 waters reform tranche 1 funding.	Physical works are undertaken as required in order to meet dam safety requirements.	Renewals	$4.0 million	2021 – 31	Likely no effect on emissions

Major projects and key decisions	Issues in response to	Description	Options	Type	Cost	Expected timing	Carbon Neutrality
Water take reporting	Regulatory and Legislative Changes Public health and environmental outcomes	Recent amendments to the Resource Management (Measurement and Reporting of Water Takes) Regulations 2010 make real-time collecting and transmitting of water use to regional councils mandatory. Implementation is required by 2022 for takes ≥20 litres/second (20 of the DCC's 29 takes). For takes ≥10 but <20 litres/second (eight of the DCC's 29 takes) real-time monitoring is required by 2024. For takes ≥5 but <10 litres/second (one of the DCC's 29 takes), implementation is required by 2026. The DCC currently downloads and supplies water take data to the regional council on a monthly basis. Work is underway to investigate adjustments and/or upgrades needed to meet the new real-time reporting requirements.	Work is underway to respond to regulatory changes.	New Capital	$750,000	2028/29 – 2030/31	Likely no effect on emissions
Smart Metering	Renewing and replacing assets	Replacement of existing manual read meters on commercial premises with 'smart' meters capable of being read remotely and connection to the Internet of Things allowing the DCC and customers to view consumption in real time.	Work is underway with completion expected in 2026.	New Capital	$1.4 million	2021 – 25	Likely no effect on emissions
Port Chalmers Water Supply	Renewing and replacing assets Response to growth in demand	Investigate options to rationalise water supply to Port Chalmers year-round from the metropolitan supply. Funding is based on this being feasible, however, if not, it will be redirected towards renewal/upgrade of Port Chalmers water supply infrastructure to meet demand. This will reduce water quality risks, improve supply reliability and reduce operational costs Renewals are needed at the treatment plant if it is not to be decommissioned in the near future as part of the Water Supply Resilience project.	This project is currently programmed for 2027 but if delivery capacity can be increased this project can be brought forward.	New capital	$14.4 million	2027 – 31	Likely decrease in emissions

Major projects and key decisions	Issues in response to	Description	Options	Type	Cost	Expected timing	Carbon Neutrality
Deep Stream and Deep Creek raw water pipeline renewals	Renewing and replacing assets Resilience to natural hazards	Renew Deep Creek and Deep Stream pipelines to Mt Grand Water Treatment plant (which provide majority of Dunedin's water) to increase resilience and renew ageing pipes. Investigation of options and design will commence in the final year of the 2021-31 plan with construction to commence after 2031. Seismic and geotechnical assessments undertaken and construction with seismically resilient materials where necessary.	Timing of project will be confirmed by a formal condition assessment within the next 5 years. The renewal date will be brought forward if the pipe condition warrants it.	Option dependent	$80 million	2030 – 36	Likely no effect on emissions
Water network renewals – Waikouaiti/Karitane	Renewing and replacing assets Public Health and environmental outcomes.	Renewal of water assets to mitigate increasing asset failure rates. This work was accelerated as part of the 3 waters reform tranche 1 funding.	Design underway with construction to commence once design completed.	Renewals	$6.5 million	2020 – 22	Likely no effect on emissions
Network renewals Kaikorai Valley / North East Valley	Renewing and replacing assets Response to growth in demand	Renew water network assets to improve water supply fire flows. Renewals for all three networks in these areas will be undertaken as part of the new pipeline renewals contract.	This is an ongoing project. Renewals will be focused on areas with aged assets, high break rates and customer complaints.	Renewals	$17 million (over water supply and wastewater renewals)	2019 – 23	Likely no effect on emissions
Network renewals Careys Bay	Renewing and replacing assets Public Health and environmental outcomes.	Renewal of water assets to mitigate increasing asset failure rates. Renewal of wastewater assets to reduce wet weather flows to the downstream network. Construction of stormwater network where required.	Construction underway.	Renewals and new capital.	$5.5 million across all three networks.	2021 – 24	Possible increase in emissions
Network renewals Sawyers Bay	Renewing and replacing assets Public Health and environmental outcomes.	Renewal of assets across all 3 waters networks to decrease wet weather overflows in the wastewater network, improve the ability of the stormwater network to deal with forecast future flows and aged water infrastructure. This work was accelerated as part of the 3 waters reform tranche 1 funding.	Design underway with construction to commence once design completed.	Renewals and new capital	$5.9 million across all three networks	2020 – 23	Likely no effect on emissions

Major projects and key decisions	Issues in response to	Description	Options	Type	Cost	Expected timing	Carbon Neutrality
Central City renewals	Renewing and replacing assets Public Health and environmental outcomes.	Renewal, rationalisation and upgrade of 3 waters infrastructure in the area covered by the central city plan (George Street, Stuart Street, Bath Street, Princes Street, Rattray Street and associated streets).	Options are still being considered for 3 waters approach in these areas but range from full replacement of all assets in certain areas to replacement of aged, failing or under capacity assets only. The scale of investment needed from 3 waters is a significant portion of the overall budget in years 2-3 and so benefit compared to other risks needs to be considered in the options.	Renewals	$37.9 million across all three networks	2021 – 27	Likely no effect on emissions
Tertiary Precinct renewals	Renewing and replacing assets Public Health and environmental outcomes	Renewal and upgrade of 3 waters infrastructure in the area covered by the Tertiary Precinct Project (Harbour Terrace, Union Street East, Clyde Street and Albany Street).	Options are still being considered for 3 waters approach in these areas but range from full replacement of all assets in certain areas to replacement of aged, failing or under capacity assets only.	Renewals	$11.2 million across all three networks.	2031 – 35	Likely no effect on emissions
Wastewater							
Metro WWTP resilience	Response to growth in demand Public health and environmental outcomes Renewing and replacing assets Resilience to natural hazards	Renewals and new capital at the metropolitan wastewater treatment plants and Musselburgh pumping station to: maintain levels of service, ensure ongoing compliance with, and renewals of, resource consents, and biosolids treatment, removal and disposal. Most urgent elements are prioritised for years 1-3 Some minor renewals and monitoring work have commenced as part of the 3 waters reform tranche 1 funding. This work targets risks to H&S, plant reliability, sludge treatment reliability and compliance issues from inadequate wet weather flow management.	Further work is needed on detailed design and deliverability, plus risks may materialise which would change the timing of some projects. Options are in development.	New capital and renewals	$114 Million	2021 – 33	Likely no effect on emissions

Major projects and key decisions	Issues in response to	Description	Options	Type	Cost	Expected timing	Carbon Neutrality
Rural wastewater schemes	Public Health and environmental outcomes Renewing or replacing assets Planned increase in levels of service Resilience to natural hazards	Network and WWTP investigation to inform upgrades to the rural networks prior to the discharge consents expiring to ensure they can meet current and anticipated enhanced effluent quality targets and minimise the effect the effluent has on the environment. These projects also assess the capability and capacity of the wastewater systems to meet current and future demands and levels of service.	Design for Seacliff and planning for Middlemarch WWTPs renewals is underway. Options for Warrington and Waikouaiti will be developed as plant consents become due in 2024 and 2027 respectively.	Renewals	$9.9 million	2021 – 27	Likely no effect on emissions
Pump station renewals	Renewing or replacing assets	A programme of risk-based renewal and upgrades to wastewater pumping stations to maintain levels of service and replace ageing assets.	This project is to address pump stations that have been identified as requiring urgent attention.	Renewals	$2 million	2021 – 25	Likely no effect on emissions
Stormwater							
Stormwater Hydraulic Models	Public Health and environmental outcomes Planned increase in levels of service Resilience to natural hazards	This project is part of the baseline stage for stormwater system planning. Capital work is associated with the creation, calibration and/or updating of stormwater network models which will allow investment options to be tested and compared.	The level of model development will be assessed as part of the gap analysis stage. Development of a stormwater system plan will provide the 3 Waters Group with the tools necessary to ensure the greatest return on future investment.	Renewals and/or new capital	$1 million	2021 – 24	Likely no effect on, or a decrease in emissions
South Dunedin Flood Alleviation	Public health and environmental outcomes Planned increases in levels of service Renewing or replacing assets Response to growth in demand Resilience to natural hazards	Capital works to mitigate flooding in South Dunedin and mitigate risks from climate change. Solutions are informed through the work on existing hydraulic models, flow monitoring and incorporation of groundwater models and climate change predictions. This project forms part of the larger South Dunedin Futures programme which aims to effectively respond to the climate-driven challenges facing South Dunedin, whilst potentially resolving other issues such as poor-quality housing at the same time.	Hydraulic model enhancements and calibrations are underway, which will inform the capital investment options and enable decisions on the best way forward. These models will be supported by information on environmental effects, ensuring that constructed infrastructure meets community expectations. It is possible further funding changes will be needed as options progress to minimise the flooding risk.	New capital and renewals	$36.7 million	2021 – 31	Likely no effect on emissions

Major projects and key decisions	Issues in response to	Description	Options	Type	Cost	Expected timing	Carbon Neutrality
Mosgiel stormwater network improvements	Public health and environmental outcomes Renewing or replacing assets Planned increases in levels of service Resilience to natural hazards	Improvement of hydraulic models to enable optimal options. Improvements to Reid Avenue swale to reduce flooding. Identify and undertake where needed, optimal infrastructure investment to reduce flooding.	Updating of hydraulic models allowing for targeted renewals and replacement.	Renewals	$19.5 million	2021 – 28	Likely no effect on emissions
Watercourse Programme (New Capital)	Renewing or replacing assets Public health and environmental outcomes Resilience to natural hazards Planned increases in levels of service	New approach to watercourse related flood and landslip problems, resolving priority issues caused by watercourse asset failure under private ownership within current budgets. This results in minor extension of DCC's network with localised benefits in management of stormwater and meeting stated levels of service. Reduces other hazard risks such as sinkholes and landslips.	Projects are prioritised based on a standard multi-criteria tool and managed via a set delivery framework. Budget requests to be made each year as part of the annual plan process. The asset ownership policy for watercourses is planned for review, along with assessing financial impacts to the DCC, to enable to longer-term strategy for managing these assets.	New capital	$3.5 million annually	2021 – 22	Likely no effect on emissions
Transport							
Central City upgrade	Public health and environmental outcomes Renewing or replacing assets Planned increases in levels of service	Renewal, rationalisation and upgrade of transport infrastructure to improve safety, accessibility and amenity in the area covered by the central city plan (George Street, Stuart Street, Bath Street, Princes Street, Rattray Street and associated streets).	Options will be considered through indicative and detailed business cases. The George St upgrade detailed business case will commence in early 2021.	New capital and renewals	$60 million	2020 – 31	Likely decrease in emissions
Dunedin urban cycle ways	Public health and environmental outcomes Planned increase in levels of service	Arterials Cycleway: Close the gaps in the existing cycleway network.	Options are being considered through a detailed business case expected to be completed in 2021.	New capital	$9 million	2021 – 23	Likely decrease in emissions
		North East Valley Cycleway: Provide a cycleway to connect North East Valley with the city	Work on a business case will be started in 2021.		$11 million	2023 – 36	
		Tunnels Trail Cycleway: Provide a cycleway connecting Dunedin and Mosgiel through chain hills area and the Caversham tunnel.	Preferred alignment options and a single stage business case are in development.		$27 million	2023 – 41	

Major projects and key decisions	Issues in response to	Description	Options	Type	Cost	Expected timing	Carbon Neutrality
Tertiary precinct improvement	Public health and environmental outcomes Renewing or replacing assets Planned increase in levels of service	Renewal, rationalisation and upgrade of transport infrastructure to improve safety, accessibility and amenity in the area covered by the Tertiary Precinct Project (Harbour Terrace, Union Street East, Clyde Street and Albany Street).	Options are being considered through an indicative business case that is currently underway.	New capital and renewals	$20 million	2031 – 36	Likely decrease in emissions
City to waterfront cycling / pedestrian connection	Public health and environmental outcomes Planned increase in levels of service	New cycling and pedestrian bridge connecting the city centre and waterfront. Existing connections (i.e. level crossing at St Andrews Street, heritage pedestrian over bridge behind Railway Station and route across Castle and Wharf Street) have a number of issues including accessibility for cyclists and mobility impaired users, directness of route and safety issues.	Concept options have been considered through an indicative business case. The project was put on hold following the COVID-19 pandemic. Detailed design options will be explored through the detailed business case phase.	New capital	$20 million	2024 – 28	Likely decrease in emissions
Major centres upgrade	Public health and environmental outcomes Renewing or replacing assets	Improve the safety and accessibility of main streets within Dunedin's commercial shopping centres.	Design and phasing options are still to be determined	New capital and renewals	$9.4 million	2024 – 31	Likely no effect on emissions
St Clair Seawall	Renewing or replacing assets Resilience to natural hazards Public Health and environmental outcomes	Renew and upgrade the existing coastal defences at St Clair Beach to build resilience and to benefit public safety, access and environmental outcomes at the coast.	Design options are still to be determined. The project is likely to include replacement of the existing sea wall and/ or supplementary protection with sand retention structure(s) or similar.	New capital	100.3 million	2032 – 36	Likely no effect on emissions
Mosgiel heavy Vehicle by-pass	Public health and environmental outcomes Planned increase in levels of service	Re-routing heavy vehicles along another route rather than through Mosgiel town centre.	Route and design options are still to be determined.	New capital	15 million	2042 – 51	Likely increase in emissions
Dunedin central city bypass	Public health and environmental outcomes Planned increase in levels of service.	Re-routing state highway traffic away from the central city.	Route and design options are still to be determined.	New capital	35 million	2032 – 41	Likely increase in emissions

Major projects and key decisions	Issues in response to	Description	Options	Type	Cost	Expected timing	Carbon Neutrality
Harbour Arterial corridor	Planned increases in levels of service. Response to growth in demand.	Improvements to the Harbour Arterial corridor to improve safety and efficiency to provide an alternative to accessing the CBD from the south. The route will utilise the following roads (south to north): Caversham Motorway (SH1)/Andersons Bay Road intersection – Andersons Bay Road – Strathallan Street – Wharf Street – Thomas Burns Street – Ward Street – Ward Street overbridge – Frederick Street/Anzac Avenue intersection.	Single stage business case to be started in early 2021.	New capital	$16.3 million	2021 – 27	Likely increase in emissions
Parking Management	Planned increases in levels of service Response to growth in demand.	Technology for wayfinding of parking, replacing parking meters with more efficient technology, consolidation of off-street parking, installation of technology to assist more reliable parking and a review of the parking costs across the city.	A parking management policy is in development. A single stage business case assessing options to improve the parking experience will begin in 2021.	New capital	$10.9 million	2021 – 26	Likely decrease in emissions
Mosgiel and Burnside Park & Ride	Planned increases in levels of service Response to growth in demand.	Installation of a park and ride at Mosgiel and Burnside to enable people to take the bus into the CBD.	A single stage business case will need to be developed.	New capital	$10.2 million	2023 – 29	Likely decrease in emissions
Corridor Safety Improvements and bus priority measures	Public health and environmental outcomes Planned increases in levels of service Response to growth in demand.	Safety improvements for pedestrians in the CBD and bus priority measures especially around Princess Street.	A single stage business case will need to be developed.	New capital	$6.4 million	2021 – 24	Likely decrease in emissions
Central cycle and pedestrian safety	Public health and environmental outcomes Planned increases in levels of service Response to growth in demand.	Safety improvements and provision for pedestrians and cyclists on St Andrew Street from Anzac Avenue to Great King street, George Street to Cumberland Street, Anzac Avenue to the Harbour Circuit via Minerva Street.	A single stage business case will need to be developed.	New capital	$4.8 million	2021 – 26	Likely decrease in emissions
Bike Hubs	Public Health and environmental outcomes. Planned increase in levels of service.	Creation of bike hubs where people are cycling particularly to work.	A single stage business case will need to be developed.	New capital	$2.45 million	2022 – 27	Likely decrease in emissions
Capital renewal programme	Renewing or replacing assets.	Planned renewals to pavements, seawalls, retaining walls, footpaths and kerb and channel to maintain existing levels of service in the transport network.	Range of design options will be considered subject to alignment with NZTA's One Network Road Classification system.	Renewals	$245.8 million	2021 – 31	Likely no effect on emissions

Approach to delivering the new capital and renewals programme

The Infrastructure Strategy is closely linked to the Financial Strategy. The Financial Strategy considers affordability for ratepayers and the DCC as a whole. The DCC has attempted to balance the competing tensions of affordability, maintaining assets and investing for the future, while addressing the financial challenges of increasing costs, delivering large capital projects and increasing network renewals. The Financial Strategy provides strategic financial limits for rates and debt and discusses other funding sources. The budgets increase rates and debt requirements, but do not exceed the limits over the next ten years.

Ability to deliver on the planned capital programme

Our planned capital expenditure programme represents a significant uplift from the last 10 year plan, with renewals a key area of focus. The challenge for the DCC will be the 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 (such as those outlined in SOLGM Agile Procurement in the Water Sector document), and strong disciplines around project management and monitoring to ensure progress is on track.

COVID-19 represents a risk to delaying the planned capital and renewals programme. Planning and design work for the programme is able to progress under any alert level through remote working arrangements. DCC will therefore continue to develop the forward work programme during any ongoing COVID-19 alert level restrictions. However, contractor resources are impacted in alert levels. Reduced productivity is expected in alert levels 2 and 3, and only essential projects can progress under alert level 4. The DCC will work closely with its contracting partners to define essential services and look for opportunities to manage supply chain and programme delivery risks. This is likely to include ensuring diversified supply chains from a geographic and supplier perspective, having strong COVID-19 protocols in place and enhanced workforce and labour planning.

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 our 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.

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.

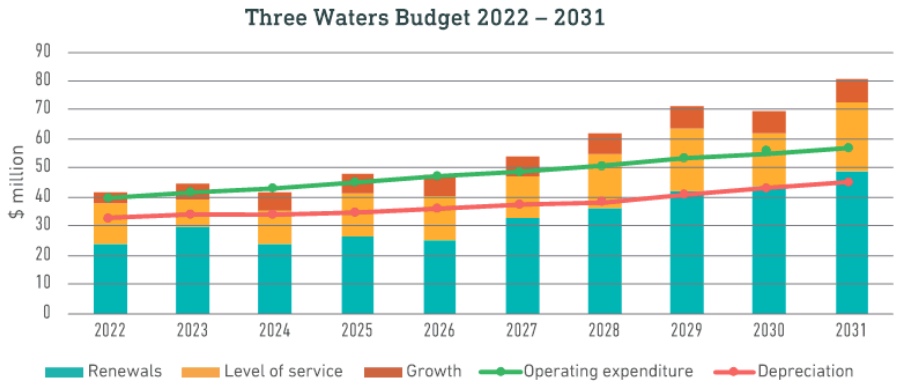
This debt limit is considered financially prudent, as it sits within the lending limits set by the Local Government Funding Authority (LGFA). The LGFA equivalent metric is based on net debt, where net debt is defined as gross debt less liquid financial assets and investments.

This section shows the planned capital, operating expenditure and depreciation for the first ten years.

Inflation

Inflation has been applied to the capital estimates in line with the DCC's significant forecasting assumptions adopted for the 10 year plan 2021-31, and extrapolated out across the 50 year period of this strategy.

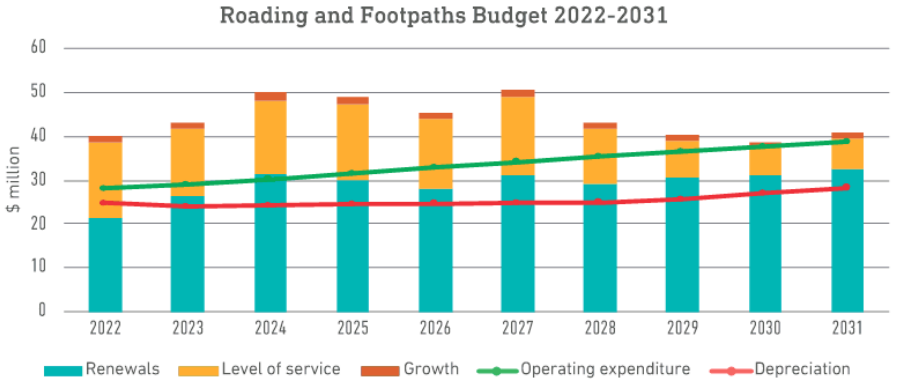
Three waters budget



3 Waters capital and operating expenditure budget

$ million	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Operating expenditure	40.4	41.6	43.1	44.9	46.9	48.6	50.8	53.3	55.4	57.7	482.7
Depreciation	32.8	34.2	34.4	35.6	37.2	38.6	39.7	42.0	44.2	46.2	384.6
Total operating expenditure	**73.1**	**75.8**	**77.5**	**80.6**	**84.1**	**87.2**	**90.4**	**95.3**	**99.5**	**103.8**	**867.3**
Renewals	24.1	29.9	23.9	26.7	25.2	32.9	36.4	42.0	43.9	48.8	333.7
Level of service	14.0	9.4	11.3	14.8	15.5	14.2	18.3	21.7	18.2	23.8	161.2
Growth	3.7	5.6	6.4	6.5	6.9	6.9	7.3	7.8	7.4	8.2	66.8
Total capital expenditure	**41.8**	**44.9**	**41.6**	**48.0**	**47.5**	**54.0**	**62.0**	**71.5**	**69.5**	**80.8**	**561.7**

Transport budget



Roading and footpaths capital and operating expenditure budget

$ Million	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Operating expenditure	28.3	28.9	30.2	31.5	32.8	34.1	35.3	36.4	37.5	38.6	333.6
Depreciation	25.0	24.2	24.4	24.6	24.6	24.9	25.0	25.7	27.0	28.3	253.7
Total operating expenditure	**53.2**	**53.1**	**54.6**	**56.1**	**57.4**	**59.0**	**60.3**	**62.1**	**64.6**	**66.9**	**587.3**
Renewals	21.4	26.3	31.4	30.0	28.1	31.1	29.3	30.5	31.0	32.4	291.5
Level of service	17.2	15.2	16.7	17.1	15.6	17.6	12.3	8.5	6.5	7.1	133.8
Growth	1.4	1.5	1.8	1.7	1.5	1.6	1.4	1.2	1.2	1.2	14.4
Total capital expenditure	**40.0**	**43.0**	**49.8**	**48.9**	**45.2**	**50.4**	**43.0**	**40.1**	**38.6**	**40.7**	**439.6**

The 50 year plan for network infrastructure

This strategy acknowledges that there is an infrastructure renewals backlog, especially in 3 Waters. Renewals funding has significantly increased in the current 10 Year Plan for 3 Waters (an approximate 57% increase from the 2018-28 plan) in order to begin to address this shortfall, however the budget is still constrained due to affordability pressures, market and internal delivery capacities.

The value of theoretical deferred renewals in the 2021/22 year is estimated at approximately $400M. This represents assets still in operation whose theoretical maximum useful lives have been exceeded. At present, renewals are based on the assessed condition and performance of assets. Assets performing well and in good operable condition despite reaching their theoretical maximum useful lives are not automatically replaced.

The DCC has identified work to address the highest priority risks and activities in most need of investment in years 1 to 5 of this 10 Year Plan. However, affordability pressures, market capacity and DCC project delivery capacity and capability mean investment trade-offs have been made. In this plan, renewals funding matches depreciation from 2027 due to affordability and deliverability. Renewals investment will be prioritised in the most need and highest risk areas while market and the DCC delivery capacity is established. The aim is to increase project delivery year on year and if an improved delivery rate is achieved, there is the option to re-allocate funds from later in the plan to earlier years through the Annual Plan process, providing further opportunities to tackle the renewals backlog. Under existing affordability and deliverability constraints, it is anticipated that the DCC would not be able to catch up on the theoretical renewals backlog until 2045.

The aim of the first three years is to increase the delivery market capacity, alongside improving the capability and capacity of internal DCC delivery functions to begin to address the renewals backlog. As detailed design of projects provides more clarity on scope, the estimated costs of renewal projects will become clearer and costs may change. As more clarity on regulatory changes emerges, alongside the capacity issues and cost constraints, the 2024 – 2034 programme will act as a 're-set' for both renewals and new capital. This programme will be based on addressing renewal backlogs as well as meeting enhanced treatment and discharge standards.

Large scale projects are difficult to anticipate in the longer term due to an increasing number of unknowns However, within the timeframe of this 50 Year Plan, most 3 waters buildings and structures will require replacement or significant upgrades to ensure service levels are maintained. Further changes to the 3 waters and transport networks may also be required depending on demographic changes within the city. The impacts of climate change are likely to place pressure on the transport network's capacity to remain resilient in coastal, flood-prone, low-lying areas and will likely require some mitigation.

3 Waters investment in the short – medium term is to continue pipework renewals and large-scale plant renewals and focus on wet weather capacity upgrades at the WWTPs. These projects are listed in section 7. More clarity on regulatory changes and the outputs of the system plans will be available for the 2024-34 10 Year Plan and so it is expected that the medium to long term capital projects will evolve for the larger treatment plants.

Longer term, the replacement of the Deep Creek and Deep Stream raw water pipelines (including replacing the Taieri River pipe bridge) are planned, with design starting in the medium term. The replacement of these two pipelines is particularly significant as both carry significant risk in terms of the DCC's ability to supply water. Failure to address these assets in this timeframe would expose the assets to increasing risk of failure denying the city of its two primary water sources.

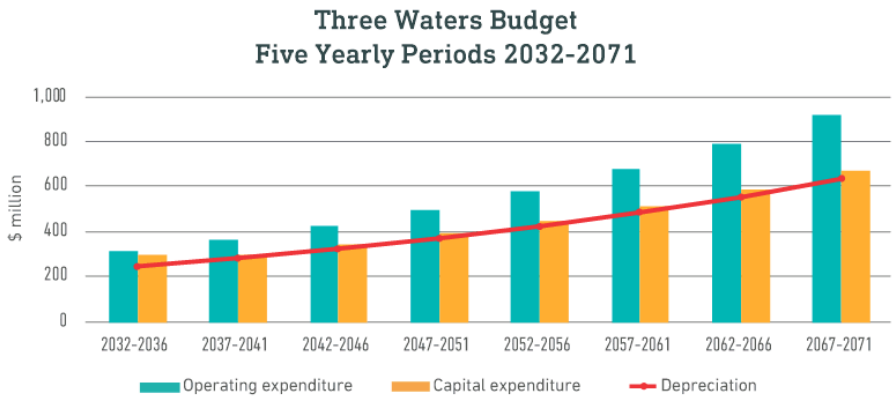
Significant 3 waters investment is required to service growth within the city, mainly within the networks. Most of the treatment plants have capacity to deal with forecast population changes, however some of the smaller water treatment plants will need upsizing. The solutions to the water treatment plants will be considered as part of the water system plan which may result in rationalising of plants to ensure they are able to comply with any new, more stringent water quality standards introduced through 3 Water's reform.

Transport renewals in the short – medium term will remain focused on maintaining the road network to appropriate levels of service. Investment decisions will be backed by condition assessments and prioritised according to the function of the road. Improved planning and increased investment will be required for assets such as sea walls, retaining walls and drainage assets in light of changing weather patterns. Larger projects look to address safety issues, improve the networks capacity and to provide transport choice for different modes that will facilitate a decrease in transport carbon emissions and a healthy connected city.

The DCC will continue to invest in relationships with professional and local government bodies such as Water New Zealand, Local Government New Zealand, Society of Local Government Managers, Institute of Public Works Engineers Australasia and Central Government to avoid duplication of effort and identify approaches used by other groups that can be applied in a local context.

3 Waters 50 year budget

Projected 3 waters capital and operating expenditure in 5 year bands for the 11 to 50 year period.

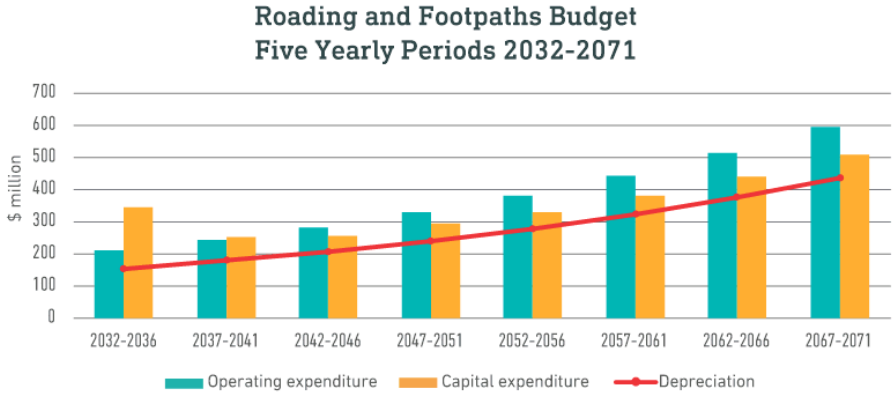


3 Waters capital and operating expenditure budget, five year bands for the 11 to 50 year period

$ million	2032-2036	2037-2041	2042-2046	2047-2051	2052-2056	2057-2061	2062-2066	2067-2071	Total
Depreciation	250.2	285.8	326.6	373.1	426.2	487.0	556.4	635.7	3,340.9
Operating Expenditure	316.2	368.3	429.1	499.8	582.3	678.3	790.2	920.5	4,584.6
Capital Expenditure	301.8	301.9	345.0	394.1	450.3	514.4	587.7	671.5	3,566.6

Transport 50 year budget

Projected transport capital and operating expenditure in 5 year bands for the 11 to 50 year period.



Transport capital and operating expenditure budget, five year bands for the 11 to 50 year period

$ million	2032-2036	2037-2041	2042-2046	2047-2051	2052-2056	2057-2061	2062-2066	2067-2071	Total
Depreciation	154.8	179.4	208.0	241.1	279.5	324.0	375.6	435.5	2,197.9
Operating Expenditure	211.2	244.9	283.9	329.1	381.5	442.3	512.7	594.4	3,000.1
Capital Expenditure	345.1	251.8	255.5	293.4	329.8	380.7	439.8	508.2	2,804.3

Section 3

he ratoka, he mahi services and activities

Contents

he ratoka, he mahi
services and activities

This section provides information on the activities and services that the DCC provides and describes:

- How the services and activities contribute to our community outcomes;
- How performance is measured; and
- The costs for providing the services and activities.

Information on 'significant negative effects' for the services and activities can be found in Appendix 1.

The services and activities that the DCC provides are grouped into 12 groups of activity. The community outcomes that they mainly contribute to are described within each activity.

The activity group structure for the 10 year plan 2021-31 is as follows:

Group of activity	Services and activities	
Community and planning	• City development • Resource consents	• Community development and events
Economic development	• Economic development • Marketing Dunedin	• Dunedin i-Site Visitor Centre
Galleries, libraries and museums	• Dunedin Public Art Gallery • Dunedin Public Libraries • Lan Yuan Chinese Garden	• Olveston Historic Home • Toitū Otago Settlers Museum
Governance and support services	• Civic and administration • Civil defence	• Customer services agency
Property	• Commercial property • Community housing	• Operational property
Regulatory services	• Building services • Compliance solutions	• Parking operations • Parking services (enforcement)
Reserves and recreational facilities	• Aquatic services • Botanic Garden	• Cemeteries and crematorium • Parks and reserves
Roading and footpaths	Transport	
Three Waters – water supply	Water supply	
Three Waters –sewerage and sewage	Wastewater	
Three Waters – stormwater	Stormwater	
Waste management	Waste and environmental solutions	

te hapori me te whakamahere kaupapa community and planning

Services and activities

The community and planning group includes activities and services related to:

- Community development and events
- City development
- Resource consents

The DCC is responsible for promoting the sustainable management of the natural and physical resources within Dunedin. This includes developing, reviewing and administering the District Plan, Spatial Plan and related policies, and processing applications for resource consents under the District Plan. The DCC also provides heritage, biodiversity and urban design advice to the Council and residents, and administers the heritage fund.

The community and planning group provides advice and support to community providers, administers a range of community support and grants, and organises community events. The community and planning group contributes to the vibrancy of the city for Dunedin residents and visitors, and works with community groups to provide a better quality of life, while driving development and delivery of the city's key strategies.

Community outcomes

The community and planning group contributes to the following community outcomes:

- A creative city with a rich and diverse arts and culture scene
- A successful city with a diverse, innovative and productive economy
- A supportive city with caring communities and a great quality of life
- A sustainable city with healthy and treasured natural environments
- A compact city with a vibrant CBD and thriving suburban and rural centres

Measuring performance

Measure	Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Level of service: Advice and support is provided to the community and key stakeholders, and grants funding and contract support is appropriately administered and monitored						
Percentage of customers satisfied with advice, support, and assistance provided by the Community Development Team	Annual survey	91%	≥95%			
Level of service: Council funded events meet the needs of residents						
Percentage of residents satisfied with city festivals and events	ROS	70%	≥70%			
Level of service: Residents are satisfied with the look and feel of the city						
Percentage of residents satisfied with the overall look and feel of the city	ROS	70%	≥75%			
Level of service: Resource consents are processed efficiently and meet statutory timeframes and customer information needs are met.						
Percentage of resource consents processed within statutory timeframes	Internal data	99%	100%			

ROS Residents' Opinion Survey

DUNEDIN CITY COUNCIL

Funding Impact Statement for the years ended 30 June 2022 – 2031 for Community and Planning

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	12,199	12,669	12,660	12,754	13,027	13,320	13,651	13,950	14,287	14,618	14,969
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	–	–	–	–	–	–	–	–	–	–	–
Total operating funding	**13,963**	**15,034**	**14,595**	**14,845**	**15,059**	**15,516**	**15,786**	**16,259**	**16,538**	**17,054**	**17,341**
Application of operating funding											
Payments to staff and suppliers	11,892	13,063	12,544	12,726	12,882	13,277	13,482	13,886	14,094	14,542	14,758
Finance costs	209	–	24	42	50	59	68	78	88	96	104
Internal charges and overheads applied	1,957	1,963	2,018	2,069	2,121	2,174	2,228	2,286	2,348	2,411	2,474
Other operating funding applications	–	–	–	–	–	–	–	–	–	–	–
Total application of operating funding	**14,058**	**15,026**	**14,586**	**14,837**	**15,053**	**15,510**	**15,778**	**16,250**	**16,530**	**17,049**	**17,336**
Surplus/(deficit) of operating funding	**(95)**	**8**	**9**	**8**	**6**	**6**	**8**	**9**	**8**	**5**	**5**
Sources of capital funding											
Subsidies and grants for capital expenditure	–	–	–	–	–	–	–	–	–	–	–
Development and financial contributions	–	–	–	–	–	–	–	–	–	–	–
Increase/(decrease) in debt	–	378	902	363	202	456	200	494	177	400	177
Gross proceeds from sale of assets	–	–	–	–	–	–	–	–	–	–	–
Lump sum contributions	–	–	–	–	–	–	–	–	–	–	–
Other dedicated capital funding	–	–	–	–	–	–	–	–	–	–	–
Total sources of capital funding	**–**	**378**	**902**	**363**	**202**	**456**	**200**	**494**	**177**	**400**	**177**
Application of capital funding											
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)	31	(60)	(34)	7	(44)	5	(4)	(29)	(102)	(23)
Total application of capital funding	**(95)**	**386**	**911**	**371**	**208**	**462**	**208**	**503**	**185**	**405**	**182**
Surplus/(deficit) of capital funding	**95**	**(8)**	**(9)**	**(8)**	**(6)**	**(6)**	**(8)**	**(9)**	**(8)**	**(5)**	**(5)**
Funding balance	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

Community and Planning – Income Statement for the years ended 30 June 2022 – 2031

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Revenue											
Rates revenue	12,199	12,669	12,660	12,754	13,027	13,320	13,651	13,950	14,287	14,618	14,969
External revenue	1,429	2,022	1,582	1,729	1,662	1,816	1,746	1,910	1,840	2,015	1,939
Grants and subsidies revenue	138	140	144	148	151	155	159	163	168	172	177
Development contributions revenue	–	–	–	–	–	–	–	–	–	–	–
Vested assets	–	–	–	–	–	–	–	–	–	–	–
Internal revenue	197	203	209	214	219	225	230	236	243	249	256
Total revenue	**13,963**	**15,034**	**14,595**	**14,845**	**15,059**	**15,516**	**15,786**	**16,259**	**16,538**	**17,054**	**17,341**
Expenditure											
Personnel costs	5,651	6,036	6,038	6,209	6,233	6,428	6,478	6,695	6,760	6,999	7,068
Operations and maintenance	1,297	1,685	1,197	1,055	1,081	1,108	1,136	1,166	1,197	1,229	1,261
Occupancy costs	104	178	134	137	140	144	148	151	155	160	164
Consumables and general	876	1,245	1,161	1,213	1,220	1,275	1,282	1,341	1,350	1,414	1,423
Grants and subsidies	3,964	3,919	4,015	4,112	4,207	4,321	4,438	4,534	4,631	4,740	4,842
Internal charges	1,957	1,963	2,018	2,069	2,121	2,174	2,228	2,286	2,348	2,411	2,474
Depreciation and amortisation	15	8	8	8	7	7	8	8	9	5	5
Interest	209	–	24	42	50	59	68	78	88	96	104
Total expenditure	**14,073**	**15,034**	**14,595**	**14,845**	**15,059**	**15,516**	**15,786**	**16,259**	**16,538**	**17,054**	**17,341**
Net surplus/(deficit)	**(110)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Expenditure by Activity											
City Development	3,927	4,154	4,252	4,348	4,436	4,535	4,641	4,754	4,871	4,995	5,118
Community Development and Events	6,648	7,434	6,836	6,924	6,982	7,263	7,347	7,620	7,690	7,985	8,054
Resource Consents	3,498	3,446	3,507	3,573	3,641	3,718	3,798	3,885	3,977	4,074	4,169
Total expenditure	**14,073**	**15,034**	**14,595**	**14,845**	**15,059**	**15,516**	**15,786**	**16,259**	**16,538**	**17,054**	**17,341**

te whakatupu ohaoha economic development

Services and activities

The economic development group includes activities and services related to:

- Economic development
- Marketing Dunedin
- Visitor Centre (i-Site)

The DCC supports and encourages business vitality, alliances for innovation, a hub of skills and talent, linkages beyond our borders and a compelling destination to make Dunedin a great place to live, work, study, visit and invest in.

The economic development group works in partnership with other agencies to promote the city, attract visitors and migrants, and encourage and support business, job growth and entrepreneurial activity.

Community outcomes

The economic development group contributes to the following community outcomes:

- A creative city with a rich and diverse arts and culture scene
- A successful city with a diverse, innovative and productive economy
- A supportive city with caring communities and a great quality of life

Measuring performance

Measure	Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Level of service: Enterprise Dunedin provides business sector support and coordinates the marketing of the city for tourism and education and attracting investment and skilled migrants						
Percentage of residents satisfied with the Council's support for economic development	ROS	46%	≥50%			
Dunedin's share of national visitor spend	MBIE TECTs	New measure	Grow 10% year on year			
Level of service: The i-Site Visitor Centre provides an accessible, accurate tourism information and booking service						
Percentage of external customers satisfied with the i-Site Visitor Centre experience	Independent external survey	100%	≥90%			

ROS Residents' Opinion Survey

DUNEDIN CITY COUNCIL

Funding Impact Statement for the years ended 30 June 2022 – 2031 for Economic Development

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	4,917	4,902	5,037	5,145	5,259	5,387	5,522	5,663	5,811	5,969	6,125
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	–	–	–	–	–	–	–	–	–	–	–
Total operating funding	**5,736**	**5,824**	**5,971**	**6,090**	**6,215**	**6,354**	**6,501**	**6,654**	**6,816**	**6,988**	**7,157**
Application of operating funding											
Payments to staff and suppliers	4,774	4,685	4,776	4,872	4,970	5,078	5,191	5,312	5,441	5,576	5,709
Finance costs	–	–	8	8	8	8	9	9	9	9	9
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	–	–	–	–	–	–	–	–	–	–	–
Total application of operating funding	**5,881**	**5,800**	**5,930**	**6,055**	**6,182**	**6,320**	**6,465**	**6,619**	**6,783**	**6,954**	**7,123**
Surplus/(deficit) of operating funding	**(145)**	**24**	**41**	**35**	**33**	**34**	**36**	**35**	**33**	**34**	**34**
Sources of capital funding											
Subsidies and grants for capital expenditure	–	–	–	–	–	–	–	–	–	–	–
Development and financial contributions	–	–	–	–	–	–	–	–	–	–	–
Increase/(decrease) in debt	–	270	–	–	–	46	–	–	–	–	–
Gross proceeds from sale of assets	–	–	–	–	–	–	–	–	–	–	–
Lump sum contributions	–	–	–	–	–	–	–	–	–	–	–
Other dedicated capital funding	–	–	–	–	–	–	–	–	–	–	–
Total sources of capital funding	**–**	**270**	**–**	**–**	**–**	**46**	**–**	**–**	**–**	**–**	**–**
Application of capital funding											
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)	29	36	19	28	(4)	30	35	33	28	34
Total application of capital funding	**(145)**	**294**	**41**	**35**	**33**	**80**	**36**	**35**	**33**	**34**	**34**
Surplus/(deficit) of capital funding	**145**	**(24)**	**(41)**	**(35)**	**(33)**	**(34)**	**(36)**	**(35)**	**(33)**	**(34)**	**(34)**
Funding balance	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

Economic Development – Income Statement for the years ended 30 June 2022 – 2031

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Revenue											
Rates revenue	5,417	5,402	5,537	5,645	5,759	5,887	6,022	6,163	6,311	6,469	6,625
External revenue	316	419	431	442	453	464	476	488	501	515	528
Grants and subsidies revenue	–	–	–	–	–	–	–	–	–	–	–
Development contributions revenue	–	–	–	–	–	–	–	–	–	–	–
Vested assets	–	–	–	–	–	–	–	–	–	–	–
Internal revenue	3	3	3	3	3	3	3	3	4	4	4
Total revenue	**5,736**	**5,824**	**5,971**	**6,090**	**6,215**	**6,354**	**6,501**	**6,654**	**6,816**	**6,988**	**7,157**
Expenditure											
Personnel costs	2,423	2,503	2,534	2,575	2,616	2,666	2,719	2,776	2,837	2,902	2,966
Operations and maintenance	1,426	1,156	1,188	1,218	1,248	1,279	1,311	1,345	1,382	1,419	1,456
Occupancy costs	18	17	17	18	18	19	19	20	20	21	21
Consumables and general	907	919	945	969	993	1,018	1,043	1,070	1,099	1,129	1,158
Grants and subsidies	–	90	92	93	94	96	98	100	102	105	107
Internal charges	1,107	1,115	1,146	1,175	1,204	1,234	1,265	1,298	1,333	1,369	1,405
Depreciation and amortisation	47	24	41	34	34	34	37	36	34	34	35
Interest	–	–	8	8	8	8	9	9	9	9	9
Total expenditure	**5,928**	**5,824**	**5,971**	**6,090**	**6,215**	**6,354**	**6,501**	**6,654**	**6,816**	**6,988**	**7,157**
Net surplus/(deficit)	**(192)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Expenditure by Activity											
Marketing Dunedin	3,205	2,957	3,001	3,067	3,132	3,202	3,277	3,355	3,438	3,526	3,613
Economic Development	1,593	1,731	1,811	1,843	1,879	1,921	1,964	2,009	2,056	2,107	2,157
Dunedin i-Site Visitor Centre	1,130	1,136	1,159	1,180	1,204	1,231	1,260	1,290	1,322	1,355	1,387
Total expenditure	**5,928**	**5,824**	**5,971**	**6,090**	**6,215**	**6,354**	**6,501**	**6,654**	**6,816**	**6,988**	**7,157**

update coming
galleries, libraries and museums

Services and activities

The Galleries, Libraries and Museums group includes activities and services related to:

- Dunedin Public Libraries (including City of Literature)
- Dunedin Public Art Gallery
- Toitū Otago Settlers Museum
- Lan Yuan Chinese Garden
- Olveston Historic Home

The DCC owns and operates the Dunedin Public Libraries, Dunedin Public Art Gallery, Toitū Otago Settlers Museum, Dunedin Chinese Garden and Olveston Historic Home.

The DCC provides opportunities to access and experience visual arts and culture by viewing art collections held in a safe and quality environment. The DCC maintains and preserves a rich heritage of stories, treasures and knowledge through its cultural institutions.

The Council is one of four local authorities in Otago that contribute to the management and funding of the Otago Museum Trust Board Act 1996.

Community outcomes

The Galleries, Libraries and Museums group contributes to the following community outcomes:

- A creative city with a rich and diverse arts and culture scene
- A supportive city with caring communities and a great quality of life
- A successful city with a diverse, innovative and productive economy

Measuring performance

Measure	Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Level of service: Library facilities are accessible, and collections are maintained and updated to meet the needs of the community						
Percentage of residents who visit Dunedin Public Libraries at least once in a year	ROS	64%	≥60%			
Percentage of residents who visited and were satisfied with Dunedin Public Libraries	ROS	89%	≥90%			
Total number of visits to Dunedin Public Libraries annually	Internal data	920,579	≥1.1 million			
Number of participants in lifelong learning programmes conducted by the library annually	Internal data	35,086	≥35,000			
Level of service: The Dunedin Public Art Gallery provides access to a diverse visual art experience which meets the expectations of visitors and the collection is managed according to international best practice						
Percentage of residents who visit Dunedin Public Art Gallery at least once in a year	ROS	51%	≥40%			

Measure	Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Percentage of residents who visited and were satisfied with to their visit to the Dunedin Public Art Gallery	ROS	90%	≥90%			
Total number of visits to Dunedin Public Art Gallery annually	Internal data	198,046	≥195,000			
Level of visitor satisfaction with Dunedin Public Art Gallery	Visitor surveys	97%	≥90%			
Percentage of designated exhibition galleries that are committed to displays from the permanent collection (in order to provide access to the city's holding of nationally significant art)	Internal data	56.6%	≥40%			
Level of service: The Toitū Otago Settlers Museum (Toitū) facilities provide a access to a diverse social history experience which meets the expectations of visitors						
Percentage of residents who visit Toitū at least once a year	ROS	71%	≥75%			
Percentage of residents who visited and were satisfied with their visit to Toitū	ROS	94%	≥95%			
Total number of visits to Toitū annually	Internal data	216,656	≥250,000			
Number of special exhibitions, public programs and events staged per year at Toitū and at Lan Yuan Chinese Garden	Annual status analysis	86	≥100			
Level of visitor satisfaction with Toitū	Trip Advisor	4.8	≥4.5 out of 5 stars (as at 30 June each year)			
Level of service: Visitors enjoy an authentic Chinese architectural and cultural experience						
Percentage of residents who visit Lan Yuan Chinese Garden at least once a year	ROS	24%	≥15%			
Percentage of residents who visited and were satisfied with their visit to Lan Yuan Chinese Garden	ROS	83%	≥85%			
Total number of visits to Lan Yuan Chinese Garden annually	Internal data	34,676	≥40,000			
Level of visitor satisfaction with Lan Yuan Chinese Garden	Trip Advisor	4.5	≥4.0 out of 5 stars (as at 30 June each year)			
Level of service: Visitors enjoy an authentic experience at Olveston Historic House						
Percentage of residents who visit Olveston at least once a year	ROS	10%	≥10%			
Percentage of residents who visited and were satisfied with their visit to Olveston	ROS	92%	≥90%			
Total number of visits to Olveston annually	Internal data	24,527	≥35,000			
Level of visitor satisfaction with Olveston	Trip Advisor	4.5	≥4.5 out of 5 stars (as at 30 June each year)			

ROS Residents' Opinion Survey

DUNEDIN CITY COUNCIL

Funding Impact Statement for the years ended 30 June 2022 – 2031 for Galleries, Libraries and Museums

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	24,877	24,672	24,454	24,907	25,741	26,335	27,036	27,808	28,787	29,609	30,446
Targeted rates	–	–	–	–	–	–	–	–	–	–	–
Subsidies and grants for operating purposes	292	317	326	334	342	351	359	369	379	389	399
Fees and charges	988	1,137	1,919	1,955	1,997	2,028	2,060	2,094	2,130	2,167	2,204
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
Total operating funding	**26,257**	**26,147**	**26,720**	**27,221**	**28,113**	**28,748**	**29,490**	**30,307**	**31,333**	**32,203**	**33,088**
Application of operating funding											
Payments to staff and suppliers	18,302	18,197	18,675	18,918	19,554	19,952	20,369	20,811	21,278	21,767	22,252
Finance costs	939	373	337	367	388	401	414	446	477	487	497
Internal charges and overheads applied	6,515	6,512	6,694	6,941	7,141	7,319	7,502	7,697	7,905	8,119	8,330
Other operating funding applications	–	–	–	–	–	–	–	–	–	–	–
Total application of operating funding	**25,756**	**25,082**	**25,706**	**26,226**	**27,083**	**27,672**	**28,285**	**28,954**	**29,660**	**30,373**	**31,079**
Surplus/(deficit) of operating funding	**501**	**1,065**	**1,014**	**995**	**1,030**	**1,076**	**1,205**	**1,353**	**1,673**	**1,830**	**2,009**
Sources of capital funding											
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	–	1,370	1,123	951	517	432	489	1,765	363	344	391
Gross proceeds from sale of assets	–	–	–	–	–	–	–	–	–	–	–
Lump sum contributions	–	–	–	–	–	–	–	–	–	–	–
Other dedicated capital funding	–	–	–	–	–	–	–	–	–	–	–
Total sources of capital funding	**30**	**1,400**	**1,154**	**983**	**549**	**465**	**523**	**1,800**	**399**	**381**	**429**
Application of capital funding											
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)	102	(84)	(97)	5	(41)	1	(21)	347	439	377
Total application of capital funding	**531**	**2,465**	**2,168**	**1,978**	**1,579**	**1,541**	**1,728**	**3,153**	**2,072**	**2,211**	**2,438**
Surplus/(deficit) of capital funding	**(501)**	**(1,065)**	**(1,014)**	**(995)**	**(1,030)**	**(1,076)**	**(1,205)**	**(1,353)**	**(1,673)**	**(1,830)**	**(2,009)**
Funding balance	–	–	–	–	–	–	–	–	–	–	–

Galleries, Libraries and Museums – Income Statement for the years ended 30 June 2022 – 2031

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Revenue											
Rates revenue	24,877	24,672	24,454	24,907	25,741	26,335	27,036	27,808	28,787	29,609	30,446
External revenue	1,065	1,137	1,919	1,958	2,008	2,039	2,071	2,106	2,142	2,180	2,217
Grants and subsidies revenue	322	347	356	365	374	384	393	404	415	426	437
Development contributions revenue	–	–	–	–	–	–	–	–	–	–	–
Vested assets	–	–	–	–	–	–	–	–	–	–	–
Internal revenue	22	21	21	22	22	23	24	24	25	26	26
Total revenue	**26,286**	**26,177**	**26,750**	**27,252**	**28,145**	**28,781**	**29,524**	**30,342**	**31,369**	**32,241**	**33,126**
Expenditure											
Personnel costs	10,295	10,339	10,469	10,764	11,195	11,408	11,636	11,880	12,142	12,421	12,694
Operations and maintenance	1,335	1,187	1,209	1,243	1,281	1,313	1,346	1,381	1,418	1,456	1,494
Occupancy costs	1,174	1,206	1,240	1,211	1,256	1,288	1,320	1,355	1,392	1,430	1,467
Consumables and general	928	896	921	946	973	998	1,023	1,049	1,077	1,107	1,135
Grants and subsidies	4,569	4,569	4,835	4,753	4,848	4,945	5,044	5,145	5,248	5,353	5,460
Internal charges	6,515	6,512	6,694	6,941	7,141	7,319	7,502	7,697	7,905	8,119	8,330
Depreciation and amortisation	1,365	1,095	1,045	1,027	1,063	1,109	1,239	1,389	1,710	1,868	2,049
Interest	939	373	337	367	388	401	414	446	477	487	497
Total expenditure	**27,120**	**26,177**	**26,750**	**27,252**	**28,145**	**28,781**	**29,524**	**30,342**	**31,369**	**32,241**	**33,126**
Net surplus/(deficit)	**(834)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Expenditure by Activity											
Dunedin Public Libraries	10,851	10,838	11,021	11,356	11,934	12,229	12,637	13,075	13,661	14,129	14,598
DPAG, Toitū and Lan Yuan	10,106	9,536	9,653	9,881	10,080	10,300	10,510	10,761	11,070	11,341	11,620
Olveston Historic Home	900	901	915	930	946	964	983	1,003	1,024	1,044	1,066
Otago Museum Levy	4,535	4,535	4,800	4,718	4,812	4,908	5,006	5,107	5,209	5,313	5,419
Ara Toi	728	367	361	367	373	380	388	396	405	414	423
Total expenditure	**27,120**	**26,177**	**26,750**	**27,252**	**28,145**	**28,781**	**29,524**	**30,342**	**31,369**	**32,241**	**33,126**

Attachment A Item 13

ratoka whakahaere, ratoka tautoko
governance and support services

Services and activities

The governance and support services group includes activities and services related to:

- Civic and administration
- Customer services agency
- Council communications & marketing
- Warm Dunedin

The governance and support services group provide technical and administrative support for the key delivery activities of the DCC. In some instances, an external service to residents and the public is provided (e.g. the provision of the Council's website). The support activities are largely funded by an internal charge to the other activities in this section. The charge is based on an allocation method that endeavours to reflect the true cost to the key delivery activities.

Community outcomes

The governance and support services group contributes to the following community outcomes:

- A healthy city with reliable and quality water, wastewater and stormwater system
- A compact city with a vibrant CBD and thriving suburban and rural centres
- A successful city with a diverse, innovative and productive economy
- A creative city with a rich and diverse arts and culture scene
- A connected city with a safe, accessible and low-carbon transport system
- A sustainable city with healthy and treasured natural environments
- An active city with quality and accessible recreational spaces and opportunities
- A supportive city with caring communities and a great quality of life

Measuring performance

Measure	Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Level of service: The information required to participate in the democratic process is appropriately available						
Percentage of non-public material that is assessed for proactive release to the public during each Council Committee meeting round	Internal data	100%	100%			
Percentage of LGOIMA official information requests that are responded to within 20 working days	Internal data	79%	100%			
Percentage of residents satisfied with the amount of public consultation undertaken	ROS	38%	≥50%			
Level of service: The information residents require is appropriately available						
Percentage of residents satisfied with the Council's website	ROS	62%	≥65%			
Level of service: Staff communicate with residents appropriately						
Percentage of residents satisfied with how staff communicate	ROS	78%	≥80%			

ROS Residents' Opinion Survey

DUNEDIN CITY COUNCIL

Funding Impact Statement for the years ended 30 June 2022 – 2031 for Governance and Support Services

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	88	6,980	8,032	8,135	9,022	10,962	11,428	12,499	13,924	15,373	17,293
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	25,635	26,353	27,012	27,687	28,379	29,089	29,845	30,651	31,478	32,297
Local authorities fuel tax, fines, infringement fees, and other receipts	–	–	–	–	–	–	–	–	–	–	–
Total operating funding	**37,076**	**42,812**	**44,548**	**45,005**	**46,423**	**49,213**	**50,252**	**52,175**	**54,717**	**56,809**	**59,620**
Application of operating funding											
Payments to staff and suppliers	35,613	33,792	35,121	35,415	36,276	38,297	38,891	39,739	41,450	42,077	43,353
Finance costs	549	1,230	1,442	1,479	1,515	1,519	1,483	1,443	1,393	1,331	1,239
Internal charges and overheads applied	6,869	6,770	6,960	7,134	7,312	7,495	7,682	7,882	8,095	8,313	8,529
Other operating funding applications	–	–	–	–	–	–	–	–	–	–	–
Total application of operating funding	**43,031**	**41,792**	**43,523**	**44,028**	**45,103**	**47,311**	**48,056**	**49,064**	**50,938**	**51,721**	**53,121**
Surplus/(deficit) of operating funding	**(5,955)**	**1,020**	**1,025**	**977**	**1,320**	**1,902**	**2,196**	**3,111**	**3,779**	**5,088**	**6,499**
Sources of capital funding											
Subsidies and grants for capital expenditure	–	–	–	–	–	–	–	–	–	–	–
Development and financial contributions	–	–	–	–	–	–	–	–	–	–	–
Increase/(decrease) in debt	7,222	1,440	1,356	1,103	1,319	(1,214)	(1,412)	(1,508)	(2,165)	(2,303)	(4,313)
Gross proceeds from sale of assets	120	165	120	120	120	120	120	120	120	120	120
Lump sum contributions	–	–	–	–	–	–	–	–	–	–	–
Other dedicated capital funding	–	–	–	–	–	–	–	–	–	–	–
Total sources of capital funding	**7,342**	**1,605**	**1,476**	**1,223**	**1,439**	**(1,094)**	**(1,292)**	**(1,388)**	**(2,045)**	**(2,183)**	**(4,193)**
Application of capital funding											
Capital expenditure											
– to meet additional demand	–	–	–	–	–	–	–	–	–	–	–
– to improve the level of service	417	1,100	2,009	2,058	2,408	1,525	775	775	775	1,050	775
– to replace existing assets	2,941	3,552	3,143	2,856	2,709	2,851	4,526	3,951	3,822	3,862	2,757
Increase/(decrease) in reserves	–	–	–	–	–	–	–	–	–	–	–
Increase/(decrease) of investments	(1,971)	(2,027)	(2,651)	(2,714)	(2,358)	(3,568)	(4,397)	(3,003)	(2,863)	(2,007)	(1,226)
Total application of capital funding	**1,387**	**2,625**	**2,501**	**2,200**	**2,759**	**808**	**904**	**1,723**	**1,734**	**2,905**	**2,306**
Surplus/(deficit) of capital funding	**5,955**	**(1,020)**	**(1,025)**	**(977)**	**(1,320)**	**(1,902)**	**(2,196)**	**(3,111)**	**(3,779)**	**(5,088)**	**(6,499)**
Funding balance	–	–	–	–	–	–	–	–	–	–	–

Attachment A Item 13

Governance and Support Services – Income Statement for the years ended 30 June 2022 – 2031

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Revenue											
Rates revenue	396	6,643	7,676	7,762	8,571	10,414	10,841	11,847	13,173	14,544	16,401
External revenue	13,713	12,010	12,032	11,783	11,755	12,053	11,999	12,205	12,660	12,602	12,787
Grants and subsidies revenue	–	–	–	–	–	–	–	–	–	–	–
Development contributions revenue	–	–	–	–	–	–	–	–	–	–	–
Vested assets	3,000	–	–	–	–	–	–	–	–	–	–
Internal revenue	25,580	25,635	26,353	27,012	27,687	28,379	29,089	29,845	30,651	31,478	32,297
Total revenue	**42,689**	**44,288**	**46,061**	**46,557**	**48,013**	**50,846**	**51,929**	**53,897**	**56,484**	**58,624**	**61,485**
Expenditure											
Personnel costs	15,827	16,707	16,901	17,326	17,761	18,259	18,787	19,349	19,946	20,579	21,210
Operations and maintenance	7,479	5,277	5,670	5,665	5,807	6,770	6,668	6,842	7,312	7,216	7,404
Occupancy costs	193	163	168	173	177	183	188	193	199	205	210
Consumables and general	10,799	11,238	11,967	11,830	12,103	12,650	12,803	12,901	13,530	13,603	14,044
Grants and subsidies	1,314	407	414	421	427	435	444	453	463	474	485
Internal charges	6,869	6,770	6,960	7,134	7,312	7,495	7,682	7,882	8,095	8,313	8,529
Depreciation and amortisation	1,822	1,470	1,476	1,427	1,769	2,352	2,648	3,149	3,595	4,067	4,528
Interest	549	1,230	1,442	1,479	1,515	1,519	1,483	1,443	1,393	1,331	1,239
Total expenditure	**44,852**	**43,262**	**44,998**	**45,455**	**46,871**	**49,663**	**50,703**	**52,212**	**54,533**	**55,788**	**57,649**
Net surplus/(deficit)	**(2,163)**	**1,026**	**1,063**	**1,102**	**1,142**	**1,183**	**1,226**	**1,685**	**1,951**	**2,836**	**3,836**
Expenditure by Activity											
Business Information Services	13,264	13,209	13,781	13,957	14,745	15,670	16,380	17,029	17,891	18,668	19,576
Civic and Administration	3,630	3,654	4,336	3,835	3,925	4,653	4,116	4,220	5,015	4,444	4,557
Civil Defence	232	228	234	238	242	246	252	258	263	268	275
Corporate Leadership	4,892	5,159	5,256	5,358	5,463	5,580	5,702	5,834	5,974	6,121	6,265
Corporate Policy	1,176	1,227	1,247	1,270	1,293	1,320	1,348	1,378	1,410	1,444	1,478
Council Communications and Marketing	3,365	3,420	3,489	3,550	3,623	3,702	3,817	3,926	4,025	4,128	4,229
Customer Services Agency	3,159	3,149	3,211	3,283	3,350	3,423	3,499	3,588	3,661	3,773	3,871
Finance	5,064	5,357	5,362	5,576	5,679	5,682	5,950	6,078	6,095	6,399	6,539
Finance and Commercial	1,905	2,023	2,055	2,091	2,129	2,172	2,217	2,266	2,318	2,374	2,428
Fleet Operations	1,517	1,443	1,443	1,470	1,483	1,551	1,626	1,703	1,784	1,883	1,970
People, Safety and Culture	2,342	2,092	2,130	2,170	2,210	2,256	2,305	2,357	2,413	2,471	2,529
Investment Account	3,431	1,591	1,742	1,959	2,079	2,745	2,851	2,966	3,106	3,256	3,384
Waipori Fund	218	240	247	253	259	266	272	279	287	295	302
Warm Dunedin	657	470	465	445	391	397	368	330	291	264	246
Total expenditure	**44,852**	**43,262**	**44,998**	**45,455**	**46,871**	**49,663**	**50,703**	**52,212**	**54,533**	**55,788**	**57,649**

kā wāhi whenua property

Services and activities

The property group includes activities and services related to:

- Community housing
- Property management (including Investment Property, Operational Property and Community Property)
- Land and lease management

The DCC manages property to maintain core services, provide community housing, and provide non-rates revenue.

The property portfolio includes the management of community housing units for qualifying residents; arts and culture facilities like the Regent Theatre; sports facilities like Edgar Centre and the Ice Sports Stadium; and non-rates revenue from the management of investment properties.

Property management is essential to the Council's influence in economic development, arts and culture, community housing, and libraries and museums, and maintaining the range of services provided to Dunedin's communities. It supports all of the DCC's activities and services.

Community outcomes

The property group contributes to the following community outcomes:

- A creative community with a rich and diverse arts and culture scene
- A supportive city with caring communities and a great quality of life
- An active city with quality and accessible recreational spaces and opportunities
- A compact city with a vibrant CBD and thriving suburban and rural centres

Measuring performance

Measure		Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Level of service: The housing provided by the Council meets the needs of tenants and rental values will not exceed operating expenses.							
Percentage occupancy of Council provided rental housing		Internal data	97%	≥94%			
Percentage of tenants satisfied with Council provided rental housing		Tenant survey	91%	≥95%			
Level of service: Council investment properties are appropriately managed							
Percentage overall occupancy of Council investment properties		Internal data	89%	≥95%			
Level of service: Council operational properties are appropriately managed							
Percentage of service request response times met		Internal data	91%	≥75%			
Level of service: The impact of Council operations on the environment are managed							
The amount of energy used by DCC properties is reducing year on year		Internal data	New measure	Reducing year on year			
The amount of energy generated from fossil fuels in DCC properties	Energy from LPG	Internal data	New measure	Reduction on 2018/19 baseline of 8,772,833 kWh	Reducing year on year		
	Energy from diesel			Reduction on 2018/19 baseline of 282,675.5 kWh			

Measure	Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Level of service: The number of public toilets throughout Dunedin will increase						
Provide a changing places bathroom in the central city area	Internal data	New measure	By 30 June 2022			
Increase in the number of public toilets	Internal data	New measure		2 new toilets each year		

levels of service statements and measures that will help monitor progress towards Council's zero carbon 2030 target.

ROS Residents' Opinion Survey

DUNEDIN CITY COUNCIL

Funding Impact Statement for the years ended 30 June 2022 – 2031 for Property

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	8,091	9,155	9,661	11,906	13,325	15,270	17,049	18,501	21,328	21,781	22,594
Targeted rates	–	–	–	–	–	–	–	–	–	–	–
Subsidies and grants for operating purposes	–	60	–	–	–	–	–	–	–	–	–
Fees and charges	16,673	17,091	17,646	18,165	18,700	19,249	19,814	20,415	21,055	21,714	22,372
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	–	–	–	–	–	–	–	–	–	–	–
Total operating funding	**32,845**	**33,965**	**35,180**	**38,221**	**40,405**	**43,109**	**45,667**	**47,949**	**51,660**	**53,023**	**54,741**
Application of operating funding											
Payments to staff and suppliers	18,418	19,703	20,283	21,637	22,295	23,629	24,572	25,316	29,098	30,177	31,001
Finance costs	2,766	1,332	1,522	1,878	2,223	2,552	2,928	3,208	3,322	3,400	3,497
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	–	–	–	–	–	–	–	–	–	–	–
Total application of operating funding	**24,168**	**23,594**	**24,436**	**26,212**	**27,282**	**29,014**	**30,404**	**31,504**	**35,480**	**36,720**	**37,722**
Surplus/(deficit) of operating funding	**8,677**	**10,371**	**10,744**	**12,009**	**13,123**	**14,095**	**15,263**	**16,445**	**16,180**	**16,303**	**17,019**
Sources of capital funding											
Subsidies and grants for capital expenditure	–	–	–	–	–	–	–	–	–	–	–
Development and financial contributions	6	200	295	302	309	316	323	287	294	300	307
Increase/(decrease) in debt	–	12,137	11,822	13,202	10,990	12,097	14,275	5,347	2,685	2,813	3,986
Gross proceeds from sale of assets	–	3,000	–	–	–	–	–	–	–	–	–
Lump sum contributions	–	–	–	–	–	–	–	–	–	–	–
Other dedicated capital funding	–	–	–	–	–	–	–	–	–	–	–
Total sources of capital funding	**6**	**15,337**	**12,117**	**13,504**	**11,299**	**12,413**	**14,598**	**5,634**	**2,979**	**3,113**	**4,293**
Application of capital funding											
Capital expenditure											
– to meet additional demand	5	339	582	537	242	615	615	385	175	175	175
– to improve the level of service	2,995	5,726	9,486	9,891	7,438	11,185	12,885	4,915	2,025	2,025	2,025
– 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	3,908	(820)	(1,210)	336	(888)	359	343	47	(172)	100
Total application of capital funding	**8,683**	**25,708**	**22,861**	**25,513**	**24,422**	**26,508**	**29,861**	**22,079**	**19,159**	**19,416**	**21,312**
Surplus/(deficit) of capital funding	**(8,677)**	**(10,371)**	**(10,744)**	**(12,009)**	**(13,123)**	**(14,095)**	**(15,263)**	**(16,445)**	**(16,180)**	**(16,303)**	**(17,019)**
Funding balance	–	–	–	–	–	–	–	–	–	–	–

Attachment A Item 13

Property – Income Statement for the years ended 30 June 2022 – 2031

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Revenue											
Rates revenue	8,091	9,155	9,661	11,906	13,325	15,270	17,049	18,501	21,328	21,781	22,594
External revenue	16,673	17,091	17,646	18,165	18,700	19,249	19,814	20,415	21,055	21,714	22,372
Grants and subsidies revenue	–	60	–	–	–	–	–	–	–	–	–
Development contributions revenue	6	200	295	302	309	316	323	287	294	300	307
Vested assets	–	–	–	–	–	–	–	–	–	–	–
Internal revenue	8,081	7,659	7,873	8,150	8,380	8,590	8,804	9,033	9,277	9,528	9,775
Total revenue	**32,851**	**34,165**	**35,475**	**38,523**	**40,714**	**43,425**	**45,990**	**48,236**	**51,954**	**53,323**	**55,048**
Expenditure											
Personnel costs	3,372	3,522	3,490	3,546	3,602	3,671	3,744	3,823	3,907	3,997	4,085
Operations and maintenance	6,377	6,946	7,189	7,434	7,714	7,975	8,245	8,531	9,912	10,255	10,600
Occupancy costs	7,675	8,493	8,844	9,248	9,644	10,061	10,501	10,943	13,206	13,674	14,133
Consumables and general	857	584	600	1,248	1,171	1,754	1,911	1,844	1,894	2,068	1,996
Grants and subsidies	137	157	160	162	165	168	171	175	179	183	187
Internal charges	2,984	2,559	2,631	2,697	2,764	2,833	2,904	2,980	3,060	3,143	3,224
Depreciation and amortisation	10,435	10,372	10,744	12,008	13,122	14,095	15,263	16,445	16,180	16,303	17,019
Interest	2,766	1,332	1,522	1,878	2,223	2,552	2,928	3,208	3,322	3,400	3,497
Total expenditure	**34,603**	**33,965**	**35,180**	**38,221**	**40,405**	**43,109**	**45,667**	**47,949**	**51,660**	**53,023**	**54,741**
Net surplus/(deficit)	**(1,752)**	**200**	**295**	**302**	**309**	**316**	**323**	**287**	**294**	**300**	**307**
Expenditure by Activity											
Community Housing	7,048	7,255	7,794	8,336	8,862	9,285	9,743	10,259	10,716	11,231	11,690
Community Property	4,466	5,117	5,315	5,655	5,958	6,508	7,368	8,417	11,808	12,196	12,584
Investment Property	3,627	3,859	3,869	3,981	4,110	4,246	4,387	4,530	4,683	4,823	4,962
Operational Property	13,044	12,124	12,744	14,048	15,252	16,155	16,982	17,501	17,030	17,039	17,709
Property Management and Land Advisory	6,418	5,610	5,458	6,201	6,223	6,915	7,187	7,242	7,423	7,734	7,796
Total expenditure	**34,603**	**33,965**	**35,180**	**38,221**	**40,405**	**43,109**	**45,667**	**47,949**	**51,660**	**53,023**	**54,741**

ratoka waeture
regulatory services

Services and activities

The regulatory services group includes activities and services related to:

- Animal services
- Building services
- Environmental health and alcohol licensing)
- Parking operations
- Parking services (enforcement)

The DCC provides monitoring services to enforce standards of public safety with the control of dogs; building services that meet customer needs and statutory requirements; protection for the public by monitoring and enforcing standards of public health; and services to reduce alcohol-related harm by monitoring and enforcing standards within licensed premises.

The regulatory services group contributes directly to the safety and health of residents. By monitoring and enforcing standards of public safety, the Council fulfils its role as the authority for a range of regulatory frameworks which help to make Dunedin a great place to live.

Community outcomes

The regulatory services group contributes to the following community outcomes:

- A supportive city with caring communities and a great quality of life
- A sustainable city with healthy and treasured natural environments

Measuring performance

Measure	Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Level of service: Legislative standards and bylaws are enforced to protect the public						
Percentage of residents satisfied with the control of roaming dogs	ROS	69%	≥60%			
Percentage of "A" graded food premises	Internal data	90%	≥70%			
Percentage of residents satisfied with the control of noise	ROS	66%	≥60%			
Level of service: Statutory timeframes for processing of building consent applications and certifications are met						
Percentage of building consent applications processed in accordance with statutory timeframes	Internal data	97.1%	100%			
Percentage of Code Compliance Certificates issued in accordance with statutory timeframes	Internal data	97.6%	100%			
Level of service: Monitoring of legislative standards and bylaws is undertaken to protect the public						
Percentage of registered health premises inspected in accordance with statutory timeframes	Internal data	90%	100%			
Number of alcohol licensing monitoring visits completed each quarter	Internal data	129 visits	≥50 compliance visits per quarter			
Level of service: Car parking is available, meets the needs of users and parking regulations are enforced						
Percentage of residents satisfied with availability of metered on-street parking in the central city	ROS	23%	≥40%			

ROS Residents' Opinion Survey

DUNEDIN CITY COUNCIL

Funding Impact Statement for the years ended 30 June 2022 – 2031 for Regulatory Services

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Sources of operating funding											
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
Total operating funding	**18,254**	**18,223**	**18,753**	**19,055**	**19,364**	**19,681**	**20,007**	**20,354**	**20,723**	**21,102**	**21,479**
Application of operating funding											
Payments to staff and suppliers	11,228	11,119	11,329	11,517	11,758	11,983	12,272	12,527	12,853	13,139	13,473
Finance costs	72	–	4	11	22	33	38	42	45	53	59
Internal charges and overheads applied	5,582	5,704	5,863	6,010	6,160	6,314	6,472	6,640	6,819	7,004	7,186
Other operating funding applications	–	–	–	–	–	–	–	–	–	–	–
Total application of operating funding	**16,882**	**16,823**	**17,196**	**17,538**	**17,940**	**18,330**	**18,782**	**19,209**	**19,717**	**20,196**	**20,718**
Surplus/(deficit) of operating funding	**1,372**	**1,400**	**1,557**	**1,517**	**1,424**	**1,351**	**1,225**	**1,145**	**1,006**	**906**	**761**
Sources of capital funding											
Subsidies and grants for capital expenditure	–	–	–	–	–	–	–	–	–	–	–
Development and financial contributions	–	–	–	–	–	–	–	–	–	–	–
Increase/(decrease) in debt	–	22	249	214	599	151	169	128	114	415	40
Gross proceeds from sale of assets	–	–	–	–	–	–	–	–	–	–	–
Lump sum contributions	–	–	–	–	–	–	–	–	–	–	–
Other dedicated capital funding	–	–	–	–	–	–	–	–	–	–	–
Total sources of capital funding	**–**	**22**	**249**	**214**	**599**	**151**	**169**	**128**	**114**	**415**	**40**
Application of capital funding											
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	1,122	1,440	1,388	1,292	1,130	993	895	706	482	358
Total application of capital funding	**1,372**	**1,422**	**1,806**	**1,731**	**2,023**	**1,502**	**1,394**	**1,273**	**1,120**	**1,321**	**801**
Surplus/(deficit) of capital funding	**(1,372)**	**(1,400)**	**(1,557)**	**(1,517)**	**(1,424)**	**(1,351)**	**(1,225)**	**(1,145)**	**(1,006)**	**(906)**	**(761)**
Funding balance	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

Regulatory Services – Income Statement for the years ended 30 June 2022 – 2031

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Revenue											
Rates revenue	–	–	–	–	–	–	–	–	–	–	–
External revenue	18,156	18,121	18,648	18,947	19,254	19,569	19,891	20,235	20,601	20,978	21,350
Grants and subsidies revenue	–	–	–	–	–	–	–	–	–	–	–
Development contributions revenue	–	–	–	–	–	–	–	–	–	–	–
Vested assets	–	–	–	–	–	–	–	–	–	–	–
Internal revenue	98	102	105	108	110	113	116	119	122	125	129
Total revenue	**18,254**	**18,223**	**18,753**	**19,055**	**19,364**	**19,682**	**20,007**	**20,354**	**20,723**	**21,103**	**21,479**
Expenditure											
Personnel costs	8,440	8,402	8,508	8,644	8,782	8,949	9,128	9,320	9,525	9,744	9,958
Operations and maintenance	841	887	912	934	958	982	1,006	1,032	1,060	1,089	1,117
Occupancy costs	557	580	601	621	644	668	693	719	746	770	794
Consumables and general	1,389	1,251	1,309	1,318	1,375	1,385	1,444	1,456	1,522	1,536	1,604
Grants and subsidies	–	–	–	–	–	–	–	–	–	–	–
Internal charges	5,582	5,704	5,863	6,010	6,160	6,314	6,472	6,640	6,819	7,004	7,186
Depreciation and amortisation	409	280	98	107	139	206	232	249	282	319	398
Interest	72	–	4	11	22	33	38	42	45	53	59
Total expenditure	**17,290**	**17,104**	**17,295**	**17,645**	**18,080**	**18,537**	**19,013**	**19,458**	**19,999**	**20,515**	**21,116**
Net surplus/(deficit)	**964**	**1,119**	**1,458**	**1,410**	**1,284**	**1,145**	**994**	**896**	**724**	**588**	**363**
Expenditure by Activity											
Building Services	8,475	8,566	8,750	8,899	9,105	9,283	9,514	9,709	9,968	10,192	10,463
Compliance Solutions	3,589	3,612	3,682	3,761	3,838	3,923	4,014	4,109	4,212	4,317	4,421
Parking Operations	2,655	2,507	2,396	2,469	2,563	2,693	2,786	2,867	2,976	3,086	3,236
Parking Services (Enforcement)	2,571	2,419	2,467	2,516	2,574	2,638	2,699	2,773	2,843	2,920	2,996
Total expenditure	**17,290**	**17,104**	**17,295**	**17,645**	**18,080**	**18,537**	**19,013**	**19,458**	**19,999**	**20,515**	**21,116**

taunaha whenua, papa rēhia
reserves and recreational facilities

Services and activities

The reserves and recreational facilities group includes activities and services related to:

- Aquatic services
- Botanic Garden
- Cemeteries and crematorium
- Parks and recreation

The DCC operates four community swimming pools and over 100 playgrounds, sportsgrounds, parks and reserves. They are maintained every day to meet the leisure, fitness and lifestyle needs of Dunedin residents. The DCC also maintains open green spaces and reserves like the Botanic Gardens and other important facilities like cemeteries and crematoriums.

Green spaces, aquatic facilities and the other activities in this group are central to the wellbeing of Dunedin's communities. The maintenance of these activities allows a breadth of leisure opportunities and the pursuit of 'active' lifestyles in parks, pools, gardens and reserves so that Dunedin's communities can be fit, active and connected in natural spaces.

Community outcomes

The reserves and recreational facilities group contributes to the following community outcomes:

- An active city with quality and accessible recreational spaces and opportunities
- A supportive city with caring communities and a great quality of life
- A sustainable city with healthy and treasured natural environments

Measuring performance

Measure		Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Level of service: Aquatic facilities are accessible to everyone							
Percentage of residents who visit a DCC swimming pool at least once in a year		ROS	52%	≥50%			
Number of annual attendances at DCC swimming pools:	Moana Pool	Internal data	489,093	≥600,000			
	St Clair Hot Saltwater Pool		43,883	≥36,000			
	Mosgiel Pool		25,733	0	≥33,000	≥44,000	
	Port Chalmers Pool		11,362	≥14,500			
Level of service: Aquatic facilities are well maintained and meet the needs of users							
Percentage of users satisfied with Moana Pool		ROS	83%	≥85%			
Upgrade the hydroslide at Moana Pool		Internal data	New measure	30 June 2022			
Percentage of users satisfied with community swimming pools (St Clair Salt Water Pool, Mosgiel Pool and Port Chalmers Pool)		ROS	71%	≥85%			

Measure	Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Level of service: We will build a new aquatic facility in Mosgiel.						
Construct the aquatic facility	Internal data	New measure	By 30 December 2022			
Level of service: The Botanic Garden and its facilities are well maintained and meet the needs of users						
Percentage of residents who visit the Botanic Garden at least once in a year	ROS	76%	≥75%			
Percentage of users satisfied with the Botanic Garden	ROS	96%	≥90%			
Level of service: Parks and reserves facilities are accessible to everyone						
Percentage of respondents that agree sites and facilities are satisfactorily accessible	ROS	75%	≥80%			
Level of service: Parks and reserves facilities are well maintained and meet the needs of users						
Percentage of users satisfied with DCC playgrounds	ROS	71%	≥80%			
Percentage of users satisfied with DCC sportsfields	ROS	75%	≥80%			
Percentage of users satisfied with DCC tracks	ROS	84%	≥80%			
Percentage of users satisfied with DCC scenic, bush and coastal reserves	ROS	86%	≥80%			
Level of service: Cemetery and crematorium services meet the needs of funeral directors and the bereaved						
Percentage of users satisfied with cemeteries	ROS	82%	≥80%			

ROS Residents' Opinion Survey

DUNEDIN CITY COUNCIL

Funding Impact Statement for the years ended 30 June 2022 – 2031 for Reserves and Recreational Facilities

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	25,757	26,762	28,620	30,964	31,970	33,119	33,970	34,813	35,665	36,277	37,150
Targeted rates	4,936	5,070	5,212	5,342	5,476	5,612	5,753	5,902	6,062	6,225	6,387
Subsidies and grants for operating purposes	320	285	293	300	308	316	323	332	341	350	359
Fees and charges	4,647	5,264	5,918	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
Total operating funding	**35,710**	**37,411**	**40,074**	**43,285**	**44,599**	**46,063**	**47,238**	**48,426**	**49,646**	**50,635**	**51,881**
Application of operating funding											
Payments to staff and suppliers	28,192	28,494	29,754	31,238	31,840	32,328	33,136	33,997	34,906	35,827	36,735
Finance costs	729	934	1,425	1,642	1,833	1,991	2,014	2,018	2,029	2,040	2,052
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	–	–	–	–	–	–	–	–	–	–	–
Total application of operating funding	**31,946**	**32,454**	**34,290**	**36,069**	**36,942**	**37,669**	**38,584**	**39,538**	**40,553**	**41,583**	**42,600**
Surplus/(deficit) of operating funding	**3,764**	**4,957**	**5,784**	**7,216**	**7,657**	**8,394**	**8,654**	**8,888**	**9,093**	**9,052**	**9,281**
Sources of capital funding											
Subsidies and grants for capital expenditure	–	4,559	–	–	–	–	–	–	–	–	–
Development and financial contributions	112	175	264	269	275	281	287	253	259	265	271
Increase/(decrease) in debt	–	18,335	11,316	3,899	9,418	1,672	(45)	342	416	377	462
Gross proceeds from sale of assets	–	–	–	–	–	–	–	–	–	–	–
Lump sum contributions	–	–	–	–	–	–	–	–	–	–	–
Other dedicated capital funding	–	–	–	–	–	–	–	–	–	–	–
Total sources of capital funding	**112**	**23,069**	**11,580**	**4,168**	**9,693**	**1,953**	**242**	**595**	**675**	**642**	**733**
Application of capital funding											
Capital expenditure											
– to meet additional demand	13	1,257	861	406	667	340	298	450	285	293	333
– to improve the level of service	1,542	14,340	8,907	1,926	3,834	1,606	1,096	1,939	738	740	842
– to replace existing assets	1,000	10,132	9,857	8,988	12,697	5,151	4,615	5,683	4,677	4,835	5,655
Increase/(decrease) in reserves	–	–	–	–	–	–	–	–	–	–	–
Increase/(decrease) of investments	1,321	2,297	(2,261)	64	152	3,251	2,887	1,411	4,069	3,826	3,184
Total application of capital funding	**3,876**	**28,026**	**17,364**	**11,384**	**17,350**	**10,347**	**8,896**	**9,483**	**9,768**	**9,694**	**10,014**
Surplus/(deficit) of capital funding	**(3,764)**	**(4,957)**	**(5,784)**	**(7,216)**	**(7,657)**	**(8,394)**	**(8,654)**	**(8,888)**	**(9,093)**	**(9,052)**	**(9,281)**
Funding balance	–	–	–	–	–	–	–	–	–	–	–

Reserves and Recreational Facilities – Income Statement for the years ended 30 June 2022 – 2031

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Revenue											
Rates revenue	30,694	31,831	33,832	36,306	37,446	38,731	39,723	40,715	41,727	42,502	43,538
External revenue	4,697	5,294	5,949	6,679	6,846	7,017	7,192	7,379	7,578	7,783	7,985
Grants and subsidies revenue	319	4,844	293	300	308	316	323	332	341	350	359
Development contributions revenue	112	175	264	269	275	281	287	253	259	265	271
Vested assets	–	126	126	126	126	126	126	126	126	126	126
Internal revenue	–	–	–	–	–	–	–	–	–	–	–
Total revenue	**35,822**	**42,270**	**40,464**	**43,680**	**45,001**	**46,471**	**47,651**	**48,805**	**50,031**	**51,026**	**52,279**
Expenditure											
Personnel costs	8,190	8,176	8,710	9,291	9,440	9,619	9,812	10,018	10,238	10,474	10,704
Operations and maintenance	14,031	13,899	14,272	14,664	15,300	15,406	15,791	16,202	16,639	17,089	17,533
Occupancy costs	3,890	4,036	4,524	4,985	4,837	4,987	5,164	5,351	5,540	5,713	5,882
Consumables and general	1,426	1,432	1,472	1,509	1,547	1,585	1,625	1,667	1,712	1,758	1,804
Grants and subsidies	656	951	776	789	716	729	744	759	776	794	811
Internal charges	3,025	3,026	3,111	3,189	3,269	3,350	3,434	3,523	3,618	3,716	3,813
Depreciation and amortisation	4,686	4,956	5,784	7,216	7,658	8,397	8,654	8,888	9,094	9,051	9,283
Interest	729	934	1,425	1,642	1,833	1,991	2,014	2,018	2,029	2,040	2,052
Total expenditure	**36,633**	**37,410**	**40,074**	**43,285**	**44,600**	**46,064**	**47,238**	**48,426**	**49,646**	**50,635**	**51,882**
Net surplus/(deficit)	**(811)**	**4,860**	**390**	**395**	**401**	**407**	**413**	**379**	**385**	**391**	**397**
Expenditure by Activity											
Aquatic Services	9,103	9,005	11,078	13,286	13,711	14,155	14,437	14,704	14,966	15,239	15,519
Dunedin Botanic Garden	3,202	3,120	3,187	3,268	3,348	3,466	3,554	3,639	3,729	3,822	3,915
Cemeteries and Crematorium	1,829	1,804	1,881	1,955	2,033	2,103	2,150	2,201	2,256	2,310	2,364
Parks and Recreation	22,499	23,481	23,928	24,776	25,508	26,340	27,097	27,882	28,695	29,264	30,084
Total expenditure	**36,633**	**37,410**	**40,074**	**43,285**	**44,600**	**46,064**	**47,238**	**48,426**	**49,646**	**50,635**	**51,882**

kā huaɲui me kā ara hīkoi roading and footpaths

Services and activities

The roading and footpaths group includes activities and services related to transport.

The DCC provides for the planning, construction, maintenance, and upgrading of Dunedin's roads and footpaths. This includes making sure street lighting is adequate, traffic signals and road marking are functioning and clear, and cycle ways and footpaths are fit for purpose for Dunedin's communities.

The transport network is vital to Dunedin's economy and is an important contributor to the lifestyle of every Dunedin resident as they move about the city. It is DCC's role to maintain and upgrade the transport network to meet all relevant legislative requirements.

Community outcomes

The roading and footpaths group contributes to the following community outcomes:

- A connected city with a safe, accessible and low-carbon transport system
- A supportive city with caring communities and a great quality of life
- A successful city with a diverse, innovative and productive economy
- An active city with quality and accessible recreational spaces and opportunities
- A sustainable city with healthy and treasured natural environments
- A compact city with a vibrant CBD and thriving suburban and rural centres

Measuring performance

Measure		Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Level of service: The transport network facilitates efficient travel							
Percentage of residents satisfied with overall roading and maintenance		ROS	30%	≥60%			
Average travel time by car on five key urban routes at peak time (7.30-9.00am)	Route 1-St Clair to Octagon	Travel Time Survey	10.1 min	<15 minutes			
	Route 2-Normanby to Octagon		10.8 min	<15 minutes			
	Route 3-Mosgiel to Octagon		17.5 min	<22 minutes			
	Route 4-Brockville to Octagon		8.4 min	<15 minutes			
	Route 5-Waverley to Octagon		10.9 min	<15 minutes			
Average travel time by bus on key urban routes at peak time	Route 1-St Clair to bus hub	Measured by ORC	New measure	29 minutes			
	Route 2-Normanby to bus hub			27 minutes			
	Route 3-Mosgiel to bus hub (via Fairfield and Green Island)			37 minutes			
	Route 4-Brockville to bus hub			20 minutes			
	Route 5-Waverley to bus hub			28 minutes			

Measure	Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Level of service: The transport network facilitates active travel						
Percentage of residents satisfied with the suitability of the road network for cyclists throughout the city	ROS	31%	≥30%			
Percentage of residents satisfied with condition of footpaths throughout the city	ROS	49%	≥60%			
Percentage of residents satisfied with the ease of pedestrian access throughout the city	ROS	67%	≥65%			
Percentage of residents satisfied with condition of the streetlights throughout the city	ROS	65%	≥75%			
Average cycle count movements in the city where cycling counters are available	Cycle counters	New measure	Set baseline	Grow year on year		
Level of service: The transport network facilitates accessibility						
Percentage of residents satisfied with parking availability in the central city	ROS	20%	≥45%			
Level of service: The transport network facilitates safe travel						
The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network expressed as number (DIA measure)	Waka Kotahi NZTA	9 fewer crashes with fatalities or injuries	Reducing each year			
Level of service: The transport network facilitates comfortable travel						
The average quality of ride on local sealed road network measured by smooth travel exposure (DIA measure)	RAMM	78.7%	Smooth travel exposure ≥80%			
Level of service: The transport network facilitates sustainable maintenance						
Percentage of sealed road network that is resurfaced (DIA measure)	Internal data	4.21% of the network	Target (m^2) equating to 6% of the network			
Percentage of footpaths within the level of service standard adopted by the Council Asset Management Plan (DIA measure)	RAMM	18%	<15% of network is rated poor or very poor			
Level of service: The network is maintained in a responsive manner						
Percentage of service requests relating to roads and footpaths to which the response is provided within five working days (DIA measure)	Internal data	93%	≥90% each year			
Level of service: The use of electric vehicles (EV's) is supported						
The number of publicly available fast charging stations for EVs in Dunedin is increasing	Waka Kotahi NZTA	New measure	Increase on June 2020 baseline	Increase year on year		
The number of electric vehicles (plug in hybrids and pure EVs including heavy vehicles, registered in Dunedin is increasing	Ministry of Transport/ Te Manatū Waka	New measure	Increase on June 2020 baseline	Increase year on year		

Measure		Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Annual sales volumes of petrol and diesel in Dunedin city	Petrol	Annual Dunedin Energy Study/ Dunedin Greenhouse Gas Inventory	New measure	Reduction on 2018/19 baseline of 59,245,900 litres	Decrease year on year		
	Diesel			Reduction on 2018/19 baseline of 97,815,695 litres	Decrease year on year		
Level of service: Minimising transport disruption during and after the construction of the new Dunedin Hospital rebuild will be supported through the Shaping Future Dunedin project							
Provide an alternative route (harbour arterial route) that bypasses the central city.		Internal data	New measure	By 30 June 2027			
Provide a Parking Wayfinding System to direct drivers to selected off street parking facilities.		Internal data	New measure	By 30 June 2027			
Provide bus priority at the intersections where bus delays are currently experienced in the Princes St (Kensington to Moray Place) and Andersons Bay Road (Caversham Motorway to Princes St) areas.		Internal data	New measure	By 30 June 2024			
Provide a safe route for cyclists and pedestrians from the Anzac Avenue and Thomas Burns shared path to the hospital and central city, and from the Harbour walkway / cycleway to the city centre and tertiary area.		Internal data	New measure	By 30 June 2026			
Provide Park and Ride sites at Mosgiel and Burnside.		Internal data	New measure		By 30 June 2024		
Provide bike hub facilities for secure storage in North Dunedin, the central city and South Dunedin / the Oval.		Internal data	New measure		By 30 June 2026		

levels of service statements and measures that will help monitor progress towards Council's zero carbon 2030 target.

ROS Residents' Opinion Survey

DUNEDIN CITY COUNCIL

Funding Impact Statement for the years ended 30 June 2022 – 2031 for Roading and Footpaths

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	17,380	17,875	21,389	23,136	27,501	30,695	33,795	38,600	40,247	42,520	43,449
Targeted rates	30	30	32	34	36	38	40	42	45	47	48
Subsidies and grants for operating purposes	10,539	10,158	10,383	10,593	10,900	11,216	11,541	11,876	12,220	12,587	12,952
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
Total operating funding	**30,065**	**30,035**	**33,839**	**35,858**	**40,593**	**44,168**	**47,659**	**52,867**	**54,929**	**57,645**	**59,012**
Application of operating funding											
Payments to staff and suppliers	24,522	23,923	24,761	25,574	26,367	27,236	28,068	28,900	29,754	30,652	31,532
Finance costs	1,191	2,530	2,266	2,661	3,124	3,558	3,955	4,278	4,478	4,633	4,795
Internal charges and overheads applied	1,828	1,826	1,876	1,923	1,970	2,022	2,073	2,126	2,185	2,242	2,300
Other operating funding applications	–	–	–	–	–	–	–	–	–	–	–
Total application of operating funding	**27,541**	**28,279**	**28,903**	**30,158**	**31,461**	**32,816**	**34,096**	**35,304**	**36,417**	**37,527**	**38,627**
Surplus/(deficit) of operating funding	**2,524**	**1,756**	**4,936**	**5,700**	**9,132**	**11,352**	**13,563**	**17,563**	**18,512**	**20,118**	**20,385**
Sources of capital funding											
Subsidies and grants for capital expenditure	28,409	16,856	15,171	16,796	16,641	13,063	16,111	14,791	12,625	10,907	12,557
Development and financial contributions	344	721	481	492	503	514	525	671	686	701	717
Increase/(decrease) in debt	–	8,852	12,264	15,457	17,040	13,448	14,372	8,299	5,762	5,119	6,243
Gross proceeds from sale of assets	–	–	–	–	–	–	–	–	–	–	–
Lump sum contributions	–	–	–	–	–	–	–	–	–	–	–
Other dedicated capital funding	–	–	–	–	–	–	–	–	–	–	–
Total sources of capital funding	**28,753**	**26,429**	**27,916**	**32,745**	**34,184**	**27,025**	**31,008**	**23,761**	**19,073**	**16,727**	**19,517**
Application of capital funding											
Capital expenditure											
– to meet additional demand	1,264	1,376	1,460	1,783	1,741	1,451	1,626	1,353	1,223	1,155	1,224
– to improve the level of service	18,996	17,194	15,220	16,653	17,145	15,607	17,588	12,344	8,458	6,462	7,086
– to replace existing assets	12,220	21,431	26,272	31,410	30,030	28,122	31,126	29,262	30,450	30,985	32,375
Increase/(decrease) in reserves	–	–	–	–	–	–	–	–	–	–	–
Increase/(decrease) of investments	(1,203)	(11,815)	(10,100)	(11,401)	(5,600)	(6,804)	(5,770)	(1,635)	(2,545)	(1,758)	(784)
Total application of capital funding	**31,277**	**28,185**	**32,852**	**38,445**	**43,316**	**38,377**	**44,571**	**41,324**	**37,585**	**36,845**	**39,902**
Surplus/(deficit) of capital funding	**(2,524)**	**(1,756)**	**(4,936)**	**(5,700)**	**(9,132)**	**(11,352)**	**(13,563)**	**(17,563)**	**(18,512)**	**(20,118)**	**(20,385)**
Funding balance	–	–	–	–	–	–	–	–	–	–	–

Attachment A Item 13

Roading and Footpaths – Income Statement for the years ended 30 June 2022 – 2031

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Revenue											
Rates revenue	17,409	17,905	21,421	23,170	27,537	30,733	33,835	38,643	40,292	42,567	43,497
External revenue	1,183	1,126	1,162	1,196	1,231	1,267	1,303	1,341	1,380	1,422	1,463
Grants and subsidies revenue	39,880	27,860	26,427	28,288	28,466	25,231	28,632	27,675	25,883	24,562	26,608
Development contributions revenue	344	721	481	492	503	514	525	671	686	701	717
Vested assets	–	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450
Internal revenue	–	–	–	–	–	–	–	–	–	–	–
Total revenue	**58,816**	**49,062**	**50,941**	**54,596**	**59,187**	**59,195**	**65,745**	**69,780**	**69,691**	**70,702**	**73,735**
Expenditure											
Personnel costs	4,275	4,324	4,379	4,449	4,520	4,606	4,698	4,797	4,902	5,015	5,125
Operations and maintenance	15,948	15,557	16,218	16,827	17,428	18,080	18,693	19,292	19,900	20,534	21,157
Occupancy costs	1,613	1,695	1,749	1,802	1,855	1,909	1,965	2,022	2,082	2,144	2,207
Consumables and general	2,676	2,335	2,410	2,482	2,554	2,628	2,704	2,783	2,863	2,949	3,035
Grants and subsidies	10	10	10	10	10	11	11	11	11	12	12
Internal charges	1,828	1,826	1,876	1,923	1,970	2,022	2,073	2,126	2,185	2,242	2,300
Depreciation and amortisation	23,428	24,957	24,145	24,437	24,601	24,628	24,845	25,009	25,699	27,043	28,296
Interest	1,191	2,530	2,266	2,661	3,124	3,558	3,955	4,278	4,478	4,633	4,795
Total expenditure	**50,969**	**53,234**	**53,053**	**54,591**	**56,062**	**57,442**	**58,944**	**60,318**	**62,120**	**64,572**	**66,927**
Net surplus/(deficit)	**7,847**	**(4,172)**	**(2,112)**	**5**	**3,125**	**1,753**	**6,801**	**9,462**	**7,571**	**6,130**	**6,808**
Expenditure by Activity											
Transport	50,969	53,234	53,053	54,591	56,062	57,442	58,944	60,318	62,120	64,572	66,927
Total expenditure	**50,969**	**53,234**	**53,053**	**54,591**	**56,062**	**57,442**	**58,944**	**60,318**	**62,120**	**64,572**	**66,927**

Attachment A **Item 13**

he putaka wai water supply

Services and activities

The water supply group includes activities and services related to water supply.

The DCC collects, stores and treats raw water to make it of a standard that is safe to drink. The water is supplied in adequate quantities for drinking and other uses to Dunedin homes, businesses and fire hydrants, for use by Dunedin's communities and firefighters. It is supplied through a reticulated water system of pipelines that distribute water from treated water reservoirs to property boundaries. Some residents use bore-water, surface water or other sources of water to meet their water needs.

By delivering a reticulated water system, the DCC ensures that every customer connected to the network receives adequate quantities of safe water with a minimal impact on the environment and at an acceptable financial cost.

Community outcomes

The water supply group contributes to the following community outcomes:

- A sustainable city with healthy and treasured natural environments
- A healthy city with reliable and quality water, wastewater and stormwater systems
- A supportive city with caring communities and a great quality of life

Measuring performance

Measure		Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Level of service: The water tastes and looks pleasant is supplied at adequate pressure							
Percentage of residents satisfied with water pressure and quality		ROS	72%	≥70%			
Level of service: The water is safe to drink.							
The extent to which the drinking water supply complies with: (DIA measure)	Part 4 of drinking water standards (bacteria compliance criteria)	Internal data	100%	100%			
	Part 5 of drinking water standards (protozoa compliance criteria)		100%	100%			
Level of service: Service calls are responded to promptly.							
Where the DCC attends a call out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured. (DIA measure)	Attendance for urgent call outs: from the time that notification is received, to the time that the service personnel reach the site	Internal data	39 minutes	<60 minutes			

Measure		Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Where the DCC attends a call out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured. (DIA measure)	Resolution of urgent call outs: from the time that notification is received to the time that service personnel confirm resolution of the fault or interruption	Internal data	112 minutes	<240 minutes			
	Attendance for non-urgent callouts: from the time that notification is received, to the time that the service personnel reach the site		0.88 days (1,273 minutes)	<1 day (1,440 minutes)			
	Resolution of non-urgent callouts: from the time that notification is received to the time that service personnel confirm resolution of the fault or interruption		1.83 days (2,634 minutes)	<1.67 days (2,400 minutes)			
The total number of complaints received about any of the following: (DIA measure)	**Level of service: The water tastes and looks pleasant.**						
	Drinking water clarity	Internal data	59 complaints	Not applicable			
	Drinking water taste		4 complaints	Not applicable			
	Drinking water odour		8 complaints	Not applicable			
	Level of service: Water is supplied at adequate pressure.						
	The total number of complaints received about drinking water pressure or flow	Internal data	111 complaints	Not applicable			
	Level of service: The water supply is reliable.						
	The total number of complaints received about continuity of supply	Internal data	344 complaints	Not applicable			
	Level of service: The Council is responsive to customer concerns.						
	Response to any of these issues per 1,000 connections to the networked reticulation system	Internal data	11 complaints, 0.25 per 1,000 connections	Not applicable			
	Total complaints expressed per 1,000 connections to networked reticulation system		11.83 per 1,000 connections	<15 per 1,000 connections			

Measure	Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Level of service: Water resources are used efficiently and sustainably						
The average consumption of drinking water per day per resident within the DCC district	Internal data	214 litres per day	<240 litres per day			
The percentage of real water loss from the networked reticulation system (including a description of the methodology to calculate this) **Calculation method:** Treatment plant production minus non-domestic minus domestic minus known unbilled = Estimated non-revenue water Estimated non-revenue water divided by periods' treatment plan production = Percentage real water loss		25%	≥20%			

levels of service statements and measures that will help monitor progress towards Council's zero carbon 2030 target.

ROS Residents' Opinion Survey

DUNEDIN CITY COUNCIL

Funding Impact Statement for the years ended 30 June 2022 – 2031 for Water Supply

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	–	–	–	–	–	–	–	–	–	–	–
Targeted rates	22,086	24,915	25,466	25,813	26,534	27,593	28,577	29,229	31,286	33,306	35,165
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	–	–	–	–	–	–	–	–	–	–	–
Total operating funding	**27,556**	**30,830**	**31,588**	**32,094**	**32,991**	**34,237**	**35,407**	**36,271**	**38,567**	**40,835**	**42,927**
Application of operating funding											
Payments to staff and suppliers	13,035	13,477	13,951	14,339	14,795	15,301	15,823	16,384	17,033	17,695	18,291
Finance costs	1,361	813	1,191	1,252	1,339	1,442	1,556	1,740	2,071	2,423	2,834
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	–	–	–	–	–	–	–	–	–	–	–
Total application of operating funding	**15,849**	**15,806**	**16,701**	**17,189**	**17,772**	**18,422**	**19,100**	**19,889**	**20,917**	**21,980**	**23,035**
Surplus/(deficit) of operating funding	**11,707**	**15,024**	**14,887**	**14,905**	**15,219**	**15,815**	**16,307**	**16,382**	**17,650**	**18,855**	**19,892**
Sources of capital funding											
Subsidies and grants for capital expenditure	–	–	–	–	–	–	–	–	–	–	–
Development and financial contributions	150	610	801	819	837	856	875	803	821	839	858
Increase/(decrease) in debt	–	6,459	1,985	2,280	3,802	3,416	4,614	8,331	14,866	9,800	19,109
Gross proceeds from sale of assets	–	–	–	–	–	–	–	–	–	–	–
Lump sum contributions	–	–	–	–	–	–	–	–	–	–	–
Other dedicated capital funding	–	–	–	–	–	–	–	–	–	–	–
Total sources of capital funding	**150**	**7,069**	**2,786**	**3,099**	**4,639**	**4,272**	**5,489**	**9,134**	**15,687**	**10,639**	**19,967**
Application of capital funding											
Capital expenditure											
– to meet additional demand	58	1,532	1,281	1,485	2,060	1,938	2,075	2,540	3,276	3,026	3,640
– to improve the level of service	502	9,230	2,006	2,040	7,160	6,212	7,561	13,281	19,936	16,379	21,141
– to replace existing assets	7,227	9,788	4,998	5,210	7,548	6,891	7,410	8,886	11,949	11,984	16,883
Increase/(decrease) in reserves	–	–	–	–	–	–	–	–	–	–	–
Increase/(decrease) of investments	4,070	1,543	9,389	9,269	3,090	5,046	4,750	809	(1,824)	(1,895)	(1,805)
Total application of capital funding	**11,857**	**22,093**	**17,673**	**18,004**	**19,858**	**20,087**	**21,796**	**25,516**	**33,337**	**29,494**	**39,859**
Surplus/(deficit) of capital funding	**(11,707)**	**(15,024)**	**(14,887)**	**(14,905)**	**(15,219)**	**(15,815)**	**(16,307)**	**(16,382)**	**(17,650)**	**(18,855)**	**(19,892)**
Funding balance	–	–	–	–	–	–	–	–	–	–	–

Attachment A Item 13

Water Supply – Income Statement for the years ended 30 June 2022 – 2031

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Revenue											
Rates revenue	22,086	24,915	25,466	25,813	26,534	27,593	28,577	29,229	31,286	33,306	35,165
External revenue	5,470	5,915	6,122	6,281	6,457	6,644	6,830	7,042	7,281	7,529	7,762
Grants and subsidies revenue	–	–	–	–	–	–	–	–	–	–	–
Development contributions revenue	150	610	801	819	837	856	875	803	821	839	858
Vested assets	–	550	550	550	550	550	550	550	550	550	550
Internal revenue	–	–	–	–	–	–	–	–	–	–	–
Total revenue	**27,706**	**31,990**	**32,939**	**33,463**	**34,378**	**35,643**	**36,832**	**37,624**	**39,938**	**42,224**	**44,335**
Expenditure											
Personnel costs	3,429	3,742	3,789	3,850	3,911	3,986	4,065	4,151	4,242	4,340	4,435
Operations and maintenance	5,180	5,114	5,328	5,474	5,634	5,815	5,997	6,209	6,484	6,803	7,067
Occupancy costs	3,770	4,117	4,312	4,480	4,701	4,934	5,179	5,424	5,687	5,912	6,128
Consumables and general	657	504	521	535	550	566	582	600	620	641	661
Grants and subsidies	–	–	–	–	–	–	–	–	–	–	–
Internal charges	1,453	1,516	1,559	1,598	1,638	1,679	1,721	1,765	1,813	1,862	1,910
Depreciation and amortisation	14,023	15,024	14,888	14,905	15,218	15,815	16,307	16,382	17,650	18,854	19,892
Interest	1,361	813	1,191	1,252	1,339	1,442	1,556	1,740	2,071	2,423	2,834
Total expenditure	**29,873**	**30,830**	**31,588**	**32,094**	**32,991**	**34,237**	**35,407**	**36,271**	**38,567**	**40,835**	**42,927**
Net surplus/(deficit)	**(2,167)**	**1,160**	**1,351**	**1,369**	**1,387**	**1,406**	**1,425**	**1,353**	**1,371**	**1,389**	**1,408**
Expenditure by Activity											
Water	29,873	30,830	31,588	32,094	32,991	34,237	35,407	36,271	38,567	40,835	42,927
Total expenditure	**29,873**	**30,830**	**31,588**	**32,094**	**32,991**	**34,237**	**35,407**	**36,271**	**38,567**	**40,835**	**42,927**

pūnaha parakaika me te parawai
sewerage and sewage

Services and activities

The sewerage and sewage group includes activities and services related to waste water.

Wastewater is the dirty water discharged from toilets, kitchens, bathrooms and laundries in dwellings and commercial premises. It also includes trade waste discharged from industrial premises into public sewers. The DCC collects domestic and trade wastewater via its systems of sewers and pumping stations, and transfers them to the wastewater treatment plants, where it is treated to a standard acceptable for discharge to the environment.

The DCC protects public health and safety by delivering effective wastewater services to every customer connected to the network with a minimal impact on the environment and at an acceptable financial cost.

Community outcomes

The sewerage and sewage group contribute s to the following community outcomes:

- A sustainable city with healthy and treasured natural environments
- A healthy city with reliable and quality water, wastewater and stormwater systems
- A supportive city with caring communities and a great quality of life

Measuring performance

Measure		Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Level of service: Sewage is managed without adversely affecting the quality of the receiving environment							
The number of dry weather sewerage overflows from the sewerage system, expressed per 1000 sewerage connections to that sewerage system. (DIA measure)		Internal data	1.8 overflows per 1,000 connections	0			
Compliance with DCC resource consents for discharge from its sewerage system measured by the number of abatement notices, infringement notices, enforcement orders and convictions. (DIA measure).		Internal data	0	0			
Level of service: Service calls are responded to promptly							
Where the DCC attends to sewerage overflows resulting from a blockage or other fault in sewerage system, the following median response times are measured: (DIA measure)	Attendance time from the time notification is received to the time that service personnel reach the site; and	Internal data	35 minutes	<60 minutes			
	Resolution time: from the time notification is received to the time that service personnel confirm resolution of the blockage or other fault.		123 minutes	<240 minutes			

Measure		Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Level of service: The wastewater service is reliable, and the Council is responsive to customer concerns							
Percentage of residents satisfied with the sewerage system		ROS	62%	>65			
The total number of complaints received about any of the following: (DIA measure)	Sewage odour	Internal data	16	Not applicable			
	Sewerage system faults		110	Not applicable			
	Sewerage system blockages		123	Not applicable			
	Response to issues with the sewage system expressed per 1,000 connections to the sewerage system.		3 complaints, 0.06 per 1,000 connections	Not applicable			
	All of the above complaints expressed per 1000 connections to the territorial authority's sewerage system.		5.07 per 1,000 connections	<5 per 1,000 connections each year			

ROS Residents' Opinion Survey

DUNEDIN CITY COUNCIL

Funding Impact Statement for the years ended 30 June 2022 – 2031 for Sewerage and Sewage

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	–	–	–	–	–	–	–	–	–	–	–
Targeted rates	32,291	32,190	32,436	32,931	34,015	35,394	36,387	37,975	39,826	41,097	42,640
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	–	–	–	–	–	–	–	–	–	–	–
Total operating funding	**33,156**	**33,087**	**33,363**	**33,882**	**34,992**	**36,400**	**37,421**	**39,041**	**40,929**	**42,237**	**43,815**
Application of operating funding											
Payments to staff and suppliers	14,988	14,735	15,403	15,666	16,188	16,902	17,215	17,840	18,723	19,028	19,658
Finance costs	3,987	2,381	1,200	1,323	1,441	1,530	1,687	1,899	2,112	2,339	2,539
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	–	–	–	–	–	–	–	–	–	–	–
Total application of operating funding	**21,440**	**20,029**	**19,598**	**20,058**	**20,775**	**21,657**	**22,207**	**23,130**	**24,318**	**24,944**	**25,867**
Surplus/(deficit) of operating funding	**11,716**	**13,058**	**13,765**	**13,824**	**14,217**	**14,743**	**15,214**	**15,911**	**16,611**	**17,293**	**17,948**
Sources of capital funding											
Subsidies and grants for capital expenditure	–	–	–	–	–	–	–	–	–	–	–
Development and financial contributions	200	1,247	1,066	1,090	1,114	1,140	1,166	1,060	1,084	1,109	1,135
Increase/(decrease) in debt	–	2,964	3,343	5,256	3,078	3,155	7,865	6,968	8,039	7,886	6,099
Gross proceeds from sale of assets	–	–	–	–	–	–	–	–	–	–	–
Lump sum contributions	–	–	–	–	–	–	–	–	–	–	–
Other dedicated capital funding	–	–	–	–	–	–	–	–	–	–	–
Total sources of capital funding	**200**	**4,211**	**4,409**	**6,346**	**4,192**	**4,295**	**9,031**	**8,028**	**9,123**	**8,995**	**7,234**
Application of capital funding											
Capital expenditure											
– to meet additional demand	16	1,116	1,692	2,316	2,301	2,493	2,718	2,559	2,693	2,535	2,315
– to improve the level of service	84	2,592	2,656	4,129	511	367	1,885	–	–	–	–
– to replace existing assets	5,166	10,214	11,052	7,284	14,353	12,910	19,147	20,918	23,741	25,136	22,977
Increase/(decrease) in reserves	–	–	–	–	–	–	–	–	–	–	–
Increase/(decrease) of investments	6,650	3,348	2,774	6,441	1,244	3,267	496	462	(700)	(1,383)	(110)
Total application of capital funding	**11,916**	**17,269**	**18,174**	**20,170**	**18,409**	**19,038**	**24,245**	**23,939**	**25,734**	**26,288**	**25,182**
Surplus/(deficit) of capital funding	**(11,716)**	**(13,058)**	**(13,765)**	**(13,824)**	**(14,217)**	**(14,743)**	**(15,214)**	**(15,911)**	**(16,611)**	**(17,293)**	**(17,948)**
Funding balance	–	–	–	–	–	–	–	–	–	–	–

Attachment A Item 13

Sewerage and Sewage – Income Statement for the years ended 30 June 2022 – 2031

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Revenue											
Rates revenue	32,291	32,190	32,436	32,931	34,015	35,394	36,387	37,975	39,826	41,097	42,640
External revenue	824	856	886	909	934	961	988	1,019	1,054	1,090	1,123
Grants and subsidies revenue	41	41	41	42	43	45	46	47	49	50	52
Development contributions revenue	200	1,247	1,066	1,090	1,114	1,140	1,166	1,060	1,084	1,109	1,135
Vested assets	–	357	357	357	357	357	357	357	357	357	357
Internal revenue	–	–	–	–	–	–	–	–	–	–	–
Total revenue	**33,356**	**34,691**	**34,786**	**35,329**	**36,463**	**37,897**	**38,944**	**40,458**	**42,370**	**43,703**	**45,307**
Expenditure											
Personnel costs	4,164	4,298	4,352	4,422	4,492	4,578	4,669	4,767	4,872	4,984	5,094
Operations and maintenance	4,271	3,979	4,311	4,269	4,421	4,732	4,626	4,814	5,227	5,092	5,299
Occupancy costs	5,742	5,874	6,135	6,355	6,637	6,935	7,246	7,563	7,905	8,208	8,499
Consumables and general	812	584	604	620	637	656	674	695	719	743	766
Grants and subsidies	–	–	–	–	–	–	–	–	–	–	–
Internal charges	2,465	2,913	2,995	3,069	3,146	3,225	3,305	3,391	3,483	3,577	3,670
Depreciation and amortisation	12,188	13,058	13,766	13,824	14,218	14,744	15,214	15,912	16,611	17,294	17,948
Interest	3,987	2,381	1,200	1,323	1,441	1,530	1,687	1,899	2,112	2,339	2,539
Total expenditure	**33,629**	**33,087**	**33,363**	**33,882**	**34,992**	**36,400**	**37,421**	**39,041**	**40,929**	**42,237**	**43,815**
Net surplus/(deficit)	**(273)**	**1,604**	**1,423**	**1,447**	**1,471**	**1,497**	**1,523**	**1,417**	**1,441**	**1,466**	**1,492**
Expenditure by Activity											
Wastewater	33,629	33,087	33,363	33,882	34,992	36,400	37,421	39,041	40,929	42,237	43,815
Total expenditure	**33,629**	**33,087**	**33,363**	**33,882**	**34,992**	**36,400**	**37,421**	**39,041**	**40,929**	**42,237**	**43,815**

wai marakai stormwater

Services and activities

The stormwater group includes activities and services related to managing stormwater.

Stormwater is rainwater that flows across the ground and does not get absorbed into the soil. It flows into stormwater pipes and streams, and from there into the sea. The DCC owns and maintains a large network of pipes, pumping stations and other infrastructure to safely dispose of stormwater.

By ensuring adequate stormwater provision to Dunedin communities, we can protect public safety with a minimal impact on the environment.

Effective management of stormwater is essential to prevent the flooding of properties and businesses. Controls are also necessary to ensure that stormwater does not become excessively contaminated and cause pollution of the watercourses, the harbour and the ocean.

Community outcomes

The sewerage and sewage group contributes to the following community outcomes:

- A sustainable city with healthy and treasured natural environments
- A healthy city with reliable and quality water, wastewater and stormwater systems
- A supportive city with caring communities and a great quality of life

Measuring performance

Measure		Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Level of service: Stormwater services perform adequately and reliably.							
Percentage of residents satisfied with the stormwater system		ROS	49%	≥50%			
System and adequacy (DIA measure)	The number of flooding events that occur in the DCC district	Internal data	0	0			
	For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected to the stormwater system)	Internal data	Not Measured	0			
Level of service: Stormwater is managed without adversely affecting the quality of the receiving environment							
Compliance with the territorial authority's resource consent for discharge from its stormwater system, measured by the number of: (DIA measure)	Abatement notices	Internal data	0	0			
	Infringement notices		0	0			
	Enforcement notices		0	0			
	Successful prosecutions		0	0			

Measure	Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Level of service: Service calls are responded to promptly						
The median response time to attend a flooding event, measured from the time that notification is received to the time that service personnel reach the site (DIA measure)	Internal data	50 minutes	<60 minutes			
The number of complaints received about the performance of the stormwater system, expressed per 1000 properties connected to the stormwater system (DIA measure)	Internal data	0.31 complaints per 1,000 connections	<1 per 1,000 connections			

levels of service statements and measures that will help monitor progress towards Council's zero carbon 2030 target.

ROS Residents' Opinion Survey

DUNEDIN CITY COUNCIL

Funding Impact Statement for the years ended 30 June 2022 – 2031 for Stormwater

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	–	–	–	–	–	–	–	–	–	–	–
Targeted rates	6,201	9,092	10,736	11,380	12,433	13,321	14,224	14,940	15,690	16,282	16,901
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	–	–	–	–	–	–	–	–	–	–	–
Total operating funding	**6,326**	**9,214**	**10,862**	**11,510**	**12,566**	**13,458**	**14,365**	**15,085**	**15,840**	**16,437**	**17,061**
Application of operating funding											
Payments to staff and suppliers	4,127	3,986	4,140	4,294	4,481	4,702	4,942	5,150	5,364	5,556	5,740
Finance costs	68	41	689	1,059	1,352	1,609	1,831	2,006	2,149	2,258	2,382
Internal charges and overheads applied	514	495	509	522	535	548	562	576	592	608	624
Other operating funding applications	–	–	–	–	–	–	–	–	–	–	–
Total application of operating funding	**4,709**	**4,522**	**5,338**	**5,875**	**6,368**	**6,859**	**7,335**	**7,732**	**8,105**	**8,422**	**8,746**
Surplus/(deficit) of operating funding	**1,617**	**4,692**	**5,524**	**5,635**	**6,198**	**6,599**	**7,030**	**7,353**	**7,735**	**8,015**	**8,315**
Sources of capital funding											
Subsidies and grants for capital expenditure	–	–	–	–	–	–	–	–	–	–	–
Development and financial contributions	20	515	638	651	665	679	693	645	658	672	686
Increase/(decrease) in debt	–	3,129	14,026	11,875	8,742	9,255	6,327	5,995	3,990	3,695	4,990
Gross proceeds from sale of assets	–	–	–	–	–	–	–	–	–	–	–
Lump sum contributions	–	–	–	–	–	–	–	–	–	–	–
Other dedicated capital funding	–	–	–	–	–	–	–	–	–	–	–
Total sources of capital funding	**20**	**3,644**	**14,664**	**12,526**	**9,407**	**9,934**	**7,020**	**6,640**	**4,648**	**4,367**	**5,676**
Application of capital funding											
Capital expenditure											
– to meet additional demand	295	1,093	2,659	2,594	2,143	2,452	2,116	2,185	1,817	1,882	2,260
– to improve the level of service	1,118	2,178	4,704	5,154	7,129	8,870	4,763	5,042	1,787	1,787	2,681
– to replace existing assets	2,312	4,049	13,800	11,430	4,841	5,356	6,354	6,568	6,332	6,796	8,898
Increase/(decrease) in reserves	–	–	–	–	–	–	–	–	–	–	–
Increase/(decrease) of investments	(2,088)	1,016	(975)	(1,017)	1,491	(145)	817	198	2,446	1,916	152
Total application of capital funding	**1,637**	**8,336**	**20,188**	**18,161**	**15,605**	**16,533**	**14,050**	**13,993**	**12,383**	**12,382**	**13,991**
Surplus/(deficit) of capital funding	**(1,617)**	**(4,692)**	**(5,524)**	**(5,635)**	**(6,198)**	**(6,599)**	**(7,030)**	**(7,353)**	**(7,735)**	**(8,015)**	**(8,315)**
Funding balance	–	–	–	–	–	–	–	–	–	–	–

Stormwater – Income Statement for the years ended 30 June 2022 – 2031

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Revenue											
Rates revenue	6,201	9,092	10,736	11,380	12,433	13,321	14,224	14,940	15,690	16,282	16,901
External revenue	125	122	126	130	133	137	141	145	150	155	160
Grants and subsidies revenue	–	–	–	–	–	–	–	–	–	–	–
Development contributions revenue	20	514	637	650	664	678	692	644	657	671	685
Vested assets	–	517	517	517	517	517	517	517	517	517	517
Internal revenue	–	–	–	–	–	–	–	–	–	–	–
Total revenue	**6,346**	**10,245**	**12,016**	**12,677**	**13,747**	**14,653**	**15,574**	**16,246**	**17,014**	**17,625**	**18,263**
Expenditure											
Personnel costs	1,056	1,055	1,068	1,085	1,103	1,123	1,146	1,170	1,196	1,223	1,250
Operations and maintenance	1,352	1,311	1,374	1,445	1,526	1,633	1,752	1,838	1,921	1,996	2,068
Occupancy costs	1,421	1,444	1,515	1,578	1,661	1,749	1,841	1,933	2,030	2,112	2,191
Consumables and general	298	176	182	187	192	198	203	209	216	224	231
Grants and subsidies	–	–	–	–	–	–	–	–	–	–	–
Internal charges	514	495	509	522	535	548	562	576	592	608	624
Depreciation and amortisation	4,380	4,693	5,525	5,634	6,197	6,598	7,030	7,353	7,736	8,016	8,315
Interest	68	41	689	1,059	1,352	1,609	1,831	2,006	2,149	2,258	2,382
Total expenditure	**9,089**	**9,215**	**10,862**	**11,510**	**12,566**	**13,458**	**14,365**	**15,085**	**15,840**	**16,437**	**17,061**
Net surplus/(deficit)	**(2,743)**	**1,030**	**1,154**	**1,167**	**1,181**	**1,195**	**1,209**	**1,161**	**1,174**	**1,188**	**1,202**
Expenditure by Activity											
Stormwater	9,089	9,215	10,862	11,510	12,566	13,458	14,365	15,085	15,840	16,437	17,061
Total expenditure	**9,089**	**9,215**	**10,862**	**11,510**	**12,566**	**13,458**	**14,365**	**15,085**	**15,840**	**16,437**	**17,061**

rautaki para
waste management

Services and activities

The waste management group includes activities and services related to waste and environmental solutions.

The DCC provides a collection, resource recovery and residual disposal service for domestic and some commercial residents in Dunedin in a way that promotes public health and minimises impacts on the environment. It includes diverse facilities from large waste management facilities like the Green Island landfill to the inner-city recycling hub on Vogel Street. It also provides education on e-waste minimisation and public education on Council's sustainability practices. The waste management group also provides advice and support to community projects and administers a range of community support and grants supporting waste minimisation.

The DCC currently manages the kerbside collection of waste, and recycle for most urban and city residents and businesses, disposal facilities, recovery stores, and recycling stations to provide effective waste and recycling collection services, in a way that protects public health, minimises impacts on the environment and promotes waste minimisation.

Community outcomes

The waste management group contributes to the following community outcomes:

- A sustainable city with healthy and treasured natural environments
- A supportive city with caring communities and a great quality of life

Measuring performance

Measure	Data Source	Actual 2019/20	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 – 10 2024-31
Level of service: Refuse collection and kerbside recycling meet customer expectations						
Overall satisfaction with rubbish disposal services	ROS	64%	≥70%			
Level of service: Waste minimisation targets are met						
The amount of municipal solid waste per person	Internal data	New measure	Reduce by ≥15% by 2030 compared to 2015 baseline to less than 638kg per person per annum.			
The amount of municipal solid waste disposed to landfill and incineration	Internal data	New measure	Reduce by ≥50% by 2030 compared to 2015 baseline to less than 47,264 tonnes per annum.			
Increase in the amount of diversion of recyclable or reusable materials	Internal data	New measure	Increase to 70% by 2030.			

levels of service statements and measures that will help monitor progress towards Council's zero carbon 2030 target.

ROS Residents' Opinion Survey

DUNEDIN CITY COUNCIL

Funding Impact Statement for the years ended 30 June 2022 – 2031 for Waste Management

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	576	–	11	11	4	(1)	3,008	3,529	4,254	5,074	5,592
Targeted rates	2,899	4,650	7,774	12,492	12,980	13,424	13,886	14,366	14,865	15,385	15,925
Subsidies and grants for operating purposes	–	–	–	–	–	–	–	–	–	–	–
Fees and charges	8,187	11,390	11,955	11,578	12,653	12,107	12,232	12,556	12,710	12,714	12,702
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	–	–	–	–	–	–	–	–	–	–	–
Total operating funding	**12,862**	**17,714**	**21,461**	**25,845**	**27,445**	**27,384**	**31,026**	**32,400**	**33,831**	**35,229**	**36,328**
Application of operating funding											
Payments to staff and suppliers	12,047	14,636	15,713	22,332	23,396	22,575	25,226	26,083	26,985	27,913	28,855
Finance costs	179	309	728	1,071	1,320	1,752	2,154	2,403	2,652	2,811	2,941
Internal charges and overheads applied	882	898	923	946	969	994	1,018	1,045	1,073	1,102	1,131
Other operating funding applications	–	–	–	–	–	–	–	–	–	–	–
Total application of operating funding	**13,108**	**15,843**	**17,364**	**24,349**	**25,685**	**25,321**	**28,398**	**29,531**	**30,710**	**31,826**	**32,927**
Surplus/(deficit) of operating funding	**(246)**	**1,871**	**4,097**	**1,496**	**1,760**	**2,063**	**2,628**	**2,869**	**3,121**	**3,403**	**3,401**
Sources of capital funding											
Subsidies and grants for capital expenditure	–	–	–	–	–	–	–	–	–	–	–
Development and financial contributions	–	–	–	–	–	–	–	–	–	–	–
Increase/(decrease) in debt	–	8,618	17,434	6,659	10,843	19,469	8,714	8,739	8,752	2,438	6,655
Gross proceeds from sale of assets	–	–	–	–	–	–	–	–	–	–	–
Lump sum contributions	–	–	–	–	–	–	–	–	–	–	–
Other dedicated capital funding	–	–	–	–	–	–	–	–	–	–	–
Total sources of capital funding	**–**	**8,618**	**17,434**	**6,659**	**10,843**	**19,469**	**8,714**	**8,739**	**8,752**	**2,438**	**6,655**
Application of capital funding											
Capital expenditure											
– to meet additional demand	–	–	–	–	–	–	–	–	–	–	–
– to improve the level of service	449	7,973	18,744	7,285	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)	2,216	2,493	389	1,434	(276)	2,142	2,242	1,200	2,203	1,848
Total application of capital funding	**(246)**	**10,489**	**21,531**	**8,155**	**12,603**	**21,532**	**11,342**	**11,608**	**11,873**	**5,841**	**10,056**
Surplus/(deficit) of capital funding	**246**	**(1,871)**	**(4,097)**	**(1,496)**	**(1,760)**	**(2,063)**	**(2,628)**	**(2,869)**	**(3,121)**	**(3,403)**	**(3,401)**
Funding balance	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

Waste Management – Income Statement for the years ended 30 June 2022 – 2031

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Revenue											
Rates revenue	3,475	4,650	7,785	12,503	12,984	13,423	16,894	17,895	19,119	20,459	21,517
External revenue	8,187	11,390	11,955	11,578	12,653	12,107	12,232	12,556	12,710	12,714	12,702
Grants and subsidies revenue	–	–	–	–	–	–	–	–	–	–	–
Development contributions revenue	–	–	–	–	–	–	–	–	–	–	–
Vested assets	–	–	–	–	–	–	–	–	–	–	–
Internal revenue	1,200	1,674	1,721	1,764	1,808	1,854	1,900	1,949	2,002	2,056	2,109
Total revenue	**12,862**	**17,714**	**21,461**	**25,845**	**27,445**	**27,384**	**31,026**	**32,400**	**33,831**	**35,229**	**36,328**
Expenditure											
Personnel costs	851	861	872	886	900	917	936	955	977	999	1,021
Operations and maintenance	8,755	10,669	11,602	17,567	17,472	17,253	19,761	20,458	21,180	21,922	22,688
Occupancy costs	78	72	76	79	83	88	93	97	102	107	111
Consumables and general	2,223	2,893	3,021	3,655	4,793	4,167	4,284	4,417	4,567	4,722	4,868
Grants and subsidies	140	140	142	145	147	150	153	156	159	163	167
Internal charges	882	898	923	946	969	994	1,018	1,045	1,073	1,102	1,131
Depreciation and amortisation	491	582	978	1,496	1,761	2,063	2,627	2,869	3,121	3,403	3,401
Interest	179	309	728	1,071	1,320	1,752	2,154	2,403	2,652	2,811	2,941
Total expenditure	**13,599**	**16,424**	**18,342**	**25,845**	**27,445**	**27,384**	**31,026**	**32,400**	**33,831**	**35,229**	**36,328**
Net surplus/(deficit)	**(737)**	**1,290**	**3,119**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Expenditure by Activity											
Landfills	8,077	10,169	10,942	11,940	13,187	12,874	15,989	16,812	17,671	18,479	18,983
Waste Minimisation	560	529	960	1,027	841	609	636	662	687	710	736
Recycling	3,250	3,815	3,793	3,891	4,000	4,116	4,231	4,363	4,511	4,664	4,808
Refuse/Litter Collection	1,712	1,911	2,647	8,987	9,417	9,785	10,170	10,563	10,962	11,376	11,801
Total expenditure	**13,599**	**16,424**	**18,342**	**25,845**	**27,445**	**27,384**	**31,026**	**32,400**	**33,831**	**35,229**	**36,328**

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DUNEDIN CITY COUNCIL

Statement of Comprehensive Revenue and Expense for the years ended 30 June 2022 – 2031

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Revenue from continuing operations											
Rates revenue	163,136	179,124	191,664	205,077	217,372	230,421	244,239	257,666	271,826	283,234	294,293
Development and financial contributions	832	3,467	3,544	3,622	3,702	3,785	3,868	3,718	3,801	3,885	3,973
Subsidies and grants	40,700	33,292	27,261	29,143	29,342	26,131	29,553	28,621	26,856	25,560	27,633
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	68,408	71,555	72,985	75,351	76,559	77,807	79,815	81,767	83,392	84,958
Total operating revenue	**278,642**	**293,936**	**303,477**	**320,189**	**335,052**	**346,210**	**364,893**	**379,396**	**393,985**	**405,926**	**420,837**
Expenses											
Other expenses	128,850	129,599	135,135	145,141	149,982	154,825	161,001	165,962	175,196	179,876	185,439
Personnel expenses	67,972	69,965	71,111	73,046	74,556	76,210	77,820	79,701	81,543	83,677	85,611
Audit fees	314	243	206	340	262	221	367	283	239	397	306
Financial expenses	12,051	9,943	10,836	12,792	14,615	16,454	18,137	19,571	20,825	21,881	22,949
Depreciation and amortisation	73,289	76,519	78,498	82,123	85,787	90,048	94,104	97,689	101,721	106,257	111,169
Total operating expenses	**282,476**	**286,269**	**295,786**	**313,442**	**325,202**	**337,758**	**351,429**	**363,206**	**379,524**	**392,088**	**405,474**
Operating surplus/(deficit) from continuing operations	**(3,834)**	**7,667**	**7,691**	**6,747**	**9,850**	**8,452**	**13,464**	**16,190**	**14,461**	**13,838**	**15,363**
Share of associate surplus/(deficit)	–	–	–	–	–	–	–	–	–	–	–
	–	–	–	–	–	–	–	–	–	–	–
Surplus/(deficit) before taxation	**(3,834)**	**7,667**	**7,691**	**6,747**	**9,850**	**8,452**	**13,464**	**16,190**	**14,461**	**13,838**	**15,363**
Less taxation	(864)	(450)	(450)	(450)	(450)	(450)	(450)	(450)	(450)	(450)	(450)
Surplus/(deficit) after taxation	**(2,970)**	**8,117**	**8,141**	**7,197**	**10,300**	**8,902**	**13,914**	**16,640**	**14,911**	**14,288**	**15,813**
Attributable to:											
Dunedin City Council and Group	(2,970)	8,117	8,141	7,197	10,300	8,902	13,914	16,640	14,911	14,288	15,813
Non-controlling interest	–	–	–	–	–	–	–	–	–	–	–

Attachment A Item 13

DUNEDIN CITY COUNCIL

Statement of Other Comprehensive Revenue and Expense for the years ended 30 June 2022 – 2031

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Other comprehensive revenue and expense											
Gain/(loss) on property plant and equipment revaluations	37,500	63,000	63,000	76,000	63,000	63,000	76,000	63,000	63,000	76,000	63,000
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	–	–	–	–	–	–	–	–	–
Total other comprehensive revenue and expense	**38,696**	**63,480**	**63,000**	**76,000**	**63,000**	**63,000**	**76,000**	**63,000**	**63,000**	**76,000**	**63,000**
Net surplus/(deficit) for the year	(2,970)	8,117	8,141	7,197	10,300	8,902	13,914	16,640	14,911	14,288	15,813
Total comprehensive revenue and expense for the year	**35,726**	**71,597**	**71,141**	**83,197**	**73,300**	**71,902**	**89,914**	**79,640**	**77,911**	**90,288**	**78,813**
Attributable to:											
Dunedin City Council and Group	35,726	71,597	71,141	83,197	73,300	71,902	89,914	79,640	77,911	90,288	78,813
Non-controlling interest	–	–	–	–	–	–	–	–	–	–	–

DUNEDIN CITY COUNCIL

Statement of Changes in Equity for the years ended 30 June 2022 – 2031

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Movements in equity											
Opening equity	3,161,587	3,211,117	3,282,714	3,353,855	3,437,052	3,510,352	3,582,254	3,672,168	3,751,808	3,829,719	3,920,007
Total comprehensive revenue and expense	35,726	71,597	71,141	83,197	73,300	71,902	89,914	79,640	77,911	90,288	78,813
Closing equity	**3,197,313**	**3,282,714**	**3,353,855**	**3,437,052**	**3,510,352**	**3,582,254**	**3,672,168**	**3,751,808**	**3,829,719**	**3,920,007**	**3,998,820**

Attachment A Item 13

DUNEDIN CITY COUNCIL

Statement of Financial Position for the years ended 30 June 2022 – 2031

	Annual Plan 2021 $000	Forecast 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Current assets												
Cash and cash equivalents	9,558	7,481	6,071	6,426	6,782	6,954	7,617	8,550	9,433	10,372	11,210	11,980
Other current financial assets	9,733	6,428	5,928	5,964	6,022	6,074	6,126	6,183	6,246	6,318	6,394	6,473
Trade and other receivables	18,015	17,808	12,289	11,755	12,401	12,788	12,519	13,479	13,674	13,714	13,758	14,453
Taxation refund receivable	864	864	450	450	450	450	450	450	450	450	450	450
Inventories	288	392	392	392	392	392	392	392	392	392	392	392
Non current assets held for sale	–	3,000	–	–	–	–	–	–	–	–	–	–
Prepayments	500	500	500	500	500	500	500	500	500	500	500	500
Total current assets	**38,958**	**36,473**	**25,630**	**25,487**	**26,547**	**27,158**	**27,604**	**29,554**	**30,695**	**31,746**	**32,704**	**34,248**
Non-current assets												
Other non-current financial assets	192,180	203,977	205,503	206,066	206,982	207,799	208,611	209,500	210,502	211,618	212,821	214,056
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	3,077,163	3,212,052	3,357,292	3,495,928	3,631,981	3,762,590	3,902,941	4,022,855	4,139,902	4,256,542	4,373,949
Total non-current assets	**3,516,362**	**3,510,492**	**3,649,457**	**3,798,841**	**3,944,114**	**4,084,618**	**4,219,703**	**4,364,636**	**4,489,276**	**4,611,197**	**4,732,832**	**4,855,300**
Total assets	**3,555,320**	**3,546,965**	**3,675,087**	**3,824,328**	**3,970,661**	**4,111,776**	**4,247,307**	**4,394,190**	**4,519,971**	**4,642,943**	**4,765,536**	**4,889,548**
Current liabilities												
Trade and other payables	25,544	34,009	28,753	29,849	31,410	32,423	33,396	34,521	35,452	37,205	38,191	39,245
Revenue received in advance	3,600	7,980	5,394	6,444	6,517	6,585	6,656	6,732	6,806	6,883	6,946	7,006
Employee entitlements	8,263	8,623	9,495	9,638	9,884	10,073	10,281	10,483	10,721	10,955	11,226	11,472
Current derivative financial instruments	–	–	–	–	–	–	–	–	–	–	–	–
Current portion of term loans	–	–	–	–	–	–	–	–	–	–	–	–
Total current liabilities	**37,407**	**50,612**	**43,642**	**45,931**	**47,811**	**49,081**	**50,333**	**51,736**	**52,979**	**55,043**	**56,363**	**57,723**
Non-current liabilities												
Term loans	308,873	271,973	335,948	411,769	473,028	539,579	601,960	657,530	702,430	745,429	776,413	820,252
Provisions	11,131	12,483	12,483	12,473	12,470	12,464	12,460	12,456	12,454	12,452	12,453	12,453
Non-current derivative financial instruments	367	480	–	–	–	–	–	–	–	–	–	–
Other non-current liabilities	229	300	300	300	300	300	300	300	300	300	300	300
Total non-current liabilities	**320,600**	**285,236**	**348,731**	**424,542**	**485,798**	**552,343**	**614,720**	**670,286**	**715,184**	**758,181**	**789,166**	**833,005**
Equity												
Accumulated funds	1,688,539	1,695,305	1,703,242	1,711,545	1,718,490	1,728,528	1,737,158	1,750,792	1,767,142	1,781,751	1,795,724	1,811,212
Revaluation reserves	1,498,197	1,505,815	1,568,815	1,631,815	1,707,815	1,770,815	1,833,815	1,909,815	1,972,815	2,035,815	2,111,815	2,174,815
Restricted reserves	10,944	10,477	10,657	10,495	10,747	11,009	11,281	11,561	11,851	12,153	12,468	12,793
Cash flow hedge reserves	(367)	(480)	–	–	–	–	–	–	–	–	–	–
Total equity	**3,197,313**	**3,211,117**	**3,282,714**	**3,353,855**	**3,437,052**	**3,510,352**	**3,582,254**	**3,672,168**	**3,751,808**	**3,829,719**	**3,920,007**	**3,998,820**
Total liabilities and equity	**3,555,320**	**3,546,965**	**3,675,087**	**3,824,328**	**3,970,661**	**4,111,776**	**4,247,307**	**4,394,190**	**4,519,971**	**4,642,943**	**4,765,536**	**4,889,548**

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

Attachment A **Item 13**

DUNEDIN CITY COUNCIL

Statement of Cash Flows for the years ended 30 June 2022 – 2031

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Cashflow from Operating Activities											
Cash was provided from operating activities:											
Rates received	162,974	178,929	192,503	204,925	217,232	230,273	244,082	257,513	271,665	283,104	294,167
Other revenue	100,611	105,295	100,453	102,330	105,214	103,965	107,501	109,184	109,621	109,984	113,054
Interest received	8,105	7,389	7,251	7,109	7,110	7,114	7,118	7,120	7,123	7,121	7,179
Divided 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
Cash was applied to:											
Supplies and employees	(198,532)	(204,190)	(205,222)	(216,724)	(223,602)	(230,080)	(237,865)	(244,779)	(254,991)	(262,691)	(270,056)
Interest paid	(11,571)	(9,943)	(10,836)	(12,793)	(14,615)	(16,454)	(18,137)	(19,570)	(20,825)	(21,880)	(22,948)
Net cash inflow (outflow) from operations	**63,968**	**79,573**	**85,853**	**86,577**	**93,095**	**96,602**	**104,511**	**111,310**	**114,466**	**117,542**	**123,333**
Cashflow from Investing Activities											
Cash was provided from investing activities:											
Sale of assets	120	3,120	120	120	120	120	120	120	120	120	120
Reduction in loans and advances	–	–	–	–	–	–	–	–	–	–	–
Decrease in investments	–	–	–	–	–	–	–	–	–	–	–
Cash was applied to:											
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)	(145,528)	(158,889)	(145,050)	(157,044)	(155,891)	(156,718)	(152,897)	(154,096)	(145,259)	(163,972)
Net cash inflow (outflow) from investing activity	**(127,271)**	**(144,958)**	**(161,319)**	**(147,480)**	**(159,474)**	**(158,321)**	**(159,148)**	**(155,327)**	**(156,526)**	**(147,689)**	**(166,402)**
Cashflow from Financing Activities											
Cash was provided from financing activities:											
Loans raised	64,900	63,975	75,821	61,259	66,551	62,382	55,570	44,900	42,999	30,985	43,839
Cash was applied to:											
Loans repaid	–	–	–	–	–	–	–	–	–	–	–
Net cash inflow (outflow) from financing activity	**64,900**	**63,975**	**75,821**	**61,259**	**66,551**	**62,382**	**55,570**	**44,900**	**42,999**	**30,985**	**43,839**
Net increase/(decrease) in cash held	**1,597**	**(1,410)**	**355**	**356**	**172**	**663**	**933**	**883**	**939**	**838**	**770**
Opening cash balance	7,961	7,481	6,071	6,426	6,782	6,954	7,617	8,550	9,433	10,372	11,210
Closing cash balance	**9,558**	**6,071**	**6,426**	**6,782**	**6,954**	**7,617**	**8,550**	**9,433**	**10,372**	**11,210**	**11,980**

DUNEDIN CITY COUNCIL

Income Statement for the years ended 30 June 2022 – 2031

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Revenue											
Rates revenue	163,136	179,124	191,664	205,077	217,372	230,421	244,239	257,666	271,826	283,234	294,293
External revenue	71,838	75,503	78,458	79,797	82,086	83,323	84,683	86,841	88,952	90,697	92,388
Grants and subsidies revenue	40,700	33,292	27,261	29,143	29,342	26,131	29,553	28,621	26,856	25,560	27,633
Development contributions revenue	832	3,467	3,544	3,622	3,702	3,785	3,868	3,718	3,801	3,885	3,973
Vested assets	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Internal revenue	35,181	35,297	36,285	37,273	38,229	39,187	40,166	41,209	42,324	43,466	44,596
Total revenue	**314,687**	**329,683**	**340,212**	**357,912**	**373,731**	**385,847**	**405,509**	**421,055**	**436,759**	**449,842**	**465,883**
Expenditure											
Personnel costs	67,973	69,965	71,110	73,047	74,555	76,210	77,818	79,701	81,544	83,677	85,610
Operations and maintenance	68,292	67,667	70,470	77,795	79,870	82,346	86,332	89,110	93,632	96,100	99,144
Occupancy costs	26,235	27,875	29,315	30,687	31,653	32,965	34,357	35,771	39,064	40,456	41,807
Consumables and general	23,848	24,057	25,113	26,512	28,108	28,880	29,578	30,032	31,169	31,894	32,725
Grants and subsidies	10,790	10,243	10,444	10,485	10,614	10,855	11,103	11,333	11,569	11,824	12,071
Internal charges	35,181	35,297	36,285	37,273	38,229	39,187	40,166	41,209	42,324	43,466	44,596
Depreciation and amortisation	73,289	76,519	78,498	82,123	85,787	90,048	94,104	97,689	101,721	106,257	111,169
Interest	12,050	9,943	10,836	12,793	14,615	16,454	18,137	19,570	20,825	21,880	22,948
Total expenditure	**317,658**	**321,566**	**332,071**	**350,715**	**363,431**	**376,945**	**391,595**	**404,415**	**421,848**	**435,554**	**450,070**
Net surplus/(deficit)	**(2,971)**	**8,117**	**8,141**	**7,197**	**10,300**	**8,902**	**13,914**	**16,640**	**14,911**	**14,288**	**15,813**
Expenditure by Activity											
Roading and Footpaths	50,969	53,234	53,053	54,591	56,062	57,442	58,944	60,318	62,120	64,572	66,927
Sewerage and Sewage	33,629	33,087	33,363	33,882	34,992	36,400	37,421	39,041	40,929	42,237	43,815
Stormwater	9,089	9,215	10,862	11,510	12,566	13,458	14,365	15,085	15,840	16,437	17,061
Water Supply	29,873	30,830	31,588	32,094	32,991	34,237	35,407	36,271	38,567	40,835	42,927
Waste Management	13,599	16,424	18,342	25,845	27,445	27,384	31,026	32,400	33,831	35,229	36,328
Reserves and Recreational Facilities	36,633	37,410	40,074	43,285	44,600	46,064	47,238	48,426	49,646	50,635	51,882
Property	34,603	33,965	35,180	38,221	40,405	43,109	45,667	47,949	51,660	53,023	54,741
Galleries, Libraries and Museums	27,120	26,177	26,750	27,252	28,145	28,781	29,524	30,342	31,369	32,241	33,126
Regulatory Services	17,290	17,104	17,295	17,645	18,080	18,537	19,013	19,458	19,999	20,515	21,116
Community and Planning	14,073	15,034	14,595	14,845	15,059	15,516	15,786	16,259	16,538	17,054	17,341
Economic Development	5,928	5,824	5,971	6,090	6,215	6,354	6,501	6,654	6,816	6,988	7,157
Governance and Support Services	44,852	43,262	44,998	45,455	46,871	49,663	50,703	52,212	54,533	55,788	57,649
Total expenditure	**317,658**	**321,566**	**332,071**	**350,715**	**363,431**	**376,945**	**391,595**	**404,415**	**421,848**	**435,554**	**450,070**

Attachment A

Item 13

DUNEDIN CITY COUNCIL

Notes to the Financial Statements for the years ended 30 June 20222 – 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 30 June 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; and
- valuation of derivative financial instruments;

2 Rates revenue

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Rates revenue by type											
General rates	93,550	102,163	108,989	116,062	124,929	134,145	144,494	154,374	163,285	170,176	176,548
Community services rate	4,936	5,070	5,212	5,342	5,476	5,612	5,753	5,902	6,062	6,225	6,387
Kerbside recycling rate	2,899	4,650	7,774	12,492	12,980	13,424	13,886	14,366	14,865	15,385	15,925
Citywide water rate	22,086	24,915	25,466	25,813	26,534	27,593	28,577	29,229	31,286	33,306	35,165
Citywide drainage rate	38,471	41,262	43,152	44,290	46,428	48,695	50,591	52,895	55,496	57,359	59,520
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
	163,136	179,124	191,664	205,077	217,372	230,421	244,239	257,666	271,826	283,234	294,293

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Rates revenue by activity											
Roading and Footpaths	17,409	17,905	21,421	23,170	27,537	30,733	33,835	38,643	40,292	42,567	43,497
Sewerage and Sewage	32,291	32,190	32,436	32,931	34,015	35,394	36,387	37,975	39,826	41,097	42,640
Stormwater	6,201	9,092	10,736	11,380	12,433	13,321	14,224	14,940	15,690	16,282	16,901
Water Supply	22,086	24,915	25,466	25,813	26,534	27,593	28,577	29,229	31,286	33,306	35,165
Waste Management	3,475	4,650	7,785	12,503	12,984	13,423	16,894	17,895	19,119	20,459	21,517
Reserves and Recreational Facilities	30,694	31,831	33,832	36,306	37,446	38,731	39,723	40,715	41,727	42,502	43,538
Property	8,091	9,155	9,661	11,906	13,325	15,270	17,049	18,501	21,328	21,781	22,594
Galleries, Libraries and Museums	24,877	24,672	24,454	24,907	25,741	26,335	27,036	27,808	28,787	29,609	30,446
Regulatory Services	–	–	–	–	–	–	–	–	–	–	–
Community and Planning	12,199	12,669	12,660	12,754	13,027	13,320	13,651	13,950	14,287	14,618	14,969
Economic Development	5,417	5,402	5,537	5,645	5,759	5,887	6,022	6,163	6,311	6,469	6,625
Governance and Support Services	396	6,643	7,676	7,762	8,571	10,414	10,841	11,847	13,173	14,544	16,401
	163,136	179,124	191,664	205,077	217,372	230,421	244,239	257,666	271,826	283,234	294,293

Rating base information											
The number of rating units	59,065	59,582	60,099	60,615	61,003	61,390	61,776	62,163	62,551	62,900	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

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Development and financial contributions	832	3,467	3,544	3,622	3,702	3,785	3,868	3,718	3,801	3,885	3,973
	832	**3,467**	**3,544**	**3,622**	**3,702**	**3,785**	**3,868**	**3,718**	**3,801**	**3,885**	**3,973**

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 grant

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Subsidies and grants											
New Zealand Transport Agency new capital roading subsidies	20,710	9,846	8,293	10,655	9,635	6,296	9,588	7,344	5,434	3,978	4,641
New Zealand Transport Agency renewal roading subsidies	7,698	7,010	6,878	6,141	7,006	6,767	6,523	7,447	7,191	6,929	7,916
New Zealand Transport Agency operational roading subsidies	10,482	10,033	10,254	10,459	10,762	11,074	11,396	11,726	12,066	12,428	12,789
Government and government agency grants	1,378	1,399	1,380	1,420	1,459	1,500	1,542	1,586	1,631	1,679	1,726
Other grants	432	5,004	456	468	480	494	504	518	534	546	561
	40,700	**33,292**	**27,261**	**29,143**	**29,342**	**26,131**	**29,553**	**28,621**	**26,856**	**25,560**	**27,633**

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

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Gain on fair value of investments	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
	11,566	**9,645**	**9,454**	**9,362**	**9,285**	**9,312**	**9,427**	**9,578**	**9,735**	**9,856**	**9,981**

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

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	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	52,491	55,323	56,423	58,449	59,310	60,202	61,830	63,378	64,587	65,742
	62,408	**68,408**	**71,555**	**72,985**	**75,351**	**76,559**	**77,807**	**79,815**	**81,767**	**83,392**	**84,958**

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

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Operations and maintenance	68,291	67,667	70,470	77,795	79,870	82,346	86,332	89,110	93,632	96,100	99,144
Occupancy costs	26,235	27,875	29,315	30,687	31,653	32,965	34,357	35,771	39,064	40,456	41,807
Consumables and general	23,534	23,814	24,906	26,174	27,845	28,659	29,209	29,748	30,931	31,496	32,417
Grants and subsidies	10,790	10,243	10,444	10,485	10,614	10,855	11,103	11,333	11,569	11,824	12,071
	128,850	129,599	135,135	145,141	149,982	154,825	161,001	165,962	175,196	179,876	185,439

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 corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

Research and development

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

8 Audit fees

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Fees paid to Audit New Zealand for;											
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
	314	**243**	**206**	**340**	**262**	**221**	**367**	**283**	**239**	**397**	**306**

9 Financial expenses

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Interest paid to subsidiaries	12,051	9,943	10,836	12,792	14,615	16,454	18,137	19,571	20,825	21,881	22,949
	12,051	**9,943**	**10,836**	**12,792**	**14,615**	**16,454**	**18,137**	**19,571**	**20,825**	**21,881**	**22,949**

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

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Depreciation and amortisation expense by group of activity											
Roading and Footpaths	23,428	24,957	24,145	24,437	24,601	24,628	24,845	25,009	25,699	27,043	28,296
Sewerage and Sewage	12,188	13,058	13,766	13,824	14,218	14,744	15,214	15,912	16,611	17,294	17,948
Stormwater	4,380	4,693	5,525	5,634	6,197	6,598	7,030	7,353	7,736	8,016	8,315
Water Supply	14,023	15,024	14,888	14,905	15,218	15,815	16,307	16,382	17,650	18,854	19,892
Waste Management	491	582	978	1,496	1,761	2,063	2,627	2,869	3,121	3,403	3,401
Reserves and Recreational Facilities	4,686	4,956	5,784	7,216	7,658	8,397	8,654	8,888	9,094	9,051	9,283
Property	10,435	10,372	10,744	12,008	13,122	14,095	15,263	16,445	16,180	16,303	17,019
Galleries, 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	1,476	1,427	1,769	2,352	2,648	3,149	3,595	4,067	4,528
	73,289	**76,519**	**78,498**	**82,123**	**85,787**	**90,048**	**94,104**	**97,689**	**101,721**	**106,257**	**111,169**

11 Total group expenditure

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Roading and Footpaths	50,969	53,234	53,053	54,591	56,062	57,442	58,944	60,318	62,120	64,572	66,927
Sewerage and Sewage	33,629	33,087	33,363	33,882	34,992	36,400	37,421	39,041	40,929	42,237	43,815
Stormwater	9,089	9,215	10,862	11,510	12,566	13,458	14,365	15,085	15,840	16,437	17,061
Water Supply	29,873	30,830	31,588	32,094	32,991	34,237	35,407	36,271	38,567	40,835	42,927
Waste Management	13,599	16,424	18,342	25,845	27,445	27,384	31,026	32,400	33,831	35,229	36,328
Reserves and Recreational Facilities	36,633	37,410	40,074	43,285	44,600	46,064	47,238	48,426	49,646	50,635	51,882
Property	34,603	33,965	35,180	38,221	40,405	43,109	45,667	47,949	51,660	53,023	54,741
Galleries, Libraries and Museums	27,120	26,177	26,750	27,252	28,145	28,781	29,524	30,342	31,369	32,241	33,126
Regulatory Services	17,290	17,104	17,295	17,645	18,080	18,537	19,013	19,458	19,999	20,515	21,116
Community and Planning	14,073	15,034	14,595	14,845	15,059	15,516	15,786	16,259	16,538	17,054	17,341
Economic Development	5,928	5,824	5,971	6,090	6,215	6,354	6,501	6,654	6,816	6,988	7,157
Governance and Support Services	44,852	43,262	44,998	45,455	46,871	49,663	50,703	52,212	54,533	55,788	57,649
Total expenditure per activity	317,658	321,566	332,071	350,715	363,431	376,945	391,595	404,415	421,848	435,554	450,070
Less: Internal expenditure	(35,181)	(35,297)	(36,285)	(37,273)	(38,229)	(39,187)	(40,166)	(41,209)	(42,324)	(43,466)	(44,596)
Total expenditure per financial statements	**282,477**	**286,269**	**295,786**	**313,442**	**325,202**	**337,758**	**351,429**	**363,206**	**379,524**	**392,088**	**405,474**

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 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Accumulated Funds											
Opening balance	1,692,509	1,695,305	1,703,242	1,711,545	1,718,490	1,728,528	1,737,158	1,750,792	1,767,142	1,781,751	1,795,724
Surplus/(deficit)	2,966	8,117	8,141	7,197	10,300	8,902	13,914	16,640	14,911	14,288	15,813
Net transfers from/(to) restricted reserves	(170)	(180)	162	(252)	(262)	(272)	(280)	(290)	(302)	(315)	(325)
Closing balance	1,695,305	1,703,242	1,711,545	1,718,490	1,728,528	1,737,158	1,750,792	1,767,142	1,781,751	1,795,724	1,811,212
Revaluation reserves											
Opening balance	1,420,815	1,505,815	1,568,815	1,631,815	1,707,815	1,770,815	1,833,815	1,909,815	1,972,815	2,035,815	2,111,815
Property plant and equipment revaluations	85,000	63,000	63,000	76,000	63,000	63,000	76,000	63,000	63,000	76,000	63,000
Closing balance	1,505,815	1,568,815	1,631,815	1,707,815	1,770,815	1,833,815	1,909,815	1,972,815	2,035,815	2,111,815	2,174,815
Restricted reserves											
Opening balance	10,307	10,477	10,657	10,495	10,747	11,009	11,281	11,561	11,851	12,153	12,468
Net transfers from/(to) accumulated funds	170	180	(162)	252	262	272	280	290	302	315	325
Closing balance	10,477	10,657	10,495	10,747	11,009	11,281	11,561	11,851	12,153	12,468	12,793

	Forecast 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Cash flow hedge reserves											
Opening balance	(2,052)	(480)	–	–	–	–	–	–	–	–	–
Gains/(losses) on interest rate swaps	1,572	480	–	–	–	–	–	–	–	–	–
Closing balance	(480)	–	–	–	–	–	–	–	–	–	–
	3,211,117	3,282,714	3,353,855	3,437,052	3,510,352	3,582,254	3,672,168	3,751,808	3,829,719	3,920,007	3,998,820

Activity and output group	Purpose	Opening Balance 2021 $000	Transfers Inwards 2021-2031 $000	Transfers Outwards 2021-2031 $000	Closing Balance 2031 $000
Roading and Footpaths					
Transport	Roading property reserve for property purchases	156	6,026	(6,009)	173
Sewerage and Sewage					
Wastewater	Water development and operational reserves	46	25,834	(25,831)	49
Waste Management					
Landfills	Waste minimisation projects	578	8,796	(7,516)	1,858
Reserves and Recreational Facilities					
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)	5,536	(5,549)	(142)
	To maintain specific reserve areas	1,619	169	–	1,788
Property					
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
Galleries, Libraries and Museums					
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
Regulatory Services					
Animal Services	Dog Control operations reserve	13	1	–	14
Governance and Support Services					
Finance	Insurance reserve	317	33	–	350
Other	Hillary Commission General Subsidies Reserve	34	4	–	38
		10,477	47,220	(44,905)	12,793

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 include cash on 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 statement of financial position.

15 Trade and other receivables and term receivables

Relevant significant accounting policies

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL) and impaired credit losses. The Council applies the simplified ECL model of recognising lifetime ECL for receivables.

In measuring ECLs, trade receivables are grouped based on similar credit risk and aging. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

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.

Rates are "written-off":

- when remitted in accordance with the Council's rates and remission policy; and
- in accordance with the wirte-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (in relation to Māori freehold land) of the Local Givernment (Rating) Act 2002.

Other receivables are written-off when there is no reasonable expectation of recovery.

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 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Other current financial assets											
Waipori Fund interest bearing securities	6,428	5,928	5,964	6,022	6,074	6,126	6,183	6,246	6,318	6,394	6,473
	6,428	5,928	5,964	6,022	6,074	6,126	6,183	6,246	6,318	6,394	6,473
Other non-current financial assets											
Waipori Fund interest bearing securities	38,979	38,979	39,215	39,599	39,941	40,282	40,655	41,074	41,542	42,046	42,564
Waipori Fund equity investments	52,516	54,043	54,370	54,902	55,377	55,848	56,364	56,947	57,595	58,294	59,011
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
	203,977	205,503	206,066	206,982	207,799	208,611	209,500	210,502	211,618	212,821	214,056
	210,405	**211,431**	**212,030**	**213,004**	**213,873**	**214,737**	**215,683**	**216,748**	**217,936**	**219,215**	**220,529**

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

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	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)	(3,522)	(3,645)	(3,756)	(3,886)	(4,021)	(4,162)	(4,306)	(4,458)	(4,599)	(4,737)
	4,555	4,701	4,808	4,908	4,995	5,082	5,168	5,267	5,373	5,498	5,622
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
Net income	**5,031**	**5,177**	**5,298**	**5,410**	**5,510**	**5,609**	**5,709**	**5,822**	**5,942**	**6,083**	**6,222**

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 10 year 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 by Part 1 of Schedule 10.

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 adopted the 10 year plan on 30 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 in June 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.

The following assumption, which has a level of uncertainty of high, could lead to a material difference to the prospective financial statements. The uncertainty could lead to assets being transferred to a new entity. This would impact on operating revenues, operating costs, assets, debt, the Financial Strategy and the Infrastructure Strategy.

- FUTURE LEGISLATIVE CHANGES – Proposed 3 Waters reform

Extent to which prospective information incorporates actual results

The period covered by the 10 year plan contains no actual operating results, but the forecast balance sheet is extrapolated from the audited Statement of Financial Position included in the Dunedin City Council Annual Report as at 30 June 2020.

Basis of underlying assumptions

The 10 year plan brings together summary information from several vastly detailed and comprehensive strategic planning processes. There are a number of Council strategies, plans and policies that guide the Council's decision-making and influence the content of this plan.

All Council groups of activities have prepared Group Management Plans. These plans have been prepared using standard templates and business assumptions. The most significant business assumption is the provision of the same level of service, which implies there will be no termination of service for any activity.

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.

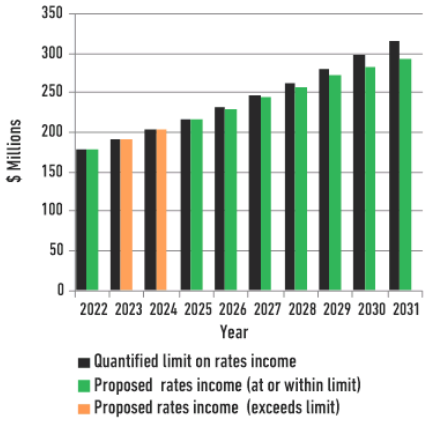
Rates Affordability Benchmark

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.

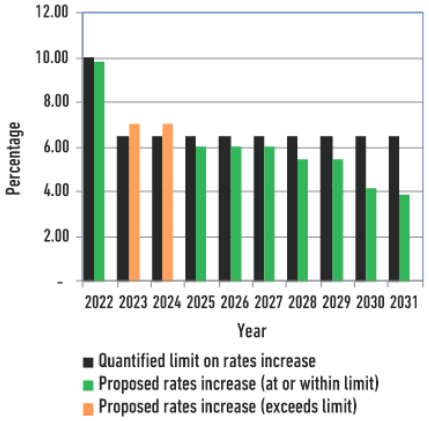
Rates (Income) Affordability

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

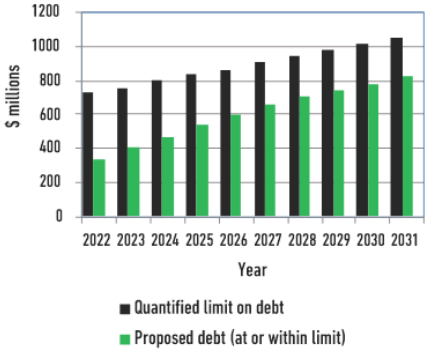
The following graph compares the Council's planned rates increases with a quantified limit on rates increases contained in the financial strategy included in the Council's long term plan. The quantified limit is 10.0% for the 2021/22 year. Please refer to the financial strategy for the quantified limits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

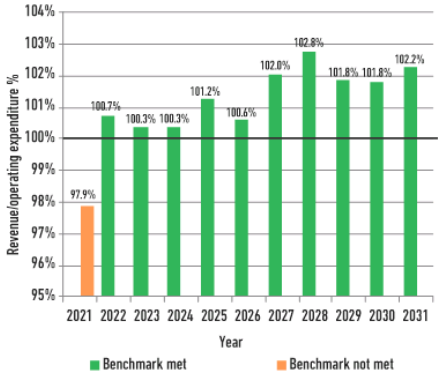
The following graph compares the Council's planned debt with a quantified limit on borrowing contained in the financial strategy included in the Council's long term plan. The quantified limit is $736 million for the 2021/22 year. Please refer to the financial strategy for the quantified limits for the 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).

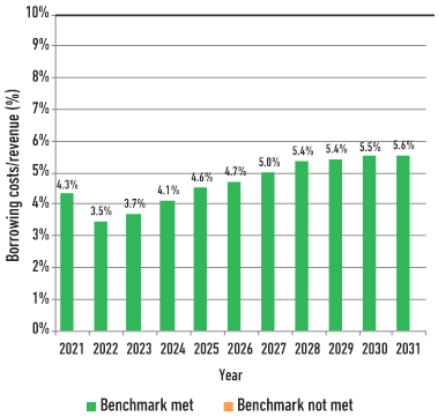
The Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.



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).

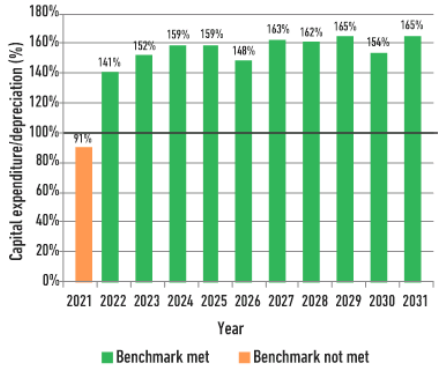
Because Statistics New Zealand projects the Council's population will grow more slowly than the national population is expected to grow, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its revenue.



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.



hōtaka whakapauka pūtea haupū rawa 10 tau
10 year capital expenditure programme

Capital expenditure programme

Community and planning

Economic development

Galleries, libraries and museums

Governance and support

Property

Regulatory services

Reserves and recreational facilities

Roading and footpaths

Three waters

Waste management

DUNEDIN CITY COUNCIL

Capital Expenditure Programme

Group of Activity	2021/22 $000	2022/23 $000	2023/24 $000	2024/25 $000	2025/26 $000	2026/27 $000	2027/28 $000	2028/29 $000	2029/30 $000	2030/31 $000	10 Year Total $000
Community and Planning	355	971	405	201	506	203	507	214	507	205	4,074
Economic Development	265	5	16	5	84	6	–	–	6	–	387
Galleries, Libraries and Museums	2,363	2,252	2,075	1,574	1,582	1,727	3,174	1,725	1,772	2,061	20,305
Governance and Support Services	4,652	5,152	4,914	5,117	4,376	5,301	4,726	4,597	4,912	3,532	47,279
Property	21,800	23,681	26,723	24,086	27,396	29,502	21,736	19,112	19,588	21,212	234,836
Regulatory Services	300	366	343	731	372	401	378	414	839	443	4,587
Reserves and Recreational Facilities	25,729	19,625	11,320	17,198	7,096	6,009	8,072	5,699	5,868	6,830	113,446
Roading and Footpaths	40,000	42,952	49,846	48,916	45,181	50,341	42,959	40,130	38,603	40,686	439,614
Three Waters	41,791	44,847	41,642	48,047	47,490	54,028	61,979	71,532	69,526	80,795	561,677
Waste Management	8,273	19,038	7,766	11,169	21,808	9,200	9,366	10,673	3,638	8,208	109,139
Total	145,528	158,889	145,050	157,044	155,891	156,718	152,897	154,096	145,259	163,972	1,535,344

Community and Planning – Capital Expenditure Programme

Activity Name	Project Name	2021/22 $000	2022/23 $000	2023/24 $000	2024/25 $000	2025/26 $000	2026/27 $000	2027/28 $000	2028/29 $000	2029/30 $000	2030/31 $000	Total $000
New Capital												
City Development	Minor Amenity Centres Upgrades	–	100	300	100	400	100	400	100	400	100	2,000
	Street Trees and Furniture	100	100	100	100	100	100	100	100	100	100	1,000
	Warehouse Precinct Upgrades	250	770	–	–	–	–	–	–	–	–	1,020
Total City Development		350	970	400	200	500	200	500	200	500	200	4,020
Total New Capital		350	970	400	200	500	200	500	200	500	200	4,020
Renewal												
Community Development and Events	Task Force Green	5	1	5	1	6	3	7	14	7	5	54
Total Community Development and Events		5	1	5	1	6	3	7	14	7	5	54
Total Renewal		5	1	5	1	6	3	7	14	7	5	54
Grand Total		355	971	405	201	506	203	507	214	507	205	4,074

Attachment A Item 13

Economic Development – Capital Expenditure Programme

Activity Name	Project Name	2021/22 $000	2022/23 $000	2023/24 $000	2024/25 $000	2025/26 $000	2026/27 $000	2027/28 $000	2028/29 $000	2029/30 $000	2030/31 $000	Total $000
New Capital												
Economic Development	Virtual Production Studio	250	–	–	–	–	–	–	–	–	–	250
Total Economic Development		250	–	–	–	–	–	–	–	–	–	250
Total New Capital		250	–	–	–	–	–	–	–	–	–	250
Renewal												
Destination Marketing	Digital Content – Camera and Video gear	15	5	16	5	17	6			6		70
Total Destination Marketing		15	5	16	5	17	6	–	–	6	–	70
iSITE Visitor Centre	iSITE Octagon Premises Refresh					67						67
Total iSITE Visitor Centre		–	–	–	–	67	–	–	–	–	–	67
Total Renewal		15	5	16	5	84	6			6		137
Grand Total		265	5	16	5	84	6	–	–	6	–	387

Galleries, Libraries and Museums – Capital Expenditure Programme

Activity Name	Project Name	2021/22 $000	2022/23 $000	2023/24 $000	2024/25 $000	2025/26 $000	2026/27 $000	2027/28 $000	2028/29 $000	2029/30 $000	2030/31 $000	Total $000
New Capital												
Dunedin Public Art Gallery	Acquisitions – Donation Funded	35	35	35	35	35	35	35	35	35	35	350
	Acquisitions – DPAG Society Funded	30	30	30	30	30	30	30	30	30	30	300
	Acquisitions – Rates Funded	90	100	110	120	130	140	150	160	170	180	1,350
	Art in Public Places	–	–	100	–	–	–	100	–	–	–	200
	Collection Store Painting Racks	50	–	–	–	–	–	–	–	–	–	50
	Minor Capital Works	40	40	40	40	40	40	40	40	40	40	400
Total Dunedin Public Art Gallery		245	205	315	225	235	245	355	265	275	285	2,650
Dunedin Public Libraries	Heritage Collection Purchases – Rates Funded	56	56	56	56	56	56	56	56	56	56	560
	Heritage Collection Purchases – Trust Funded	10	10	10	10	10	10	10	10	10	10	100
	South Dunedin Library Opening Collection	–	–	500	–	–	–	–	–	–	–	500
Total Dunedin Public Libraries		66	66	566	66	66	66	66	66	66	66	1,160

Galleries, Libraries and Museums – Capital Expenditure Programme continued

Activity Name	Project Name	2021/22 $000	2022/23 $000	2023/24 $000	2024/25 $000	2025/26 $000	2026/27 $000	2027/28 $000	2028/29 $000	2029/30 $000	2030/31 $000	Total $000
Toitū Otago Settlers Museum	Acquisitions – Rates Runded	50	50	50	50	50	50	50	50	50	50	500
	Minor Capital Works	40	40	40	40	40	40	40	40	40	40	400
Total Toitū Otago Settlers Museum		90	90	90	90	90	90	90	90	90	90	900
Total New Capital		401	361	971	381	391	401	511	421	431	441	4,710
Renewal												
Dunedin Public Art Gallery	Exhibition Lighting	25	26	26	27	28	29	29	30	31	32	283
	Heating and Ventilation System	30	31	32	33	33	34	35	36	37	38	339
Total Dunedin Public Art Gallery		55	57	58	60	61	63	64	66	68	70	622
Dunedin Public Libraries	Acquisitions – Operational Collection	915	942	967	1,030	1,058	1,086	1,115	1,148	1,180	1,212	10,653
	Minor Capital Equipment	55	57	58	60	50	51	53	66	68	70	588
	RFID Replacement	717	–	–	–	–	–	939	–	–	–	1,656
Total Dunedin Public Libraries		1,687	999	1,025	1,090	1,108	1,137	2,107	1,214	1,248	1,282	12,897
Toitū Otago Settlers Museum	Gallery Furniture and Office/Gallery Renewal	–	515	–	–	–	–	–	–	–	–	515
	LED Lighting Replacment	–	–	–	–	–	–	352	–	–	–	352
	Minor Equipment Renewals	–	196	–	–	–	103	–	–	–	242	541
	Plant Renewal	150	103	–	–	–	–	117	–	–	–	370
Total Toitū Otago Settlers Museum		150	814	–	–	–	103	469	–	–	242	1,778
Olveston House	Minor Capital Works	70	21	21	43	22	23	23	24	25	26	298
Total Olveston House		70	21	21	43	22	23	23	24	25	26	298
Total Renewal		1,962	1,891	1,104	1,193	1,191	1,326	2,663	1,304	1,341	1,620	15,595
Grand Total		2,363	2,252	2,075	1,574	1,582	1,727	3,174	1,725	1,772	2,061	20,305

Governance and Support Programme – Capital Expenditure Programme

Activity Name	Project Name	2021/22 $000	2022/23 $000	2023/24 $000	2024/25 $000	2025/26 $000	2026/27 $000	2027/28 $000	2028/29 $000	2029/30 $000	2030/31 $000	Total $000
New Capital												
Business information services	Value Added External Services Workstream	750	1,250	1,250	1,850	1,350	600	600	600	600	600	9,450
	Internal Legacy Corrections		175	175	175	175	175	175	175	350	175	1,750
	Internal Services Workstream	300	584	583	333	–	–	–	–	–	–	1,800
Total Business information services		1,050	2,009	2,008	2,358	1,525	775	775	775	950	775	13,000
Fleet Operations	EV Charging Infrastructure	50	–	50	50	–	–	–	–	100	–	250
Total Fleet Operations		50	–	50	50	–	–	–	–	100	–	250
Total New Capital		1,100	2,009	2,058	2,408	1,525	775	775	775	1,050	775	13,250
Renewal												
Customer Services Agency	Self Service Kiosks	–	52	–	54	–	57	–	60	–	64	287
Total Customer Services Agency		–	52	–	54	–	57	–	60	–	64	287
Business information services	Internal Legacy Corrections	1,100	979	1,004	758	779	800	821	846	869	894	8,850
	Internal Services Workstream	1,700	1,545	1,374	1,409	1,225	2,972	2,648	2,416	2,484	1,276	19,049
Total Business information services		2,800	2,524	2,378	2,167	2,004	3,772	3,469	3,262	3,353	2,170	27,899
Fleet Operations	Fleet Replacement	450	464	476	488	401	411	423	435	447	459	4,454
	Mobile Library Replacement	200	–	–	–	–	–	–	–	–	–	200
	Heavy Vehicle Replacement	100	103	–	–	–	–	–	–	–	–	203
Total Fleet Operations		750	567	476	488	401	411	423	435	447	459	4,857
Council Communications and Marketing	DCC Intranet Renewal	–	–	–	–	–	229	–	–	–	–	229
	DCC Website Renewal	–	–	–	–	446	–	–	–	–	–	446
	Replacement of Webcams	2	–	2	–	–	–	–	5	–	–	9
	Street Banner Hardware	–	–	–	–	–	57	59	60	62	64	302
Total Council Communications and Marketing		2	–	2	–	446	286	59	65	62	64	986
Total Renewal		3,552	3,143	2,856	2,709	2,851	4,526	3,951	3,822	3,862	2,757	34,029
Grand Total		4,652	5,152	4,914	5,117	4,376	5,301	4,726	4,597	4,912	3,532	47,279

Attachment A Item 13

Property – Capital Expenditure Programme

Activity Name	Project Name	2021/22 $000	2022/23 $000	2023/24 $000	2024/25 $000	2025/26 $000	2026/27 $000	2027/28 $000	2028/29 $000	2029/30 $000	2030/31 $000	Total $000
New Capital												
Community	Public Toilets	250	200	200	200	200	200	200	200	200	200	2,050
	Sammy's/Performing Arts	–	–	–	–	–	4,800	–	–	–	–	4,800
	Performing Arts Venue	–	–	–	1,000	6,500	6,500	3,100	–	–	–	17,100
Total Community		250	200	200	1,200	6,700	11,500	3,300	200	200	200	23,950
Housing	Housing Growth	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	20,000
Total Housing		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	20,000
Operational	District Energy Scheme	1,000	2,000	2,000	3,000	3,100	–	–	–	–	–	11,100
	South Dunedin Library and Community Complex	2,000	5,060	4,500	–	–	–	–	–	–	–	11,560
Total Operational		3,000	7,060	6,500	3,000	3,100	–	–	–	–	–	22,660
Total New Capital		5,250	9,260	8,700	6,200	11,800	13,500	5,300	2,200	2,200	2,200	66,610
Renewal												
Commercial	Asset Renewals	1,000	2,060	2,114	2,168	2,228	2,286	2,348	2,416	2,484	2,552	21,656
Total Commercial		1,000	2,060	2,114	2,168	2,228	2,286	2,348	2,416	2,484	2,552	21,656
Community	Asset Renewals	780	587	159	2,710	2,674	2,743	2,818	2,899	2,981	3,062	21,413
	Community Hall Renewals	500	515	529	542	557	572	587	604	621	638	5,665
	Edgar Centre Refurbishment	600	–	264	2,060	–	–	–	–	–	–	2,924
	Public Toilet Renewals	100	103	106	108	111	114	117	121	124	128	1,132
	Tarpits	–	–	2,114	542	–	–	–	–	–	–	2,656
	Railway Station Exterior and Lift	1,020	1,370	–	–	–	–	–	–	–	–	2,390
Total Community		3,000	2,575	3,172	5,962	3,342	3,429	3,522	3,624	3,726	3,828	36,180
Housing	Asset Renewals	2,000	2,060	2,114	2,168	2,228	2,286	2,348	2,416	2,484	2,552	22,656
	Healthy Homes Upgrades	1,000	1,030	1,057	–	–	–	–	–	–	–	3,087
	Palmyra Refurbishment	2,000	2,060			–	–	–	–	–	–	4,060
Total Housing		5,000	5,150	3,171	2,168	2,228	2,286	2,348	2,416	2,484	2,552	29,803
Investment	Asset Renewals	646	979	2,452	737	1,114	1,143	1,174	1,208	1,242	1,276	11,971
	Lift Replacements	354	52	719	347	–	–	–	–	–	–	1,472
Total Investment		1,000	1,031	3,171	1,084	1,114	1,143	1,174	1,208	1,242	1,276	13,443

Property – Capital Expenditure Programme continued

Activity Name	Project Name	2021/22 $000	2022/23 $000	2023/24 $000	2024/25 $000	2025/26 $000	2026/27 $000	2027/28 $000	2028/29 $000	2029/30 $000	2030/31 $000	Total $000
Operational	Asbestos Remediation	–	–	–	1,084	1,114	1,143	1,174	1,208	1,242	1,276	8,241
	Asset Renewals	3,220	3,018	3,203	3,436	4,456	4,572	4,696	4,832	4,968	6,252	42,653
	Civic Centre – Exterior, Roof, and Windows	3,000	–	–	–	–	–	–	–	–	–	3,000
	Dunedin Library Refurbishment	–	–	1,691	–	–	–	–	–	–	–	1,691
	Dunedin Public Art Gallery Refurbishment	30	484	21	358	–	–	–	–	–	–	893
	Olveston House Renewal	–	103	423	542	–	–	–	–	–	–	1,068
	Seismic Remediation	–	–	–	–	–	1,143	1,174	1,208	1,242	1,276	6,043
	Town Hall/Municipal Chamber Exterior and Lift	300	–	1,057	1,084	1,114	–	–	–	–	–	3,555
Total Operational		**6,550**	**3,605**	**6,395**	**6,504**	**6,684**	**6,858**	**7,044**	**7,248**	**7,452**	**8,804**	**67,144**
Total Renewal		16,550	14,421	18,023	17,886	15,596	16,002	16,436	16,912	17,388	19,012	168,226
Grand Total		**21,800**	**23,681**	**26,723**	**24,086**	**27,396**	**29,502**	**21,736**	**19,112**	**19,588**	**21,212**	**234,836**

Regulatory Services – Capital Expenditure Programme

Activity Name	Project Name	2021/22 $000	2022/23 $000	2023/24 $000	2024/25 $000	2025/26 $000	2026/27 $000	2027/28 $000	2028/29 $000	2029/30 $000	2030/31 $000	Total $000
Renewal												
Compliance Solutions	Animal Services Body Worn Cameras	–	12	–	–	16	–	–	22	–	–	50
	Noise Meter Renewals	–	19	–	–	22	–	26	–	–	28	95
Total Compliance Solutions		**–**	**31**	**–**	**–**	**38**	**–**	**26**	**22**	**–**	**28**	**145**
Parking Operations	Car Park Buildings Equipment Renewals	–	–	–	379	–	–	–	–	435	–	814
	Parking Meter Renewals	300	309	317	325	334	343	352	362	373	383	3,398
Total Parking Operations		**300**	**309**	**317**	**704**	**334**	**343**	**352**	**362**	**808**	**383**	**4,212**
Parking Services	Electronic Ticket Writers Renewals (Includes Phones)	–	26	–	27	–	29	–	30	–	32	144
	Parking Services Body Worn Camera Renewals	–	–	26	–	–	29	–	–	31	–	86
Total Parking Services		**–**	**26**	**26**	**27**	**–**	**58**	**–**	**30**	**31**	**32**	**230**
Total Renewal		300	366	343	731	372	401	378	414	839	443	4,587
Grand Total		**300**	**366**	**343**	**731**	**372**	**401**	**378**	**414**	**839**	**443**	**4,587**

Reserves and Recreational Facilities – Capital Expenditure Programme

Activity Name	Project Name	2021/22 $000	2022/23 $000	2023/24 $000	2024/25 $000	2025/26 $000	2026/27 $000	2027/28 $000	2028/29 $000	2029/30 $000	2030/31 $000	Total $000
New Capital												
Aquatic Services	Mosgiel Pool	10,605	5,119	–	–	–	–	–	–	–	–	15,724
	Mosgiel Pool Consequential	1,720	1,720	–	–	–	–	–	–	–	–	3,440
	Moana Pool Improvements	873	378	20	2,713	20	20	20	20	20	20	4,104
Total Aquatic Services		13,198	7,217	20	2,713	20	20	20	20	20	20	23,268
Botanic Garden	Botanic Garden Improvements	60	125	125	825	125	125	125	125	125	225	1,985
Total Botanic Garden		60	125	125	825	125	125	125	125	125	225	1,985
Cemeteries and Crematorium	Cemetery Strategic Development Plan	–	475	500	500	–	–	–	–	–	–	1,475
	City Wide Beam Expansion	40	40	40	40	40	40	40	40	40	40	400
Total Cemeteries and Crematorium		40	515	540	540	40	40	40	40	40	40	1,875
Parks and Recreation	Playground Improvements	500	774	744	528	528	242	242	242	242	242	4,284
	Recreation Facilities Improvements	1,520	420	450	550	250	250	250	250	250	250	4,440
	Track Network Development	50	50	50	50	50	50	50	50	50	50	500
Total Parks and Recreation		2,070	1,244	1,244	1,128	828	542	542	542	542	542	9,224
St Clair – St Kilda Coastal Plan	St Kilda Transition Plan	2	–	2	25	25	65	–	–	–	–	119
Total St Clair – St Kilda Coastal Plan		2	–	2	25	25	65	–	–	–	–	119
Total New Capital		15,370	9,101	1,931	5,231	1,038	792	727	727	727	827	36,471
Renewal												
Aquatic Services	Hydroslide Renewal	3,790	–	–	–	–	–	–	–	–	–	3,790
	Moana Pool Renewals	1,532	4,645	3,975	4,774	212	103	166	199	205	338	16,149
	Mosgiel Pool Renewals	–	–	21	54	56	57	117	121	124	128	678
	Port Chalmers Pool Renewals	50	82	53	54	724	400	59	60	62	64	1,608
	St Clair Pool Renewals	540	723	53	300	56	57	59	60	62	64	1,974
Total Aquatic Services		5,912	5,450	4,102	5,182	1,048	617	401	440	453	594	24,199
Botanic Garden	Botanic Garden Renewals	302	380	292	382	58	60	62	84	74	245	1,939
Total Botanic Garden		302	380	292	382	58	60	62	84	74	245	1,939
Cemeteries and Crematorium	Structures Renewals	84	112	156	78	80	82	141	87	91	89	1,000
Total Cemeteries and Crematorium		84	112	156	78	80	82	141	87	91	89	1,000

Attachment A Item 13

Reserves and Recreational Facilities – Capital Expenditure Programme continued

Activity Name	Project Name	2021/22 $000	2022/23 $000	2023/24 $000	2024/25 $000	2025/26 $000	2026/27 $000	2027/28 $000	2028/29 $000	2029/30 $000	2030/31 $000	Total $000
Parks and Recreation	Greenspace Renewals	386	547	568	588	612	634	659	664	692	718	6,068
	Playground Renewals	1,359	1,360	1,132	1,163	681	708	745	782	848	956	9,734
	Recreation Facilities Renewals	2,108	2,325	2,981	4,574	3,022	2,773	2,754	2,915	2,983	3,401	29,836
Total Parks and Recreation		3,853	4,232	4,681	6,325	4,315	4,115	4,158	4,361	4,523	5,075	45,638
St Clair – St Kilda Coastal Plan	St Clair Beach Transition Plan	50	129	–	–	557	343	2,583	–	–	–	3,662
	Kettle Park Transition Plan	158	221	158	–	–	–	–	–	–	–	537
Total St Clair – St Kilda Coastal Plan		208	350	158	–	557	343	2,583	–	–	–	4,199
Total Renewal		10,359	10,524	9,389	11,967	6,058	5,217	7,345	4,972	5,141	6,003	76,975
Grand Total		25,729	19,625	11,320	17,198	7,096	6,009	8,072	5,699	5,868	6,830	113,446

Roading and Footpaths – Capital Expenditure Programme

Activity Name	Project Name	2021/22 $000	2022/23 $000	2023/24 $000	2024/25 $000	2025/26 $000	2026/27 $000	2027/28 $000	2028/29 $000	2029/30 $000	2030/31 $000	Total $000
New Capital												
Transport	Central City Upgrade	1,000	7,775	14,745	7,370	3,900	6,000	4,310	3,900	6,000	5,000	60,000
	City to Waterfront Connection	–	–	–	750	7,125	9,625	2,500	–	–	–	20,000
	Dunedin Urban Cycleways	1,000	1,005	2,100	3,820	–	2,000	4,500	2,500	2,500	2,500	21,925
	Low Cost, Low Risk Improvements	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	20,000
	Mosgiel East Plan Change Areas	608	–	–	–	–	–	–	–	–	–	608
	Peninsula Connection	9,728	–	–	–	–	–	–	–	–	–	9,728
	Tertiary Precinct Upgrade	–	–	–	–	–	–	–	–	–	1,000	1,000
	Major Centres and Other Centres Upgrade	–	–	–	1,900	600	1,900	600	1,900	600	1,900	9,400
Total Transport		14,336	10,780	18,845	15,840	13,625	21,525	13,910	10,300	11,100	12,400	142,661
Shaping Future Dunedin	Harbour Arterial Efficiency Improvements	1,650	660	3,202	3,952	3,300	3,600	–	–	–	–	16,364
	Princes St Bus Priority and Corridor Safety Plan	450	3,143	2,800	–	–	–	–	–	–	–	6,393
	Central City Parking Management	700	1,800	–	3,500	3,500	–	–	–	–	–	9,500
	Mosgiel and Burnside Park and Ride	2,750	2,200	–	–	–	–	2,500	2,500	–	–	9,950
	Central City Bike Hubs – Parking and Facilities	200	750	750	750	–	–	–	–	–	–	2,450
	Central City Cycle and Pedestrian Improvements	300	1,900	1,900	1,600	800	–	–	–	–	–	6,500
Total Shaping Future Dunedin		6,050	10,453	8,652	9,802	7,600	3,600	2,500	2,500	–	–	51,157
Total New Capital		20,386	21,233	27,497	25,642	21,225	25,125	16,410	12,800	11,100	12,400	193,818
Renewal												
Transport	Footpath Renewals	2,000	4,386	4,514	4,645	4,781	5,496	5,657	5,824	5,364	5,517	48,184
	Gravel Road Re-Metaling	1,250	1,290	1,326	1,365	1,405	1,445	1,488	1,531	1,576	1,621	14,297
	Major Drainage Control	3,714	3,833	3,944	4,606	4,741	4,876	5,613	5,778	5,948	6,117	49,170
	Pavement Rehabilitations	1,500	1,548	1,593	1,640	1,688	1,736	1,787	1,839	1,893	1,947	17,171
	Pavement Renewals	7,400	7,637	7,859	8,088	8,325	8,562	8,813	9,072	9,339	9,605	84,700
	Structure Component Replacement	1,930	2,250	2,316	2,110	2,172	2,233	2,298	2,367	2,436	2,506	22,618
	Traffic Services Renewal	1,820	775	797	820	844	868	893	919	947	973	9,656
Total Transport		19,614	21,719	22,349	23,274	23,956	25,216	26,549	27,330	27,503	28,286	245,796
Total Renewal		19,614	21,719	22,349	23,274	23,956	25,216	26,549	27,330	27,503	28,286	245,796
Grand Total		40,000	42,952	49,846	48,916	45,181	50,341	42,959	40,130	38,603	40,686	439,614

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Three Waters – Capital Expenditure Programme

Activity Name	Project Name	2021/22 $000	2022/23 $000	2023/24 $000	2024/25 $000	2025/26 $000	2026/27 $000	2027/28 $000	2028/29 $000	2029/30 $000	2030/31 $000	Total $000
New Capital												
Stormwater	New Capital Supporting Growth	502	915	905	915	989	989	989	989	989	989	9,171
	New Resource Consents	250	–	–	–	500	–	–	–	–	–	750
	South Dunedin Flood Alleviation	500	2,500	3,250	6,000	7,350	3,900	3,000	2,000	2,000	3,000	33,500
	Stormwater New Capital Other	1,000	1,000	1,000	500	–	–	–	–	–	–	3,500
Total Stormwater		2,252	4,415	5,155	7,415	8,839	4,889	3,989	2,989	2,989	3,989	46,921
Wastewater	New Capital Supporting Growth	546	1,046	1,686	1,881	2,232	2,232	2,232	2,095	1,959	1,686	17,595
	Wastewater New Capital Other	650	50	–	–	–	–	–	–	–	–	700
	Metro Wastewater Treatment Plant Resilience	1,550	2,046	3,407	–	–	–	–	–	–	–	7,003
Total Wastewater		2,746	3,142	5,093	1,881	2,232	2,232	2,232	2,095	1,959	1,686	25,298
Water Supply	New Capital Supporting Growth	241	797	999	990	999	999	999	926	854	734	8,538
	Port Chalmers Water Supply	–	–	–	–	–	–	1,000	4,500	4,586	4,318	14,404
	Water New Capital Other	517	40	40	40	40	–	–	250	250	250	1,427
	Water Supply Resilience	2,986	750	750	1,940	2,000	2,925	5,770	5,770	1,386	2,886	27,163
Total Water Supply		3,744	1,587	1,789	2,970	3,039	3,924	7,769	11,446	7,076	8,188	51,532
Total New Capital		8,742	9,144	12,037	12,266	14,110	11,045	13,990	16,530	12,024	13,863	123,751
Renewal												
Stormwater	Central City Renewals	731	8,844	8,111	843	1,464	1,501	–	–	–	–	21,494
	Mosgiel Stormwater Pumpstations and Network	1,000	2,575	2,643	2,954	4,150	2,858	5,283	–	–	–	21,463
	South Dunedin Flood Alleviation	500	2,101	655	–	–	–	–	–	–	–	3,256
	Stormwater Pumpstation Renewals	75	386	233	–	–	–	–	–	–	–	694
	Stormwater System Planning	300	567	159	–	–	–	–	–	–	–	1,026
	Tertiary Precinct Renewals	–	–	–	–	–	–	–	–	–	1,265	1,265
	Other Stormwater Renewals	1,464	457	423	1,084	260	2,020	2,558	4,983	5,512	6,620	25,381
	Renewals Suporting Growth	998	1,818	1,799	1,818	1,965	1,965	1,965	1,965	1,965	1,965	18,223
Total Stormwater		5,068	16,748	14,023	6,699	7,839	8,344	9,806	6,948	7,477	9,850	92,802

Three Waters – Capital Expenditure Programme continued

Activity Name	Project Name	2021/22 $000	2022/23 $000	2023/24 $000	2024/25 $000	2025/26 $000	2026/27 $000	2027/28 $000	2028/29 $000	2029/30 $000	2030/31 $000	Total $000
Wastewater	Biofilter Media Replacement	–	–	–	–	–	–	–	–	–	1,697	1,697
	Central City Renewals	728	1,958	1,722	822	1,605	1,646	–	–	–	–	8,481
	Other Wastewater Renewals	4,788	4,244	1,823	5,206	1,671	2,286	5,764	10,557	10,153	9,996	56,488
	Rural Wastewater Schemes	1,200	1,545	2,114	1,084	780	4,001	–	–	–	–	10,724
	Tertiary Precinct Renewals	–	–	–	–	–	–	–	–	–	818	818
	Wastewater Pumpstation Renewals	555	618	634	271	–	–	–	–	–	–	2,078
	Metro Wastewater Treatment Plant Resilience	3,450	3,022	939	6,335	7,625	11,726	13,623	12,037	13,928	9,691	82,376
	Renewals Suporting Growth	454	871	1,404	1,566	1,858	1,858	1,858	1,745	1,631	1,404	14,649
Total Wastewater		11,175	12,258	8,636	15,284	13,539	21,517	21,245	24,339	25,712	23,606	177,311
Water Supply	Careys Bay Renewals	546	464	396	–	–	–	–	–	–	–	1,406
	Central City Renewals	581	2,603	2,632	1,239	1,605	1,647	–	–	–	–	10,307
	Dam Safety Action Plan	2,063	–	–	–	–	–	881	604	232	638	4,418
	Other Water Renewals	9,677	773	793	6,826	3,800	4,572	8,250	14,170	13,633	21,154	83,648
	Tertiary Precinct Renewals	–	–	–	–	–	–	–	–	–	1,106	1,106
	Water Supply Resilience	3,680	1,998	2,051	4,667	5,523	5,829	6,733	7,944	9,529	9,789	57,743
	Renewals Suporting Growth	259	859	1,074	1,066	1,074	1,074	1,074	997	919	789	9,185
Total Water Supply		16,806	6,697	6,946	13,798	12,002	13,122	16,938	23,715	24,313	33,476	167,813
Total Renewal		33,049	35,703	29,605	35,781	33,380	42,983	47,989	55,002	57,502	66,932	437,926
Grand Total		41,791	44,847	41,642	48,047	47,490	54,028	61,979	71,532	69,526	80,795	561,677

Attachment A Item 13

Waste Management – Capital Expenditure Programme

Activity Name	Project Name	2021/22 $000	2022/23 $000	2023/24 $000	2024/25 $000	2025/26 $000	2026/27 $000	2027/28 $000	2028/29 $000	2029/30 $000	2030/31 $000	Total $000
New Capital												
Waste and Environmental Solutions	Community Recycling Hubs	90	–	90	–	90	–	90	–	90	–	450
	Green Island Landfill Aftercare	455	455	320	295	295	–	–	–	–	–	1,820
	Green Island Landfill Climate Change Adaption	–	–	–	–	–	–	–	100	800	–	900
	Green Island Landfill Educational Facility	50	–	–	–	–	–	–	–	–	–	50
	Green Island Landfill Gas Collection System	–	3,040	210	850	850	–	–	–	–	–	4,950
	Green Island Landfill Community Walking Track	–	–	–	–	–	50	50	50	–	–	150
	Green Island Landfill Leachate System	500	250	200	–	–	–	–	–	–	–	950
	Green Island Landfill Solar Farm	–	–	–	–	–	–	–	–	–	5,100	5,100
	Middlemarch Transfer Station Entrance Booth	50	–	–	–	–	–	–	–	–	–	50
	Sawyers Bay Closed Landfill Climate Change Adaption	–	–	–	–	–	–	–	60	–	–	60
Total Waste and Environmental Solutions		1,145	3,745	820	1,145	1,235	50	140	210	890	5,100	14,480
Waste Futures	New Collection System (Waste, Recycling, Organics & Glass)	3,620	3,620	–	–	–	–	–	–	–	–	7,240
	Organics Facility	1,000	6,100	–	–	–	–	–	–	–	–	7,100
	Construction and Demolition Facility	451	1,805	–	–	–	–	–	–	–	–	2,256
	2nd Rummage Store	500	–	–	–	500	–	–	–	500	–	1,500
	Material Recovery Facility	1,257	3,000	2,028	–	–	–	–	–	–	–	6,285
	Granulation Facility	–	474	1,896	–	–	–	–	–	–	–	2,370
	Bulk Waste System	–	–	2,541	–	–	–	–	–	–	–	2,541
	Smooth Hill Landfill	–	–	–	9,552	19,599	8,653	8,692	9,938	–	–	56,434
Total Waste Futures		6,828	14,999	6,465	9,552	20,099	8,653	8,692	9,938	500	–	85,726
Total New Capital		7,973	18,744	7,285	10,697	21,334	8,703	8,832	10,148	1,390	5,100	100,206

Waste Management – Capital Expenditure Programme continued

Activity Name	Project Name	2021/22 $000	2022/23 $000	2023/24 $000	2024/25 $000	2025/26 $000	2026/27 $000	2027/28 $000	2028/29 $000	2029/30 $000	2030/31 $000	Total $000
Renewal												
Waste and Environmental Solutions	Green Island Landfill and Transfer Station	150	155	159	163	167	–	–	–	–	–	794
	Public Place Recycling and Rubbish Bins	60	62	63	65	67	69	70	72	75	77	680
	Kerbside Bin Replacements	75	52	211	217	223	229	235	242	248	255	1,987
	Green Island Transfer Station	–	–	–	–	–	114	117	121	124	128	604
	Green Island Landfill Renewals	–	–	–	–	–	57	59	60	62	64	302
	Green Island Leachate System Pump and Pumpstation	15	15	16	16	17	17	18	18	497	19	648
	Waikouaiti Transfer Station	–	–	21	–	–	–	23	–	–	–	44
	Forester Park Landfill Culvert Pipe Renew/ Line/Re-route	–	–	–	–	–	–	–	–	1,242	2,552	3,794
	Middlemarch Closed Landfill	–	–	–	11	–	–	–	12	–	–	23
	North Taieri Closed Landfill	–	–	11	–	–	–	12	–	–	–	23
	Sawyers Bay Closed Landfill	–	10	–	–	–	11	–	–	–	13	34
Total Waste and Environmental Solutions		300	294	481	472	474	497	534	525	2,248	3,108	8,933
Total Renewal		300	294	481	472	474	497	534	525	2,248	3,108	8,933
Grand Total		8,273	19,038	7,766	11,169	21,808	9,200	9,366	10,673	3,638	8,208	109,139

matapae ōhaka nui significant forecasting assumptions

Assumption	Level of uncertainty	Reason for uncertainty	Effects of the uncertainty
COVID-19			
From March 2020, a COVID-19 lockdown impacted the DCC, the local economy and the community. 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. 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.	Medium/ high	A number of factors contribute to the uncertainty, including the extent of community transmission over time, new COVID variants, and the extent of on-going border restrictions.	The potential impacts of the uncertainty arising from COVID-19 are described below.
Impacts of COVID-19 on DCC revenue 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. 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. It is assumed that revenue will slowly recover as visitor numbers return to pre-COVID levels.	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.	Potential impacts of a significant or protracted outbreak on DCC's revenue are: • loss in revenue due to reduced activity • financial impacts on the DCC, Waipori Fund and DCC companies as a result of changing market conditions
Impacts of COVID-19 on DCC services and capital delivery In 2019/20, there was a delay in delivery of some services and capital programmes due to COVID-19 alert levels. DCC services and delivery would be impacted by escalating COVID-19 alert levels and continuing impacts on supply chains.	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.	Potential impacts of a significant or protracted outbreak are: • delay in critical DCC work, including the delivery of infrastructure projects, and impacts from disruptions in the supply chain • increased pressure and risk to the DCC's digital infrastructure • increased costs to respond to changes in central government, Council and community needs, priorities and obligations.

Assumption	Level of uncertainty	Reason for uncertainty	Effects of the uncertainty
Impacts of COVID-19 on DCC staff 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. A significant or protracted outbreak will impact DCC staff and recruitment.	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.	Potential uncertainty in planning for and responding to a changing environment and working conditions for DCC staff. Potential for recruitment challenges due to on-going border restrictions.
Impacts of COVID-19 on DCC population, dwelling and rating projections 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.	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.
Impacts of COVID-19 on projected visitor numbers on a peak day In June 2020, Infometrics prepared post-COVID-19 visitor projections. 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. 2018: 24,490 · 2028: 26,250 · 2038: 28,713 · 2048: 30,382 · 2058: 32,209 · 2068: 34,420 *Source: DCC Post COVID-19 growth projections update*	High	There is increased uncertainty over projected visitor numbers post COVID-19. Uncertainty over the timing of the border reopening will influence visitor numbers.	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.
Impacts of COVID-19 on the Dunedin economy Economic activity in Dunedin city remained resilient in 2020 post-lockdown, despite the stringent public health restrictions put in place nationally. 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. In particular, the new Dunedin Hospital rebuild as well as Council and University led projects are likely to boost Dunedin's wider economic activity. 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.	High	The medium to longer term impacts of COVID-19 on the Dunedin economy are unknown.	Potential impacts of slower than anticipated economic growth are: • Increased unemployment • Financial pressure on DCC and communities • Longer term changes in the composition of the Dunedin economy • Greater need for support for Dunedin businesses and workers

Assumption	Level of uncertainty	Reason for uncertainty	Effects of the uncertainty
Impacts of COVID-19 on the Dunedin economy cont'd 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.	High	The medium to longer term impacts of COVID-19 on the Dunedin economy are unknown.	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.
Impacts of COVID-19 on the community The Dunedin community will be impacted by a significant or protracted outbreak of COVID-19. Māori, Pasifika, and other groups may be disproportionately impacted by COVID-19.	Medium	Impact of the pandemic on groups within the community is unknown	The potential impacts on the community of a significant outbreak include pressure on community wellbeing, including increased demands on support services and agencies. Greater monitoring of the socio-economic impacts of the pandemic is needed.
DEMOGRAPHIC CHANGE			
Projected usually resident population growth 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. 2018: 130,520; 2028: 138,674; 2038: 142,318; 2048: 142,985; 2058: 143,616; 2068: 144,249 *Source: DCC Post COVID-19 growth projections update*	Medium/ High	That resident population growth is higher or lower than projected. There is increased uncertainty post-COVID-19.	Potential impacts of higher or lower than anticipated population growth are: • increased or decreased demand on regulatory services • increased or decreased demand for services • higher or lower demand for housing and infrastructure • higher or lower city emissions • a larger or smaller than anticipated rating base to fund services.
Ageing population 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). Dunedin's age groups over time 100%: 16, 18, 21, 22, 23, 24, 23 80%: 25, 23, 21, 20, 19, 19, 19 60%: 23, 22, 22, 23, 23, 23, 23 40%: 36, 37, 36, 35, 34, 34, 34 20% 0% 2018 2023 2028 2033 2038 2043 2048 25 and under; 25 to 44; 45 to 64; 65 and over *Source: DCC Post COVID-19 growth projections update*	Low	Demographic changes are influenced by many external variables and may happen faster than projected, changing demand for DCC services.	Potential impacts of the population ageing at a faster rate than anticipated are: • increased demand for services and infrastructure for older people • higher demand for housing suitable for an older population • a higher than anticipated proportion of ratepayers on a fixed income.

Assumption	Level of uncertainty	Reason for uncertainty	Effects of the uncertainty
GROWTH AND URBAN DEVELOPMENT			
National Policy Statement for Urban Development 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).
Projected dwelling growth Dunedin's dwelling numbers will grow until 2038 reaching a total of 60,511 dwellings. Dwelling growth will then slow. 2018: 52,747 / 2028: 57,381 / 2038: 60,511 / 2048: 60,777 / 2058: 61,045 / 2068: 61,314 *Source: DCC Post COVID-19 growth projections update*	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.
CLIMATE CHANGE			
Carbon Zero 2030 target The DCC has declared a climate emergency and adopted a 'Zero Carbon 2030' target for Dunedin's emissions, in two parts: • net zero emissions of all greenhouse gases other than biogenic methane by 2030, and • 24 to 47 percent reduction below 2017 biogenic methane emissions by 2050, including 10 per cent reduction below 2017 biogenic methane emissions by 2030. 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. Potential lack of community support for emissions reduction plans and projects.	The potential impacts of Dunedin not meeting its emissions reduction targets are: • misalignment with national emissions reduction targets and policy direction • misalignment with community expectations, leading to negative effects on political and organisational reputation • potential increase in financial costs due to the need to offset emissions to meet targets or legislative requirements.

<table>
<tr><th>Assumption</th><th>Level of uncertainty</th><th>Reason for uncertainty</th><th>Effects of the uncertainty</th></tr>
<tr>
<td>
Climate change projections
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.
RCP 4.5: 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.
RCP 8.5: 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.
<table>
<tr><td>Mean temperature change</td><td>By 2040: +0.5°C to +0.6°C
By 2090: +0.9°C to +1.8°C</td></tr>
<tr><td>Sea level rise (SLR)
(metres above baseline)</td><td>By 2040: +0.19m to +0.27m SLR
By 2090: +0.49m to +0.9m SLR</td></tr>
<tr><td>Average number of hot days per year [temperature >30°C] (relative to average present, 1 extreme hot day every 5 years)</td><td>By 2040: On average, 0.5 to 0.6 extreme hot days every year
By 2090: On average, 0.8 to 1.8 extreme hot days every year</td></tr>
<tr><td>Average number of frost days per year [temperature <0°C] (relative to average present 9.3 frost days per year)</td><td>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</td></tr>
<tr><td>Annual rainfall volume</td><td>By 2040: +2%
By 2090: +5% to +13%</td></tr>
<tr><td>Volume of rain during 1hr duration 1:100-year extreme rainfall event (mm of rain increases relative to present 32mm)</td><td>By 2040: +3.2mm to +3.7mm in an hour period
By 2090: +5.2mm to +11.2mm in an hour period</td></tr>
<tr><td>Snow days</td><td>Under all scenarios the number of snow days reduces everywhere in Otago.</td></tr>
<tr><td>Waves and storm surges</td><td>Under all scenarios storm surge peaks for the south Otago coast are estimated to increase over the century.</td></tr>
</table>
Source: NIWA 20198. Otago Climate Change Projections for the Otago Region. Wellington
Source: Ministry for the Environment 2017. Coastal Hazards and Climate Change Guidance for Local Government Change. Wellington
</td>
<td>Medium/ High</td>
<td>Climate change may occur at a faster or slower rate than anticipated.</td>
<td>The potential impacts of greater than projected climate change, particularly sea level rise and extreme rain events are:
• a rapid change in the environment and ecosystems
• a requirement for the DCC to accelerate its adaptation plans to reduce the harm on communities
• an increased cost of adaptation in the short to medium term
• less time for engagement, and planning with the community
• potential for widening wealth inequality and a reduction in social cohesion in affected communities.</td>
</tr>
</table>

Assumption	Level of uncertainty	Reason for uncertainty	Effects of the uncertainty
RESILIENCE AND CIVIL DEFENCE			
Resilience to emergencies Dunedin is at risk of natural disasters, the key risks for the city are: • flooding due to heavy rain event • tsunami due to offshore earthquake • earthquakes and land instability due to fault line shifts • fires due to hot days. 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: • risks to infrastructure, property and essential services • risks to DCC supply chains • increased pressure on DCC staff to respond while continuing to provide DCC services • financial impact • changes to Council priorities in response to emergencies.
RESOURCE CONSENTS FOR DCC PROJECTS			
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.
LEVELS OF SERVICE			
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.
FUTURE LEGISLATIVE CHANGES			
Proposed 3 Waters reform The detail of the 3 Waters reform is still being developed. 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. 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.	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.
Proposed RMA changes 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: • Natural Built Environments Act • Strategic Planning Act • Managed Retreat and Climate Change Adaptation Act. It is assumed that reform of the RMA will impact on the DCC's activities.	Low	The scope, specifics and timing of RMA changes are unknown.	Potential impacts of significant RMA reform include: • revision of the District Plan or district planning framework • changes to DCC consenting processes • unforeseen requirements for additional operating and capital expenditure.

Assumption	Level of uncertainty	Reason for uncertainty	Effects of the uncertainty
Proposed building regulation changes 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.	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.
Climate change related legislative changes Changes in legislation related to climate change have been signalled by central government.	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.
WASTE DISPOSAL FACILITIES			
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. Capacity issues mean a new landfill or alternative waste disposal facility will be required to accommodate Dunedin's residual waste in future. The capital programme includes provision for a new landfill at Smooth Hill.	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). The lead time for the development of a new landfill or alternative waste disposal facility is significant and work is currently underway.	There may be delays or increased costs due to consenting issues and community unease about the location of the new landfill.
FINANCIAL ASSUMPTIONS			
Capital expenditure budget for renewals 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.
Internal capacity and capability 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.

Assumption	Level of uncertainty	Reason for uncertainty	Effects of the uncertainty
External capacity and capability 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.
Useful lives of significant assets 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.
Fixed asset valuations 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.
Inflation 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.
Borrowing Costs 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
Waka Kotahi New Zealand Transport Agency subsidy rates 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. Subsidy rates vary depending on the nature of the work being completed. 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.	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.
Forecast return on investments Refer to the Financial Strategy for information on returns from Council-owned companies, the Waipori Fund and the Investment property portfolio. 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.	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.
Sources of funds for future replacement of significant assets The Revenue and Financing Policy outlines the funding sources for capital expenditure. 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.	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[1] medium scenario

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Index Value										
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
Inflation Adjustors – Cumulative										
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%
Inflation Adjustors – Annual										
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%*

1 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
Total rating units	**59,065**	**59,582**	**60,099**	**60,615**	**61,003**	**61,390**	**61,776**	**62,163**	**62,551**	**62,900**	**63,248**

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.

Future for Local Government Review

On 24 April the Minister of Local Government announced that she had established a Ministerial Inquiry into the Future for Local Government.

The overall purpose of the review is to "identify how our system of local democracy needs to evolve over the next 30 years, to improve the well-being of New Zealand communities and the environment, and actively embody the treaty partnership.

The review includes, but is not limited to, the following:

- roles, functions, and partnerships
- representation and governance and
- funding and financing

The following are the key steps in the review

April 2021: Inquiry begins

30 September 2021: an interim report will be presented to the Minister signalling the probable direction of the review and key next steps

30 September 2022: Draft report and recommendations to be issued for public consultation, and

30 April 2023: Review presents final report to the Minister and Local Government New Zealand.

While the review could recommend significant change to what local government is and does, there is no information available on the likely direction for the review at this time.

Council considers it unlikely that any recommendations could take effect before 1 July 2024 – particularly for changes to roles or functions. Any changes that are made will be incorporated in the 10 year plan 2024-34.

Unless specifically stated otherwise, council has prepared the plan on the assumption its existing role and functions will continue for the life of the plan.

he pūroko rēti
rating information

Funding impact statement

Rating method

DUNEDIN CITY COUNCIL

Funding Impact Statement for the years ended 30 June 2022 – 2031 (whole of council)

	Annual Plan 2021 $000	Budget 2022 $000	Budget 2023 $000	Budget 2024 $000	Budget 2025 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	93,883	103,014	109,864	116,958	125,849	135,088	145,458	155,363	164,303	171,220	177,618
Targeted rates	69,585	76,960	82,673	89,014	92,441	96,276	99,744	103,291	108,540	113,057	117,745
Subsidies and grants for operating purposes	11,329	11,001	11,187	11,417	11,745	12,082	12,429	12,787	13,156	13,548	13,938
Fees and charges	56,845	62,402	65,314	66,712	69,039	70,220	71,434	73,406	75,323	76,908	78,438
Interest and dividends from investments	9,816	8,619	8,391	8,260	8,144	8,129	8,201	8,307	8,417	8,490	8,566
Local authorities fuel tax, fines, infringement fees, and other receipts	3,163	3,003	3,239	3,276	3,317	3,353	3,389	3,427	3,466	3,507	3,548
Total operating funding (A)	**244,621**	**264,999**	**280,668**	**295,637**	**310,535**	**325,148**	**340,655**	**356,581**	**373,205**	**386,730**	**399,853**
Application of operating funding											
Payments to staff and suppliers	197,137	199,810	206,451	218,528	224,802	231,260	239,188	245,945	256,978	263,950	271,355
Finance costs	12,051	9,943	10,836	12,792	14,615	16,454	18,137	19,571	20,825	21,881	22,949
Other operating funding applications	–	–	–	–	–	–	–	–	–	–	–
Total application of operating funding (B)	**209,188**	**209,753**	**217,287**	**231,320**	**239,417**	**247,714**	**257,325**	**265,516**	**277,803**	**285,831**	**294,304**
Surplus/(deficit) of operating funding (A-B)	**35,433**	**55,246**	**63,381**	**64,317**	**71,118**	**77,434**	**83,330**	**91,065**	**95,402**	**100,899**	**105,549**
Sources of capital funding											
Subsidies and grants for capital expenditure	28,439	21,445	15,202	16,828	16,673	13,097	16,145	14,826	12,661	10,944	12,595
Development and financial contributions	832	3,468	3,545	3,623	3,703	3,785	3,868	3,718	3,801	3,886	3,973
Increase/(decrease) in debt	7,222	63,975	75,821	61,259	66,551	62,382	55,570	44,900	42,999	30,985	43,839
Gross proceeds from sale of assets	120	3,165	120	120	120	120	120	120	120	120	120
Lump sum contributions	–	–	–	–	–	–	–	–	–	–	–
Other dedicated capital funding	–	–	–	–	–	–	–	–	–	–	–
Total sources of capital funding (C)	**36,613**	**92,053**	**94,688**	**81,830**	**87,047**	**79,384**	**75,703**	**63,564**	**59,581**	**45,935**	**60,527**
Application of capital funding											
Capital expenditure											
– to meet additional demand	1,651	6,712	8,535	9,121	9,155	9,290	9,448	9,471	9,468	9,066	9,946
– to improve the level of service	28,122	61,791	65,534	50,991	57,417	68,127	56,400	48,697	45,062	31,355	40,898
– to replace existing assets	35,908	77,024	84,820	84,938	90,472	78,475	90,869	94,729	99,565	104,838	113,128
Increase/(decrease) in reserves	–	–	–	–	–	–	–	–	–	–	–
Increase/(decrease) of investments	6,365	1,771	(820)	1,097	1,121	927	2,315	1,732	887	1,575	2,104
Total application of capital funding (D)	**72,046**	**147,299**	**158,069**	**146,147**	**158,165**	**156,818**	**159,033**	**154,629**	**154,983**	**146,834**	**166,076**
Surplus/(deficit) of capital funding (C-D)	**(35,433)**	**(55,246)**	**(63,381)**	**(64,317)**	**(71,118)**	**(77,434)**	**(83,330)**	**(91,065)**	**(95,402)**	**(100,899)**	**(105,549)**
Funding balance ((A-B)+(C-D))	–	–	–	–	–	–	–	–	–	–	–

rating method

The rating method refers to the ways that the Council uses the rating system to allocate rates among groups of ratepayers, and how the liability for rates will be distributed within each group.

When considering the rating method, the Council takes into consideration the funding principles provided at the end of this section. It should be read in conjunction with the Revenue and Financing Policy and the Funding Principles. Figures in this policy are GST inclusive.

The following rates will be set by the Council for the financial year commencing 1 July 2021 and ending 30 June 2022.

General Rate

A general rate based on the capital value of each rating unit in the district.

The general rate will be set on a differential basis based on land use (the categories are "residential", "lifestyle", "commercial", "farmland", "residential heritage bed and breakfasts" and "stadium: 10,000+ seat capacity").

The rates (in cents per dollar of capital value) for the 2021/22 year are:

Table 1: General Rates

Categories	Rates, Cents in $ per Capital Value	Factor	Revenue Sought $	General Rate Share
Residential	0.3091	1.00	69,245,000	58.93%
Lifestyle	0.2937	0.95	5,792,000	4.93%
Commercial	0.7604	2.46	37,930,000	32.29%
Farmland	0.2473	0.80	4,379,000	3.73%
Residential Heritage Bed and Breakfasts	0.5410	1.75	24,000	0.02%
Stadium: 10,000+ Seat Capacity	0.0621	0.20	116,000	0.10%

The objective of the differential rate is to provide a mechanism to charge general rates to the six differential categories in a way that best achieves the 11 funding principles provided at the end of this section.

The Council uses the 'factor method' of setting the general rate differential. Under this method, a general rate factor is established which is simply the degree to which the rate (the cents in the dollar) on each category of property is higher or lower than residential property. In other words, the Council determines the degree to which the rate on a category of property is higher or lower than residential property.

The practical effect of the differential is that commercial properties pay more rates than would be expected under a "pure, undifferentiated" capital value (CV) system, and lifestyle, farmland and residential property owners pay less.

In December 2020, the Council reviewed the six general rate differential categories, specifically how the general rate is allocated across ratepayers. Due to the integrated nature of two targeted rates, Community Services and Tourism/ Economic Development, these were also considered. The review also considered the rating of short term visitor accommodation. No changes to the general rate differentials were made because the status quo was felt to be appropriate.

Uniform Annual General Charge

The Council will not be using a Uniform Annual General Charge.

Targeted Rates

Community Services

A targeted rate for community services of $102.00. This rate will be set on a differential basis based on land use (the categories are "residential, residential heritage bed and breakfasts, lifestyle and farmland" and "commercial and stadium: 10,000+ seat capacity"). The rate will be charged on the following basis:

Table 2: Targeted Rate – Community Services

Categories	Rate/Liability Calculated	Revenue Sought $
Residential, Residential Heritage Bed and Breakfasts, Lifestyle and Farmland	$102.00 per separately used or inhabited part of a rating unit	5,546,000
Commercial and Stadium: 10,000+ Seat Capacity	$102.00 per rating unit	284,000

The community services targeted rate will be used to fund part of the Parks and Reserves activity and the Botanic Garden.

Kerbside Recycling Collection

A targeted rate for a kerbside recycling collection service. This rate will be set on a differential basis based on land use (the categories are "residential, residential heritage bed and breakfasts, lifestyle and farmland" and "commercial").

This rate applies to all separately used or inhabited parts of a rating unit or rating units that receive a kerbside recycling collection service. The rate for the 2021/22 year is:

Table 3: Targeted Rate – Kerbside Recycling Collection

Liability Calculated	Rate/Liability Calculated	Revenue Sought $
Residential, Residential Heritage Bed and Breakfasts, Lifestyle and Farmland	$106.10 per separately used or inhabited part of a rating unit	5,319,000
Commercial	$106.10 per rating unit	29,000

Drainage

A targeted rate for drainage. Drainage is a combined targeted rate for sewage disposal and stormwater. Sewage disposal makes up 78% of the drainage rate, and stormwater makes up 22%. This rate will be set on a differential basis based on the provision of service (with the categories being "connected" and "serviceable") and on land use (with the categories being "residential, residential heritage bed and breakfasts, lifestyle and farmland", "commercial, residential institutions, schools and stadium: 10,000+ seat capacity" and "churches"). The rate will be charged on the following basis:

Table 4: Targeted Rate – Drainage Categories

Categories	Liability Calculated	Revenue Sought $
Residential, Residential Heritage Bed and Breakfasts, Lifestyle and Farmland	Per separately used or inhabited part of a rating unit	29,867,000
Commercial, Residential Institutions, Schools and Stadium: 10,000+ Seat Capacity	Per rating unit	1,758,000
Churches	Per rating unit	12,000

The rates for the 2021/22 year are:

Table 5: Targeted Rate – Drainage Rates

Residential, Residential Heritage Bed and Breakfasts, Lifestyle and Farmland	Rates $
Connected	618.50
Serviceable	309.25
Commercial, Residential Institutions, Schools and Stadium: 10,000+ Seat Capacity	**Rates $**
Connected	618.50
Serviceable	309.25
Churches	**Rate $**
Connected	102.25

Non–rateable land will not be liable for the stormwater component of the drainage targeted rate. Rates demands for the drainage targeted rate for non–rateable land will therefore be charged at 78%.

Rating units which are not connected to the scheme, and which are not serviceable, will not be liable for this rate.

Commercial Drainage – Capital Value

In addition, a capital value–based targeted rate for drainage on a differential basis based on land use (the categories are "commercial and residential institutions", "schools" and "stadium: 10,000+ seat capacity") and the provision of services (the categories being "connected" and "serviceable"). This rate shall not apply to properties in Karitane, Middlemarch, Seacliff, Waikouaiti and Warrington. This rate shall not apply to churches.

The rates for the 2021/22 year are:

Table 6: Targeted Rate – Commercial Drainage Rates

Categories	Rates, Cents in $ per Capital Value		Revenue Sought $	
	Connected	*Serviceable*	*Connected*	*Serviceable*
Commercial and Residential Institutions	0.2878	0.1439	14,800,000	274,000
Schools	0.2159	0.1079	692,000	5,000
Stadium: 10,000+ Seat Capacity	0.0233	N/A	44,000	N/A

Non–rateable land will not be liable for the stormwater component of the drainage targeted rate. Rates demands for the drainage targeted rate for non–rateable land will therefore be charged at 78%.

Water

A targeted rate for water supply per separately used or inhabited part of a rating unit on all property either connected, or for which connection is available, to receive an ordinary supply of water within the meaning of the Dunedin City bylaws, excepting properties in Karitane, Merton, Rocklands/Pukerangi, Seacliff, Waitati, Warrington, East Taieri, West Taieri and North Taieri. This rate will be set on a differential basis based on the availability of service (the categories are "connected" and "serviceable").

Rating units which are not connected to the scheme, and which are not serviceable, will not be liable for this rate.

The rates for the 2021/22 year are:

Table 7: Targeted Rate – Water (Ordinary)

Categories	Rate/Liability Calculated	Revenue Sought $
Connected	$469.00 per separately used or inhabited part of a rating unit	21,905,000
Serviceable	$234.50 per separately used or inhabited part of a rating unit	255,000

A targeted rate for water supply that is based on the volume of water made available to all separately used or inhabited parts of a rating unit in Karitane, Merton, Seacliff, Waitati, Warrington, East Taieri, West Taieri and North Taieri.

This rate will be set on a differential basis based on the availability of service (the categories are "connected" and "serviceable").

The rates for the 2021/22 year are:

Table 8: Targeted Rate – Water (Volume of Water)

Categories	Rate/Liability Calculated	Revenue Sought $
Connected	$469.00 per unit of water being one cubic metre (viz 1,000 litres) per day made available at a constant rate of flow during a full 24–hour period	1,428,000
Serviceable	$234.50 per separately used or inhabited part of a rating unit (note this rate shall not apply to the availability of water in Merton, Karitane or Seacliff)	27,000

Fire Protection

A targeted rate for rating units that receive a water supply for the provision of a fire protection service. The rate will be set on a differential basis based on land use on certain categories of property ("commercial", "residential institutions" and "stadium: 10,000+ seat capacity").

This rate will be based on capital value. This rate shall not apply to churches.

The rates for the 2021/22 year are:

Table 9: Targeted Rate – Fire Protection Capital Value

Categories	Rates, Cents in $ per Capital Value	Revenue Sought $
Commercial	0.0826	4,676,000
Residential Institutions	0.0620	321,000
Stadium: 10,000+ Seat Capacity	0.0094	18,000

A targeted rate for water supply for the provision of a fire protection service for each separately used or inhabited part of a rating unit within the "residential, residential heritage bed and breakfasts, lifestyle and farmland" categories that are not receiving an ordinary supply of water within the meaning of the Dunedin City bylaws.

The rate for the 2021/22 year is:

Table 10: Targeted Rate – Fire Protection

Categories	Rate/Liability Calculated	Revenue Sought $
Residential, Residential Heritage Bed and Breakfasts, Lifestyle and Farmland	$140.70 per separately used or inhabited part of a rating unit	23,000

Water – Quantity of Water

A targeted rate for the quantity of water provided, reconnection fee and special reading fee, to any rating unit fitted with a water meter, being an extraordinary supply of water within the meaning of the Dunedin City bylaws, according to the following scale of charges:

Table: 11: Targeted Rate – Quantity of Water

	Annual Meter Rental Charge $
20mm nominal diameter	157.01
25mm nominal diameter	201.57
30mm nominal diameter	223.85
40mm nominal diameter	253.56
50mm nominal diameter	513.48
80mm nominal diameter	634.42
100mm nominal diameter	669.43
150mm nominal diameter	962.24
300mm nominal diameter	1,248.68
Hydrant Standpipe	621.69
Reconnection Fee	437.60
Special Reading Fee	59.47

	Backflow Prevention Charge $
Backflow Preventer Test Fee	108.44
Rescheduled Backflow Preventer Test Fee	61.61
Backflow Programme – incomplete application fee (hourly rate)	43.54

	Water Charge $
Merton, Hindon and individual farm supplied Bulk Water	0.11 per cubic metre
All other treated water per cubic metre	1.76 per cubic metre
Disconnection of Water Supply (AWSCI to excavate)	243.69
Disconnection of Water Supply (DCC contractor to excavate)	954.81

Where the supply of a quantity of water is subject to this Quantity of Water Targeted Rate, the rating unit will not be liable for any other targeted rate for the supply of the same water.

Allanton Drainage

A targeted rate for rating units within the Allanton area that are paying the capital contribution towards the Allanton Wastewater Collection System, as a targeted rate over 20 years. Liability for the rate is on the basis of the provision of service to each rating unit.

The rate for the 2021/22 year is:

Liability Calculated	Rate	Revenue Sought $
Per rating unit	$411.00	22,000

The Allanton area is shown in the map below:

Blanket Bay Drainage

A targeted rate for rating units within the Blanket Bay area that are paying the capital contribution towards the Blanket Bay Drainage system, as a targeted rate over 20 years. Liability for the rate is on the basis of the provision of the service to each rating unit.

The rate for the 2021/22 year is:

Liability Calculated	Rate	Revenue Sought $
Per rating unit	$636.00	1,000

The Blanket Bay area is shown in the map below:

Curles Point Drainage

A targeted rate for rating units within the Curles Point area that are paying the capital contribution towards the Curles Point Drainage System, as a targeted rate over 20 years. Liability for the rate is on the basis of the provision of the service to each rating unit.

The rate for the 2021/22 year is:

Liability Calculated	Rate	Revenue Sought $
Per rating unit	$749.00	1,000

The Curles Point area is shown in the map below:

Tourism/Economic Development

A capital value–based targeted rate for all commercial properties. The rate will be set on a differential basis based on land use (the categories are "commercial" and "stadium: 10,000+ seat capacity").

The rate for the 2021/22 year will be charged on the following basis:

Table 12: Targeted Rate –Tourism/Economic Development

Categories	Rates, cents in $ per Capital Value	Revenue Sought $
Commercial	0.0116	573,000
Stadium: 10,000+ Seat Capacity	0.0013	2,000

The Tourism/Economic Development targeted rate will be used to fund part of the Economic Development budget.

Warm Dunedin Targeted Rate Scheme

A targeted rate for each rating unit in the Warm Dunedin Targeted Rate Scheme. The revenue sought from this targeted rate is $590,000. The targeted rate scheme provides a way for homeowners to install insulation and/or clean heating. The targeted rate covers the cost and an annual interest rate. The interest rates have been and will be:

- Rates commencing 1 July 2013 and 1 July 2014 8%;
- Rates commencing 1 July 2015 and 1 July 2016 8.3%;
- Rates commencing 1 July 2017 7.8%;
- Rates commencing 1 July 2018 7.2%;
- Rates commencing 1 July 2019 6.8%.
- Rates commencing 1 July 2020 5.7%.
- Rates commencing 1 July 2021 4.4%.

Table 13: Targeted Rate – Warm Dunedin Targeted Rate Scheme

Liability Calculated	Revenue Sought $
Per rating unit	590,000

Private Street Lighting

A targeted rate for street lighting in the private streets to which the Council supplies a private street lighting service. The targeted rate will be set on a differential basis based on land use (the categories are "residential", "lifestyle" and "commercial").

The rate for the 2021/22 year will be charged on the following basis:

Table 14: Targeted Rate – Private Street Lighting

Categories	Liability Calculated	Rate $	Revenue Sought $
Residential and Lifestyle	For each separately used or inhabited part of a rating unit in a private street the sum calculated on the formula of $149.40 per street light in a private street divided by the number of separately used or inhabited parts of a rating unit in the private street.	149.40 for each street light	31,000
Commercial	For each rating unit in a private street the sum calculated on the formula of $149.40 per street light in a private street divided by the number of rating units in the private street.	149.40 for each street light	4,000

The private street addresses are as follows:

1–10	Achilles Avenue
1	Alton Avenue
2	Alton Avenue
2A	Alton Avenue
3	Alton Avenue
4	Alton Avenue
5	Alton Avenue
6	Alton Avenue
7	Alton Avenue
8	Alton Avenue
9	Alton Avenue
7	Angle Avenue
9	Angle Avenue
11	Angle Avenue
20	Angle Avenue
22	Angle Avenue
24	Angle Avenue
43	Arawa Street
47	Arawa Street
17	Awa Toru Drive
19	Awa Toru Drive
21	Awa Toru Drive
23	Awa Toru Drive
25	Awa Toru Drive
27	Awa Toru Drive
29	Awa Toru Drive
31	Awa Toru Drive
33	Awa Toru Drive
35	Awa Toru Drive
37	Awa Toru Drive
39	Awa Toru Drive
41	Awa Toru Drive
43	Awa Toru Drive
45	Awa Toru Drive
49	Awa Toru Drive
60A	Balmacewen Road
60B	Balmacewen Road
62	Balmacewen Road
64	Balmacewen Road
1	Balmoral Avenue
2	Balmoral Avenue
3	Balmoral Avenue
4	Balmoral Avenue
5	Balmoral Avenue
6	Balmoral Avenue
7	Balmoral Avenue
8	Balmoral Avenue
9	Balmoral Avenue
10	Balmoral Avenue
11	Balmoral Avenue
12	Balmoral Avenue
16	Balmoral Avenue
17	Balmoral Avenue
19	Barclay Street
211	Bay View Road
211A	Bay View Road
211B	Bay View Road
1	Beaufort Street
3	Beaufort Street
119	Belford Street
12	Bell Crescent
14	Bell Crescent
24	Bell Crescent
26	Bell Crescent
7	Bishop Verdon Close
9	Bishop Verdon Close
10	Bishop Verdon Close
11	Bishop Verdon Close
12	Bishop Verdon Close
8	Bonnington Street
8a	Bonnington Street
10	Bonnington Street
20K	Brighton Road
20J	Brighton Road
20H	Brighton Road
20G	Brighton Road
20F	Brighton Road
20E	Brighton Road
20D	Brighton Road
20C	Brighton Road
20B	Brighton Road
20A	Brighton Road
20	Brighton Road
34	Burgess Street
36	Burgess Street
38	Burgess Street
40	Burgess Street
42	Burgess Street
44	Burgess Street
46	Burgess Street
48	Burgess Street
50	Burgess Street
181	Burt Street
183	Burt Street
185	Burt Street
7	Bush Road, Mosgiel
80	Caldwell Street
82	Caldwell Street
1	Campbell Lane
4	Campbell Lane
5	Campbell Lane
6	Campbell Lane
7	Campbell Lane
8	Campbell Lane
9	Campbell Lane
10	Campbell Lane
11	Campbell Lane
12	Campbell Lane
13	Campbell Lane
14	Campbell Lane
15	Campbell Lane
30	Cardigan Street, North East Valley
32	Cardigan Street, North East Valley
34	Cardigan Street, North East Valley
36	Cardigan Street, North East Valley
22	Centennial Avenue, Fairfield
24	Centennial Avenue, Fairfield
26	Centennial Avenue, Fairfield
28	Centennial Avenue, Fairfield
150	Chapman Street
150A	Chapman Street
152	Chapman Street
12	Clearwater Street
14	Clearwater Street
16	Clearwater Street
18	Clearwater Street
20	Clearwater Street
22	Clearwater Street
24	Clearwater Street
26	Clearwater Street
28	Clearwater Street
30	Clearwater Street
32	Clearwater Street
34	Clearwater Street
36	Clearwater Street
22	Cole Street
11	Corstorphine Road
11A	Corstorphine Road
13	Corstorphine Road
15	Corstorphine Road
17	Corstorphine Road
21	Corstorphine Road
23	Corstorphine Road
25	Corstorphine Road

11	Craighall Crescent
15	Craighall Crescent
1	Dalkeith Road, Port Chalmers
2	Dalkeith Road, Port Chalmers
4	Dalkeith Road, Port Chalmers
6	Dalkeith Road, Port Chalmers
8	Dalkeith Road, Port Chalmers
10	Dalkeith Road, Port Chalmers
12	Dalkeith Road, Port Chalmers
21	Davies Street
22	Davies Street
1	Devon Place
2	Devon Place
3	Devon Place
4	Devon Place
5	Devon Place
6	Devon Place
7	Devon Place
9	Devon Place
10	Devon Place
11	Devon Place
12	Devon Place
13	Devon Place
14	Devon Place
15	Devon Place
16	Devon Place
17	Devon Place
18	Devon Place
19	Devon Place
20	Devon Place
139b	Doon Street
139a	Doon Street
139	Doon Street
141	Doon Street
143	Doon Street
145	Doon Street
149	Doon Street
151	Doon Street
5	Dorset Street
7	Dorset Street
10	Dorset Street
11	Dorset Street
12	Dorset Street
14	Dorset Street
16	Dorset Street
18	Dorset Street
20	Dorset Street
21	Dorset Street
17	Duckworth Street
19	Duckworth Street
21	Duckworth Street
35	Duckworth Street
37	Duckworth Street
39	Duckworth Street
39a	Duckworth Street
41	Duckworth Street
47	Duckworth Street
49	Duckworth Street
53	Duckworth Street
	Dunedin Airport
1 – 31	Eastbourne Street
2 – 31	Eastbourne Street
3 – 31	Eastbourne Street
4 – 31	Eastbourne Street
5 – 31	Eastbourne Street
6 – 31	Eastbourne Street
7 – 31	Eastbourne Street
8 – 31	Eastbourne Street
9 – 31	Eastbourne Street
10 – 31	Eastbourne Street
11 – 31	Eastbourne Street
12 – 31	Eastbourne Street
13 – 31	Eastbourne Street
14 – 31	Eastbourne Street
15 – 31	Eastbourne Street
16 – 31	Eastbourne Street
17 – 31	Eastbourne Street
18 – 31	Eastbourne Street
19 – 31	Eastbourne Street
20 – 31	Eastbourne Street
21 – 31	Eastbourne Street
22 – 31	Eastbourne Street
23 – 31	Eastbourne Street
24 – 31	Eastbourne Street
25 – 31	Eastbourne Street
26 – 31	Eastbourne Street
27 – 31	Eastbourne Street
28 – 31	Eastbourne Street
29 – 31	Eastbourne Street
30 – 31	Eastbourne Street
31 – 31	Eastbourne Street
32 – 31	Eastbourne Street
33 – 31	Eastbourne Street
34 – 31	Eastbourne Street
35 – 31	Eastbourne Street
36 – 31	Eastbourne Street
37 – 31	Eastbourne Street
38 – 31	Eastbourne Street
39 – 31	Eastbourne Street
40 – 31	Eastbourne Street
41 – 31	Eastbourne Street
42 – 31	Eastbourne Street
43 – 31	Eastbourne Street
46 – 31	Eastbourne Street
47 – 31	Eastbourne Street
50 – 31	Eastbourne Street
51 – 31	Eastbourne Street
8	Echovale Avenue
10	Echovale Avenue
12	Echovale Avenue
2	Elbe Street
202	Elgin Road
204	Elgin Road
206	Elgin Road
208	Elgin Road
1	Eton Drive
4	Eton Drive
5	Eton Drive
6	Eton Drive
7	Eton Drive
8	Eton Drive
9	Eton Drive
10	Eton Drive
11	Eton Drive
12	Eton Drive
13	Eton Drive
14	Eton Drive
15	Eton Drive
16	Eton Drive
17	Eton Drive
18	Eton Drive
19	Eton Drive
20	Eton Drive
2	Everton Road
3	Everton Road
4	Everton Road
64	Every Street
66	Every Street
68	Every Street
70	Every Street
76	Every Street
7	Fern Road, Ravensbourne
9	Fern Road, Ravensbourne
11	Fern Road, Ravensbourne
13	Fern Road, Ravensbourne
15	Fern Road, Ravensbourne
17	Fern Road, Ravensbourne
19	Fern Road, Ravensbourne
21	Fern Road, Ravensbourne
19	Ferntree Drive

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21	Ferntree Drive
23	Ferntree Drive
25	Ferntree Drive
43	Forfar Street
45	Forfar Street
47	Forfar Street
47a	Forfar Street
49	Forfar Street
51	Forfar Street
53	Forfar Street
53a	Forfar Street
1 – 80	Formby Street
5 – 80	Formby Street
6 – 80	Formby Street
7 – 80	Formby Street
8 – 80	Formby Street
10 – 80	Formby Street
14 – 80	Formby Street
15 – 80	Formby Street
16 – 80	Formby Street
17 – 80	Formby Street
18 – 80	Formby Street
19 – 80	Formby Street
20 – 80	Formby Street
239	Fryatt Street
248	George Street
559	George Street
150A	Gladstone Road North
150B	Gladstone Road North
150C	Gladstone Road North
150D	Gladstone Road North
150E	Gladstone Road North
152B	Gladstone Road North
152C	Gladstone Road North
152D	Gladstone Road North
152E	Gladstone Road North
154A	Gladstone Road North
214	Gladstone Road North
216	Gladstone Road North
218	Gladstone Road North
220	Gladstone Road North
222	Gladstone Road North
224	Gladstone Road North
226	Gladstone Road North
228	Gladstone Road North
230	Gladstone Road North
232	Gladstone Road North
234	Gladstone Road North
39	Glenbrook Drive, Mosgiel
41	Glenbrook Drive, Mosgiel
45	Glenbrook Drive, Mosgiel
47	Glenbrook Drive, Mosgiel
49	Glenbrook Drive, Mosgiel
51	Glenbrook Drive, Mosgiel
57	Glenbrook Drive, Mosgiel
1	Glenfinnan Place
3	Glenfinnan Place
4	Glenfinnan Place
4A	Glenfinnan Place
5	Glenfinnan Place
6	Glenfinnan Place
7	Glenfinnan Place
8A	Glenfinnan Place
8B	Glenfinnan Place
9A	Glenfinnan Place
9B	Glenfinnan Place
10A	Glenfinnan Place
10B	Glenfinnan Place
1	Glengarry Court
2	Glengarry Court
3	Glengarry Court
4	Glengarry Court
5	Glengarry Court
6	Glengarry Court
7	Glengarry Court
8	Glengarry Court
9	Glengarry Court
10	Glengarry Court
11	Glengarry Court
12	Glengarry Court
13	Glengarry Court
14	Glengarry Court
15	Glengarry Court
16	Glengarry Court
17	Glengarry Court
18	Glengarry Court
19	Glengarry Court
20	Glengarry Court
21	Glengarry Court
22	Glengarry Court
23	Glengarry Court
24	Glengarry Court
48	Glenross Street
50	Glenross Street
54	Glenross Street
56	Glenross Street
58	Glenross Street
60	Glenross Street
110	Glenross Street
114	Glenross Street
116	Glenross Street
230	Gordon Road
229	Gordon Road
34	Grandview Crescent
10	Halsey Street
1	Hampton Grove, Mosgiel
2	Hampton Grove, Mosgiel
3	Hampton Grove, Mosgiel
4	Hampton Grove, Mosgiel
5	Hampton Grove, Mosgiel
6	Hampton Grove, Mosgiel
7	Hampton Grove, Mosgiel
8	Hampton Grove, Mosgiel
9	Hampton Grove, Mosgiel
10	Hampton Grove, Mosgiel
11	Hampton Grove, Mosgiel
12	Hampton Grove, Mosgiel
14	Hampton Grove, Mosgiel
15	Hampton Grove, Mosgiel
16	Hampton Grove, Mosgiel
17	Hampton Grove, Mosgiel
18	Hampton Grove, Mosgiel
19	Hampton Grove, Mosgiel
20	Hampton Grove, Mosgiel
21	Hampton Grove, Mosgiel
22	Hampton Grove, Mosgiel
23	Hampton Grove, Mosgiel
24	Hampton Grove, Mosgiel
25	Hampton Grove, Mosgiel
26	Hampton Grove, Mosgiel
4	Harold Street
12	Harold Street
70a	Hazel Avenue
70	Hazel Avenue
72	Hazel Avenue
215a	Helensburgh Road
217a	Helensburgh Road
217b	Helensburgh Road
219	Helensburgh Road
219a	Helensburgh Road
219b	Helensburgh Road
221	Helensburgh Road
223	Helensburgh Road
49	Highcliff Road
49A	Highcliff Road
51	Highcliff Road
57	Highcliff Road
295	Highcliff Road
297	Highcliff Road
313	Highcliff Road

315a	Highcliff Road
315b	Highcliff Road
317	Highcliff Road
16	Highgate
18	Highgate
20	Highgate
34a	Highgate
34	Highgate
216	Highgate
218	Highgate
144A	Highgate
144B	Highgate
146	Highgate
146A	Highgate
148	Highgate
9	Kilgour Street
11	Kilgour Street
15	Kilgour Street
20	Kinvig Street
22	Kinvig Street
2	Koremata Street
4	Koremata Street
12	Koremata Street
3	Lawson Street
4	Leithton Close
6	Leithton Close
9	Leithton Close
10	Leithton Close
11	Leithton Close
14	Leithton Close
15	Leithton Close
18	Leithton Close
19	Leithton Close
21	Leithton Close
22	Leithton Close
23	Leithton Close
26	Leithton Close
27	Leithton Close
28	Leithton Close
29	Leithton Close
32	Leithton Close
33	Leithton Close
36	Leithton Close
5	Leven Street
2	Leyton Terrace
21–67	Lock Street
23a	London Street
25	London Street
1–25	London Street
2–25	London Street
3–25	London Street
8	Lynwood Avenue
10	Lynwood Avenue
12c	Lynwood Avenue
12b	Lynwood Avenue
12a	Lynwood Avenue
12	Lynwood Avenue
14	Lynwood Avenue
3	McAllister Lane, Mosgiel
5	McAllister Lane, Mosgiel
7	McAllister Lane, Mosgiel
9	McAllister Lane, Mosgiel
11	McAllister Lane, Mosgiel
13	McAllister Lane, Mosgiel
15	McAllister Lane, Mosgiel
17	McAllister Lane, Mosgiel
19	McAllister Lane, Mosgiel
210	Main South Road, Green Island
1	Mallard Place, Mosgiel
2	Mallard Place, Mosgiel
3	Mallard Place, Mosgiel
4	Mallard Place, Mosgiel
5	Mallard Place, Mosgiel
6	Mallard Place, Mosgiel
7	Mallard Place, Mosgiel
8	Mallard Place, Mosgiel
9	Mallard Place, Mosgiel
10	Mallard Place, Mosgiel
11	Mallard Place, Mosgiel
12	Mallard Place, Mosgiel
13	Mallard Place, Mosgiel
14	Mallard Place, Mosgiel
15	Mallard Place, Mosgiel
11	Malvern Street
15	Malvern Street
17a	Malvern Street
30	Marne Street
32	Marne Street
42	Marne Street
44	Marne Street
46	Marne Street
48	Marne Street
50	Marne Street
2	Meldrum Street
10	Meldrum Street
33	Melville Street
14	Middleton Road
16	Middleton Road
18	Middleton Road
20	Middleton Road
22	Middleton Road
24	Middleton Road
26	Middleton Road
28	Middleton Road
30	Middleton Road
37	Middleton Road
37a	Middleton Road
39	Middleton Road
43	Middleton Road
47a	Middleton Road
19	Montague Street
21	Montague Street
23	Montague Street
29	Moray Place
415	Moray Place
72	Newington Avenue
37	Norwood Street
41	Norwood Street
39	Pacific Street
1	Pembrey Street
2	Pembrey Street
3	Pembrey Street
4	Pembrey Street
5	Pembrey Street
6	Pembrey Street
7	Pembrey Street
8	Pembrey Street
10	Pembrey Street
11	Pembrey Street
264	Pine Hill Road
264A	Pine Hill Road
266A	Pine Hill Road
266B	Pine Hill Road
268A	Pine Hill Road
268B	Pine Hill Road
270	Pine Hill Road
272	Pine Hill Road
274	Pine Hill Road
278A	Pine Hill Road
278B	Pine Hill Road
390	Pine Hill Road
409	Pine Hill Road
411	Pine Hill Road
5	Pinfold Place, Mosgiel
6	Pinfold Place, Mosgiel
8	Pinfold Place, Mosgiel
9	Pinfold Place, Mosgiel
10	Pinfold Place, Mosgiel
11	Pinfold Place, Mosgiel

12	Pinfold Place, Mosgiel
13	Pinfold Place, Mosgiel
14	Pinfold Place, Mosgiel
15	Pinfold Place, Mosgiel
19	Queen Street
19A	Queen Street
223	Ravensbourne Road
87	Riselaw Road
89	Riselaw Road
89A	Riselaw Road
91	Riselaw Road
91A	Riselaw Road
93	Riselaw Road
93A	Riselaw Road
21	Rosebery Street
16	Selkirk Street
11	Shand Street, Green Island
14	Sheen Street
6	Silver Springs Boulevard, Mosgiel
8	Silver Springs Boulevard, Mosgiel
10	Silver Springs Boulevard, Mosgiel
12	Silver Springs Boulevard, Mosgiel
14	Silver Springs Boulevard, Mosgiel
16	Silver Springs Boulevard, Mosgiel
20	Silver Springs Boulevard, Mosgiel
22	Silver Springs Boulevard, Mosgiel
24	Silver Springs Boulevard, Mosgiel
26	Silver Springs Boulevard, Mosgiel
28	Silver Springs Boulevard, Mosgiel
1–27	St Albans Street
2–27	St Albans Street
3.27	St Albans Street
4–27	St Albans Street
5–27	St Albans Street
6–27	St Albans Street
7–27	St Albans Street
8–27	St Albans Street
9–27	St Albans Street
10–27	St Albans Street
11–27	St Albans Street
12–27	St Albans Street

13–27	St Albans Street
4	Stanley Square
5	Stanley Square
6	Stanley Square
7	Stanley Square
8	Stanley Square
9	Stanley Square
10	Stanley Square
11	Stanley Square
12	Stanley Square
365	Stuart Street
367	Stuart Street
367A	Stuart Street
55	Sunbury Street
57	Sunbury Street
59	Sunbury Street
59A	Sunbury Street
67	Tahuna Road
67A	Tahuna Road
67B	Tahuna Road
69	Tahuna Road
69A	Tahuna Road
69B	Tahuna Road
69C	Tahuna Road
1	Taupo Lane
2	Taupo Street
1	Thomas Square
2	Thomas Square
3	Thomas Square
4	Thomas Square
5	Thomas Square
6	Thomas Square
7	Thomas Square
8	Thomas Square
9	Thomas Square
4A	Totara Street, Ravensbourne
44	Turnbull Street
46	Turnbull Street
85A	Victoria Road
85B	Victoria Road
85C	Victoria Road
85D	Victoria Road
85G	Victoria Road
85H	Victoria Road
85I	Victoria Road
85J	Victoria Road
85K	Victoria Road
85L	Victoria Road
85M	Victoria Road

85N	Victoria Road
85O	Victoria Road
85P	Victoria Road
85Q	Victoria Road
85R	Victoria Road
146	Victoria Road
44	Waimea Avenue
46	Waimea Avenue
48	Waimea Avenue
50	Waimea Avenue
58/60	Waimea Avenue
62/64	Waimea Avenue
16	Warwick Street
18	Warwick Street
23	Warwick Street
1	Wenlock Square
2	Wenlock Square
3	Wenlock Square
4	Wenlock Square
5	Wenlock Square
6	Wenlock Square
7	Wenlock Square
8	Wenlock Square
9	Wenlock Square
10	Wenlock Square
11	Wenlock Square
12	Wenlock Square
14	Wenlock Square
15	Wenlock Square
17	Wenlock Square
18	Wenlock Square
19	Wenlock Square
20	Wenlock Square
21	Wenlock Square
19	Woodside Terrace
20	Woodside Terrace
22	Woodside Terrace
23	Woodside Terrace
24	Woodside Terrace
25	Woodside Terrace
25A	Woodside Terrace
26	Woodside Terrace
27	Woodside Terrace
29	Woodside Terrace

Differential matters and categories

Where councils assess rates on a differential basis, the definition of differential categories is limited to the list of matters specified in Schedule 2 of the Local Government (Rating) Act 2002. The Council is required to state which matters will be used for definition of the categories, and the category or categories of any differentials.

The differential categories are determined in accordance with the Council's land use codes and the provision or availability of services. The land use code for each property is available from the Council's Customer Services Agency and on the website (on a property by property basis) at www.dunedin.govt.nz/services/rates-information.

The Council's land use codes are based on the land use codes set under the Rating Valuation Rules 2008, which are set out below:

Land Use Code	Land Use Description	Differential Category
0	Multi–use: Vacant/Indeterminate	Commercial
1	Multi–use: Rural Industry	Farmland
2	Multi–use: Lifestyle	Lifestyle
3	Multi–use: Transport	Commercial
4	Multi–use: Community Services	Commercial
5	Multi–use: Recreational	Commercial
6	Multi–use: Utility Services	Commercial
7	Multi–use: Industrial	Commercial
8	Multi–use: Commercial	Commercial
9	Multi–use: Residential	Residential
10	Rural: Multi–use within Rural Industry	Farmland
11	Rural: Dairy	Farmland
12	Rural: Stock Finishing	Farmland
13	Rural: Arable Farming	Farmland
14	Rural: Store Livestock	Farmland
15	Rural: Market Gardens and Orchards	Farmland
16	Rural: Specialist Livestock	Farmland
17	Rural: Forestry	Farmland
18	Rural: Mineral Extraction	Commercial
19	Rural: Vacant	Farmland
20	Lifestyle: Multi–use within Lifestyle	Lifestyle
21	Lifestyle: Single Unit	Lifestyle
22	Lifestyle: Multi–unit	Lifestyle
29	Lifestyle: Vacant	Lifestyle
30	Transport: Multi–use within Transport	Commercial
31	Transport: Road Transport	Commercial
32	Transport: Parking	Commercial
33	Transport: Rail Transport	Commercial
34	Transport: Water Transport	Commercial
35	Transport: Air Transport	Commercial
39	Transport: Vacant	Commercial
40	Community Services: Multi–use within Community Services	Commercial
41	Community Services: Educational	Commercial
42	Community Services: Medical and Allied	Commercial
43	Community Services: Personal and Property Protection	Commercial
44	Community Services: Religious	Commercial
45	Community Services: Defence	Commercial
46	Community Services: Halls	Commercial
47	Community Services: Cemeteries and Crematoria	Commercial
49	Community Services: Vacant	Commercial
50	Recreational: Multi–use within Recreational	Commercial
51	Recreational: Entertainment	Commercial
52	Recreational: Active Indoor	Commercial
53	Recreational: Active Outdoor	Commercial
54	Recreational: Passive Indoor	Commercial
55	Recreational: Passive Outdoor	Commercial
59	Recreational: Vacant	Commercial
60	Utility Services: Multi–use within Utility Services	Commercial
61	Utility Services: Communications	Commercial
62	Utility Services: Electricity	Commercial
63	Utility Services: Gas	Commercial
64	Utility Services: Water Supply	Commercial
65	Utility Services: Sanitary	Commercial
66	Utility Services: Other	Commercial
67	Utility Services: Post Boxes	Commercial
69	Utility Services: Vacant	Commercial
70	Industrial: Multi–use within Industrial	Commercial
71	Industrial: Food, Drink and Tobacco	Commercial
72	Industrial: Textiles, Leather and Fur	Commercial
73	Industrial: Timber Products and Furniture	Commercial
74	Industrial: Building Materials Other than Timber	Commercial
75	Industrial: Engineering, Metalworking, Appliances and Machinery	Commercial
76	Industrial: Chemicals, Plastics, Rubber and Paper	Commercial

Land Use Code	Land Use Description	Differential Category
77	Industrial: Other Industries – including Storage	Commercial
78	Industrial: Depots, Yards	Commercial
79	Industrial: Vacant	Commercial
80	Commercial: Multi–use within Commercial	Commercial
81	Commercial: Retail	Commercial
82	Commercial: Services	Commercial
83	Commercial: Wholesale	Commercial
84	Commercial: Offices	Commercial
85	Commercial: Carparking	Commercial
89	Commercial: Vacant	Commercial
90	Residential: Multi–use within Residential	Residential
91	Residential: Single Unit excluding Bach/Crib	Residential
92	Residential: Multi–unit	Residential
93	Residential: Public Communal – Unlicensed	Commercial
94	Residential: Public Communal – Licensed	Commercial
95	Residential: Special Accommodation	Residential
96	Residential: Communal Residence Dependent on Other Use	Residential
97	Residential: Bach/Crib	Residential
98	Residential: Carparking	Residential
99	Residential: Vacant	Residential

In addition to the categories set out above, the Council has established categories for residential institutions, residential heritage bed and breakfasts, the stadium: 10,000+ seat capacity, churches, and schools.

1 Differentials based on land use

The Council uses this matter to:

- differentiate the General Rate
- differentiate the Community Services Rate
- differentiate the Kerbside Recycling Collection Rate
- differentiate the Private Street Lighting Rate
- differentiate the Tourism/Economic Development Rate
- differentiate the Fire Protection Rate.

The differential categories based on land use are:

Residential – includes all rating units used for residential purposes including single residential, multi–unit residential, multi–use residential, residential special accommodation, residential communal residence dependent on other use, residential bach/cribs, residential carparking and residential vacant land.

Lifestyle – includes all rating units with Council land use codes 2, 20, 21, 22 and 29.

Commercial – includes all rating units with land uses not otherwise categorised as Residential, Lifestyle, Farmland, Stadium: 10,000+ Seat Capacity or Residential Heritage Bed and Breakfasts.

Farmland – includes all rating units used solely or principally for agricultural or horticultural or pastoral purposes.

Residential Heritage Bed and Breakfasts – includes all rating units meeting the following description:

1. Bed and breakfast establishments; and
2. Classified as commercial for rating purposes due to the number of bedrooms (greater than 4); and
3. Either:
   - the majority of the establishment is at least 80 years old; or
   - the establishment has Heritage New Zealand Pouhere Taonga Registration; or
   - the establishment is a Dunedin City Council Protected Heritage Building, as identified in the District Plan; and
4. The bed and breakfast owner lives at the facility.

Stadium: 10,000+ Seat Capacity – this includes land at 130 Anzac Avenue, Dunedin, Assessment 4026695, Valuation reference 27190–01403.

2 Differentials based on land use and provision or availability of service

The Council uses these matters to differentiate the drainage rate and commercial drainage rate.

The differential categories based on land use are:

Residential – includes all rating units used for residential purposes including single residential, multi–unit residential, multi–use residential, residential special accommodation, residential communal residence dependent on other use, residential bach/cribs, residential carparking and residential vacant land.

Lifestyle – includes all rating units with Council land use codes 2, 20, 21, 22 and 29.

Farmland – includes all rating units used solely or principally for agricultural or horticultural or pastoral purposes.

Commercial – includes all rating units with land uses not otherwise categorised as Residential, Lifestyle, Farmland, Stadium: 10,000+ Seat Capacity, Residential Heritage, Bed and Breakfasts, Residential Institutions, Churches or Schools.

Stadium: 10,000+ Seat Capacity – this includes land at 130 Anzac Avenue, Dunedin, Assessment 4026695, Valuation reference 27190–01403.

Residential Heritage Bed and Breakfasts – includes all rating units meeting the following description:

1. Bed and breakfast establishments; and
2. Classified as commercial for rating purposes due to the number of bedrooms (greater than 4); and
3. Either:
   - the majority of the establishment is at least 80 years old; or
   - the establishment has Heritage New Zealand Pouhere Taonga Registration; or

- the establishment is a Dunedin City Council Protected Heritage Building, as identified in the District Plan; and

4. The bed and breakfast owner lives at the facility.

Residential Institutions – includes only rating units with Council land use codes 95 and 96.

Churches – includes all rating units used solely or principally as places of religious worship.

Schools – includes only rating units used for schools that do not operate for profit.

The differential categories based on provision or availability of service are:

Connected – any rating unit that is connected to a public sewerage drain.

Serviceable – any rating unit that is not connected to a public sewerage drain but is capable of being connected to the sewerage system (being a property situated within 30 metres of a public drain).

3 Differentials based on provision or availability of service

The Council uses these matters to differentiate the water rates.

The differential categories based on provision or availability of service are:

Connected – any rating unit that is supplied by the water supply system

Serviceable – any rating unit that is not supplied but is capable of being supplied by the water supply system (being a rating unit situated within 100 metres of the nearest water supply).

Minimum rates

Where the total amount of rates payable in respect of any rating unit is less than $5.00, the rates payable in respect of the rating unit shall be such amount as the Council determines, but not exceeding $5.00.

Low value rating units

Rating units with a capital value of $6,000 or less will only be charged the general rate.

Separately used or inhabited part of a rating unit

A separately used or inhabited part of a rating unit includes any portion inhabited or used by the owner/a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement.

This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental (or other form of occupation) on an occasional or long term basis by someone other than the owner.

For the purpose of this definition, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'.

For the avoidance of doubt, a rating unit that has a single use or occupation is treated as having one separately used or inhabited part.

Lump sum contributions

No lump sum contributions will be sought for any targeted rate.

Rating by instalments

All rates to be collected by the Council will be payable by four instalments according to the following schedule.

The City is divided into four areas based on Valuation Roll Numbers, as set out below:

Table 15: Rating Areas

Area 1	Area 2	Area 3	Area 3 continued
Valuation Roll Numbers:			
26700	26990	26500	27550
26710	27000	26520	27560
26760	27050	26530	27600
26770	27060	26541	27610
26850	27070	26550	27760
26860	27080	26580	27770
26950	27150	26590	27780
26960	27350	26620	27790
26970	27360	26640	27811
26980	27370	26651	27821
27160	27380	26750	27822
27170	27500	26780	27823
27180	27510	27250	27831
27190	27520	27260	27841
27200	27851	27270	27871
	27861	27280	27911
	27880	27450	27921
	27890	27460	27931
	27901	27470	27941
	28000		
	28010		
	28020		

Area 4 comprises ratepayers with multiple assessments who pay on a schedule.

Due dates for payments of rates

All rates, with the exception of water rates which are charged based on water meter consumption, will be payable in four instalments, due on the dates shown below:

Table 16: Due Dates

Due Dates	Area 1	Areas 2 and 4	Area 3
Instalment 1	27/08/21	03/09/21	17/09/21
Instalment 2	19/11/21	26/11/21	10/12/21
Instalment 3	11/02/22	25/02/22	11/03/22
Instalment 4	06/05/22	20/05/22	03/06/22

Water meter invoices are sent separately from other rates at intervals depending on the quantity of water consumed.

Where water meter invoices are sent on a quarterly or monthly basis, the due date for payment shall be the 20th of the month following the date of invoice as set out in the table below:

Date of Invoice	Date for Payment
July 2021	20 August 2021
August 2021	20 September 2021
September 2021	20 October 2021
October 2021	20 November 2021
November 2021	20 December 2021
December 2021	20 January 2022
January 2022	20 February 2022
February 2022	20 March 2022
March 2022	20 April 2022
April 2022	20 May 2022
May 2022	20 June 2022
June 2022	20 July 2022

Example rate accounts

	Capital Value	2020/21 Rates	2021/22 Rates	Increase	Increase %
Residential					
Example	345,000	2,153	2,362	209	9.7%
Mode Value	385,000	2,268	2,486	218	9.6%
Median Value	420,000	2,368	2,594	226	9.6%
Average Value	464,400	2,494	2,731	237	9.5%
Example	530,000	2,682	2,934	252	9.4%
Example	600,000	2,882	3,150	268	9.3%
Example	750,000	3,311	3,614	303	9.1%
Commercial					
Example	245,000	3,261	3,519	259	7.9 %
Median Value	495,000	5,892	6,375	483	8.2%
Example	1,150,000	12,789	13,858	1,069	8.4%
Average Value	1,605,000	17,579	19,056	1,477	8.4%
Example	2,345,000	25,371	27,510	2,139	8.4%
Example	5,500,000	58,589	63,553	4,964	8.5%
Example	10,800,000	114,392	124,102	9,710	8.5%
Farmland (General and Community Services Rates only)					
Median Value	550,000	1,358	1,462.2	104	7.6%
Average Value	1,265,000	2,994	3,230	236	7.9%
Example	1,430,000	3,372	3,638	267	7.9%
Example	2,060,000	4,813	5,196	383	8.0%
Example	4,230,000	9,778	10,563	785	8.0%
Example	7,250,000	16,688	18,031	1,343	8.0%
Example	10,300,000	23,666	25,574	1,908	8.1%
Lifestyle (General and Community Service Rates only)					
Example	510,000	1,486	1,600	114	7.7%
Median Value	725,000	2,070	2,231	161	7.8%
Average Value	746,000	2,127	2,293	166	7.8%
Example	930,000	2,626	2,833	207	7.9%

Definitions

Mode – this is the most frequently occurring capital value.

Median – this capital value is the one in the middle of the list of individual capital values. Half of the values are above this amount, and half below.

Average – this is the capital value calculated if the whole value in each category was divided by the number of properties in each category.

Example – these properties provide additional example rate accounts.

Mix of funding mechanisms by group activity

The following funding mechanisms are applied to the Council's group activities. All mechanisms that have been used are in accordance with the Revenue and Financing Policy.

	Reserves and recreational facilities	Community and planning	Galleries, libraries and museums	Water supply	Waste management	Sewerage and sewage	Stormwater	Property	Regulatory services	Economic development	Roading and footpaths	Governance and support services
General Rate	■	■	■		■			■	■	■	■	■
Community Services Rate	■											
Kerbside Recycling Rate					■							
City–wide Water Rates				■								
City–wide Drainage Rates						■	■					
Allanton Drainage Rate						■						
Blanket Bay Drainage Rate						■						
Curles Point Drainage Rate						■						
Private Street Lighting Rate											■	
Tourism/Economic Development Rate										■		
Warm Dunedin Rate												■
Revenue[2]	■	■	■	■	■	■	■	■	■	■	■	■
Loans Raised	■	■	■	■	■	■	■	■	■	■	■	■
Sale of Assets								■				■
Reduction in Loans and Advances												
Dunedin City Holdings Limited Interest and Dividend												■
NZTA Income	■					■					■	
Cash	■	■	■	■	■	■	■	■	■	■	■	■
Development Contributions	■			■		■	■	■			■	

2 Revenue includes fees and charges, subsidies, capital revenue, interest and dividends (other than Dunedin City Holdings Limited dividends). Revenue also includes water rates based on quantity of water and any lump sum payments for the Blanket Bay and Curles Point drainage system.

Funding principles

The Dunedin City Council, in adopting the rating method, takes into consideration the following funding principles:

1 That, in so far as possible, the rating method should be simple, efficient and understandable.

2 People who benefit (including secondary beneficiaries) should contribute to costs.

3 Capital value is the primary method of determining the rating method. Capital value is based on market value and reflects the property valuation.

4 Property rates are a mechanism, which contains principles of public benefit taxation. Rates are not a user–pays mechanism.

5 The application of funding mechanisms should not distort markets.

6 The funding of activities and services should have regard to the interests of residents and ratepayers, including future ratepayers.

7 The funding of services and activities should not make these unaffordable.

8 People who pollute or damage the environment should bear the cost of redress.

9 To promote fairness and equity in rating, fixed charges may be used.

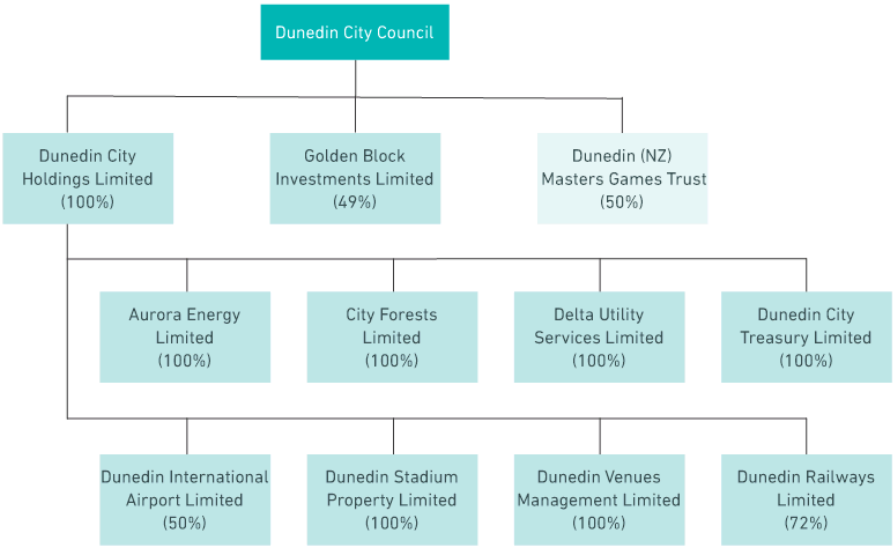
10 Where changes are contemplated to the rating method, transition arrangements may be used.

11 Specific rating areas may be considered on a case–by–case basis.

he ohu nā te kaunihera council controlled organisations

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*
Aurora Energy Limited		
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).
City Forests Limited		
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.
Delta Utility Services Limited		
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.
Dunedin City Treasury Limited (DCTL)		
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.

Nature and scope of activities	Objectives	Key performance measures*
Dunedin International Airport Limited		
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 future, e.g., land held for airport expansion, environmental control purposes, or commercial operations inside the airport zone.	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. Produce quarterly reports from continuous customer satisfaction surveys. No delays to regular scheduled passenger operations are incurred as a result of airside infrastructure.
Dunedin Stadium Property Limited		
The primary purpose is ownership of Forsyth Barf 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.
Dunedin Railways Limited		
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.
Dunedin Venues Management Limited (DVML)		
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 24 November 2020.

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.

Section 5

kaupapa here policies

Contents

kaupapa here whiwhika, tahua revenue and financing policy

Purpose

The Local Government Act 2002 (LGA) requires the adoption of a Revenue and Financing Policy which states the Council's policies on the funding of its operating and capital expenditure and the sources of those funds.

The LGA requires the Council to manage its finances prudently and in a manner that promotes the current and future interests of the community. The Council must ensure that each year's projected operating revenues are set at a level sufficient to meet the year's projected operating expenses. This is the "balanced budget" requirement. However, a council may choose to plan for a deficit provided it has regard to the impact on levels of service, the equitable allocation of responsibility for funding services and its funding and financial policies.

Scope

The Council adopts a Revenue and Financing Policy prior to the adoption of the 10 year plan and may amend sections of it in subsequent Annual Plans. A review of the Revenue and Financing Policy is undertaken as part of the development of each 10 year plan.

Under the LGA this is a two-step process:

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

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

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

Policy

Policy details

The Dunedin City Council's funding policy is to treat both operating and capital expenditure in the same way:

a. The extent to which the provision of a service by the Council is a public or private good will largely determine the extent to which rates or fees and charges fund capital expenditure. For example, if the revenue funding policy for libraries is 95% public good and 5% private benefit, we would expect to fund the capital expenditure on book purchases in the same way, i.e. 95% by general rates and 5% by fees and charges.
b. Sometimes debt may be used to fund capital expenditure. Its repayment will be made from the same sources in the same ratio as for operating expenditure.

Options for funding Council activities

The Council uses the following sources of funding:

General rates

This is used to fund public goods where it is not possible to clearly identify customers or users. The general rate is also used to fund activities where, for reasons of fairness and equity, consideration of the wider community good indicates that this is the most appropriate way to fund an activity.

The general rate is based on the capital value of each rating unit in the district and will be set on a differential basis based on land use. Capital value is comprised of land value and the value of improvements on the land. The Council will not be using a Uniform Annual General Charge.

Targeted rates

This form of rate is used where an activity benefits an easily identifiable group of ratepayers and where it is appropriate that only this group be targeted to pay for some or all of a particular activity. Dunedin City Council uses the following targeted rates:

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

Fees and charges

Fees and charges are direct charges to identifiable people or groups who use certain Council services such as dog control, swimming pools and building inspection. In these instances, identifiable people benefit from those services, and they are required to pay all or part of the cost of that service. Fees and charges are reviewed annually to reflect increased costs of service provision and/or maintain the cost recovery principles underlying the setting of fees.

Development contributions

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

Grants and subsidies

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

Rents, interest and dividends

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

Borrowing

While borrowing may be used from time to time, usually to give effect to the principles of intergenerational equity, the repayment and servicing of the debt is funded by rates, fees and charges and other sources. Borrowing is a mechanism only; the revenue and financing policy applies to its repayment and servicing.

Summary of funding options

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

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

In 2010, the Council approved the "New Reticulated Utility Services (Water, Wastewater or Stormwater) Policy" funding policy. The key components of this policy are as follows:

The Council's existing policy on reticulation of services is that services will only be provided for areas which are zoned as requiring access to reticulated water, wastewater and/or stormwater infrastructure, as detailed in rules in the District Plan relating to subdivisions.

New reticulation systems will be considered in existing developed areas not already reticulated where there is a clear and demonstrated need in terms of public health, environmental effects or other significant reason.

If a new system is installed by the Council in terms of 3.2 and 3.3 above, each connection once established, or potential connection will be subject to the Drainage Rate and Water Rate and any other charge applicable to the type of connection, in accordance with the Council's funding policy in operation at that time, to fund the on-going operation of the service.

In addition to the funding of the on-going operational costs, consideration will also be given to the contribution payable towards the capital cost of providing the new reticulated service by those who directly benefit from receiving the new service, based on the following:

For all existing properties (excluding vacant sections), or properties which have a building consent issued, on the date that the Council decides to proceed with any new reticulation service, a percentage contribution up to a maximum of 100% of their share of the assessed cost of providing the service. The percentage contribution will be determined after considering a range of factors listed in the policy.

For all future properties that are built in the area serviced, that are not in existence or do not have building consent issued prior to the date that the Council decides to proceed with any new reticulation service, they shall contribute 100% of their share of the assessed cost of providing the services.

Revenue and financing policy – funding schedule

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

Table 1: Revenue and financing policy

Activity	2021-2031 Policy	
	Rates Revenue %	Other Revenue %
Roading and footpaths group		
Transport	62%	38%
Three Waters Group		
Water supply	80%	20%
Waste water	98%	2%
Stormwater	99%	1%
Waste management group		
Landfills	0%	100%
Refuse/recycling collection and clean ups days	75%	25%
Waste minimisation	0%	100%
Reserves and recreational facilities group		
Aquatic services	55%	45%
Cemeteries (parks and burials)	50%	50%
Crematorium	0%	100%
Dunedin Botanic Garden	98%	2%
Parks and reserves	96%	4%
Property group		
Community housing	10%	90%
Other property (incl. operational, investment, and management)	45%	55%
Ara Toi group		
Ara Toi services	100%	0%
Dunedin Public Art Gallery	85%	15%
Dunedin Public Libraries	98%	2%
Lan Yuan Chinese Garden	75%	25%
Olveston	33%	67%
Otago Museum levy	100%	0%
Toitū Otago Settlers Museum	92%	8%

Activity	2021-2031 Policy	
	Rates Revenue %	Other Revenue %
Regulatory services group		
Animal Services	10%	90%
Building Services	25%	75%
Environmental Health	65%	35%
Liquor Licensing	10%	90%
Parking Operations	0%	100%
Parking services (enforcement)	2%	98%
Economic development group		
Economic development and marketing	90%	10%
Visitor centre (i-Site)	60%	40%
Community and planning group		
Community development and events	95%	5%
City development	100%	0%
Resource consent management	60%	40%
Governance and support services group		
Civic & governance support services	100%	0%
Corporate support services	90%	10%
Warm Dunedin	100%	0%

Revenue and Financing Policy – Analysis by activity

Activity	Community outcomes	Who benefits	Period of benefit	Whose acts create a need (actions or inactions)	Separate funding	Funding sources	Rationale
Roading and footpaths group							
Transport	A connected city with a safe, accessible and low carbon transport system. A supportive city with caring communities and a great quality of life. A successful city with a diverse, innovative and productive economy. A compact city with a vibrant CBD and thriving suburban and rural centres. An active city with quality and accessible recreational spaces and opportunities A sustainable city with healthy and treasured natural environments.	The whole community benefits. All people use some form of transport.	Planning for future transportation needs is an ongoing task as our society evolves. The Roading network will be maintained indefinitely.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	Central government contribution via Waka Kotahi NZTA subsidy. Development Contributions to fund growth portion of capital expenditure. Debt to fund some capital expenditure.	62% general rates. 38 % external funding.	This activity is a public good activity and will be funded by the capital value based general rate. Capital expenditure for some projects attracts subsidy from Waka Kotahi NZTA.
Three waters group							
Water supply	A healthy city with reliable and quality water, wastewater and stormwater systems. A sustainable city with healthy and treasured natural environments. A supportive city with caring communities and a great quality of life.	Users within the network area connected to the system. There are community wide public health benefits from the supply of treated water, and benefits in the availability of water to fight fires.	The Council has committed to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	Development Contributions to fund growth portion of capital expenditure. Debt to fund some capital expenditure. Commercial and extraordinary supply customers pay for supply.	80% targeted rates, non metered properties. 20% water sales (supply measured by water meters). Currently meters are not installed for all customers.	This activity has a limited scope for user charges, and so it will be funded by capital value based general rates. There is a high degree of private benefit, but charging a fee is not possible, as meters are not installed for all customers.
Wastewater	A healthy city with reliable and quality water, wastewater and stormwater systems. A sustainable city with healthy and treasured natural environments. A supportive city with caring communities and a great quality of life.	Users within the network area connected to the system. There are community wide public health benefits from the provision of safe and effective wastewater services, and benefits in protecting the environment from pollution.	The Council has committed to undertake this activity for the long term.	Industries producing high volumes of noxious wastewater are charged through trade waste charges.	Development Contributions to fund the growth portion of capital expenditure. Debt to fund some capital expenditure. Trade waste charges for industries.	98% rates 2% trade waste, connection fees and other charges.	This activity has a limited scope for user charges, and so it will be funded by capital value based general rates. There is a high degree of private benefit but charging all users a fee (except industries), is not possible.

Activity	Community outcomes	Who benefits	Period of benefit	Whose acts create a need (actions or inactions)	Separate funding	Funding sources	Rationale
Stormwater	A healthy city with reliable and quality water, wastewater and stormwater systems. A sustainable city with healthy and treasured natural environments. A supportive city with caring communities and a great quality of life.	Individuals the network area connected to the system, protection of private property. There are community wide public health benefits from the stormwater system, and benefits in the protection of city infrastructure.	The Council has committed to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	Development Contributions to fund the growth portion of capital expenditure. Debt to fund some capital expenditure.	99% rates 1% external charges for connection fees.	This activity has a limited scope for user charges, and so it will be funded by capital value based general rates. There is a high degree of private benefit, but charging a fee is not possible.
Waste management group							
Landfills (Including Transfer Stations and closed landfills)	A sustainable city with healthy and treasured natural environments. A supportive city with caring communities and a great quality of life.	Users of the landfills and transfer stations. There are public health and environmental benefits through the safe and appropriate disposal of rubbish, ongoing maintenance at closed landfills.	The Council has committed to undertake this activity for an ongoing period. Closed landfills are managed, monitored and surveyed in excess of 20 years.	The users of landfills and transfer stations create the need for Council to provide these facilities. Closed landfills require after-care management.	Not applicable.	100% fees and charges.	Users are identifiable and so fees are charged to landfill and transfer station users. Fees paid are used to provide for aftercare on closed landfills.
Refuse and Recycling Collection, including clean up days)	A sustainable city with healthy and treasured natural environments. A supportive city with caring communities and a great quality of life.	Domestic and commercial users of collections services. The whole community receives public health benefits through the minimisation of waste going to Landfill, and ensuring streets are kept clean with the provision of public street litter bins and clean up days.	Indefinitely.	Individuals and businesses create waste. Bylaws enable Council to impose fines for littering and illegal dumping of refuse. The Waste Minimisation Act 2008 requires territorial authorities to minimise waste in their district.	Not applicable.	75% rates, being general rates for litter bins and clean up days, and targeted rates for recycling (kerbside) collection. 25% fees and charges through the purchase of black bags for refuse collection.	Users of the refuse and recycling services are readily identifiable, and so user charges and targeted rates pay for the costs of disposal. Public good services for litter bins and clean up days justify funding through capital value based general rates.
Waste Minimisation	A sustainable city with healthy and treasured natural environments. A supportive city with caring communities and a great quality of life.	The community benefits from the Council's commitment to waste minimisation and providing education to the public.	Indefinitely.	The Waste Minimisation Act 2008 requires territorial authorities to minimise waste in their district.	Not applicable.	100% grant funding from the Ministry for the Environment's Waste Levy.	This activity is fully funded by the Ministry for the Environment through its waste levy.

Activity	Community outcomes	Who benefits	Period of benefit	Whose acts create a need (actions or inactions)	Separate funding	Funding sources	Rationale
Reserves and recreational facilities group							
Aquatic Services	An active city with quality and accessible recreational spaces and opportunities. A supportive city with caring communities and a great quality of life.	Users benefit from personal fitness and competition but there is also a community benefit in providing accessible and affordable facilities.	The Council has committed to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	External funding from community fund raising for the proposed Mosgiel Aquatic Centre	55% general rates. 45% fees and charges.	A user charge is a transparent way to charge for the service. As the service also delivers community benefits, general rate funding is an appropriate funding source. User charges should not be set so high as to create a barrier to entry.
Cemeteries (Parks and Burials)	A supportive city with caring communities and a great quality of life.	Provision of well-maintained cemeteries is important to the community as a whole. Families using burial services are identifiable for charging purposes.	The Council has statutory and public health responsibilities to provide the service on an ongoing basis. The Council also maintains closed cemeteries.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	Not applicable.	50% fees and charges. 50% general rates.	Fees are charged for burial services. Because of the benefits to the community as a whole it is also appropriate to provide some general rate funding.
Crematorium	A supportive city with caring communities and a great quality of life.	The provision of a sensitive crematorium /chapel service is important to the community as a whole.	The Council currently provides this service for the private sector.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	Not applicable.	100% fees and charges.	Fees are charged for the use of cremation facilities.
Dunedin Botanic Garden	An active city with quality and accessible recreational spaces and opportunities. A supportive city with caring communities and a great quality of life. A sustainable city with healthy and treasured natural environments.	Visitors to the Garden benefit. The whole community benefits because the Botanic Garden adds to the environment and amenity values of Dunedin. Those leasing space for commercial purposes benefit.	The Council has committed to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	There would be practical and administrative difficulties with charging visitors to the garden.	98% community services rate. 2% fees and charges.	As this activity is largely public good, it is primarily funded by the capital value based community services rate. Fees are charged for leased space at the garden.

Activity	Community outcomes	Who benefits	Period of benefit	Whose acts create a need (actions or inactions)	Separate funding	Funding sources	Rationale
Parks and Reserves	An active city with quality and accessible recreational spaces and opportunities. A supportive city with caring communities and a great quality of life. A sustainable city with healthy and treasured natural environments.	The whole community benefits from the provision of recreation reserves and walkways. There are also identifiable users e.g. sports clubs for charging purposes.	The Council has committed to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	Not applicable.	96% general and community services rates. 4% fees and charges.	This activity is largely public good with limited scope for user charges and is therefore primarily funded by the capital value based general rate. Fees are charged for booked use of sports fields and facilities.
Property group							
Other property (incl. operational, community and investment) and property management	A supportive city with caring communities and a great quality of life. A compact city with a vibrant CBD and thriving suburban and rural centres.	Those using the facilities (e.g., Edgar Stadium, community halls) benefit. Commercial users of some of the buildings (e.g., railway station), receive a direct benefit. Lessees of the investment properties benefit from this activity. The wider community benefits from the return on investment properties which are leased out at commercial rates, and from buildings that provide council services for the community, e.g., civic building, library buildings, galleries. The community as a whole benefits from the provision of affordable community facilities.	The Council has committed to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	Not applicable	45% general rates. 55% fees and charges.	Those using community facilities are identifiable, however, entry fees are payable to those running the facilities on behalf of council. Maintenance costs are therefore funded by general rates. Tenants of the investment properties and commercial users of some buildings are charged rentals. Operational property provides a public good with limited scope for user charges and is therefore primarily funded by the capital value based general rate.
Community Housing	A supportive city with caring communities and a great quality of life.	Tenants of the community housing benefit from the provision of affordable housing.	The Council has committed to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	Not applicable.	10% general rates. 90% fees and charges	A user pays policy needs to be balanced against affordability for lower income tenants in the properties, ensuring that they can continue to access affordable housing.

Activity	Community outcomes	Who benefits	Period of benefit	Whose acts create a need (actions or inactions)	Separate funding	Funding sources	Rationale
Galleries, libraries and museums							
Ara Toi services	A creative city with a rich and diverse arts and culture scene. A successful city with a diverse, innovative and productive economy. A supportive city with caring communities and a great quality of life.	The recipients of grant funding are direct beneficiaries, however the work they do is for the benefit of the wider community. The wider community benefits through arts and cultural events, and visitors to the city.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	Not applicable.	100% general rates.	This activity is largely public good and includes providing advice, managing arts grants, and involvement in the City of Literature. It will therefore be funded by the capital value based general rate.
Dunedin Public Art Gallery	A creative city with a rich and diverse arts and culture scene. A successful city with a diverse, innovative and productive economy. A supportive city with caring communities and a great quality of life.	Visitors to the gallery. The community benefits through the custodial role the gallery fulfils and its role as a tourist attraction.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	Not applicable.	85% general rates. 15% fees and charges/ other external charges.	This activity is largely public good. While charging an entry fee is possible, in 2014, Council confirmed a decision to not to charge at cultural institutions, but noting entry fees to special exhibitions, sale of retail items or for hiring the venue etc., are permitted.
Dunedin Public Libraries	A creative city with a rich and diverse arts and culture scene. A successful city with a diverse, innovative and productive economy. A supportive city with caring communities and a great quality of life.	Borrowers and visitors who browse, read and research.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	Not applicable.	98% general rates 2% fees and charges	This activity is largely public good with limited scope for user charges. It will therefore be funded primarily by the capital value based general rate. Fees apply to "Hotpicks", late returns, damages.
Lan Yuan Chinese Garden	A creative city with a rich and diverse arts and culture scene. A successful city with a diverse, innovative and productive economy. A supportive city with caring communities and a great quality of life.	Visitors to the garden benefit. The community receives an economic benefit through the garden as a tourist attraction.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	Not applicable.	75% general rates 25% fees and charges	An entry fee and some charges apply. As the service delivers community benefits, general rate funding is also an appropriate funding source. User charges should not be set so high as to create a barrier to entry.

Activity	Community outcomes	Who benefits	Period of benefit	Whose acts create a need (actions or inactions)	Separate funding	Funding sources	Rationale
Olveston	A creative city with a rich and diverse arts and culture scene. A successful city with a diverse, innovative and productive economy. A supportive city with caring communities and a great quality of life.	Visitors to Olveston benefit. There is also a wider economic benefit to the Community through the heritage home as a tourist attraction.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	Not applicable.	33% general rates 67% fees and charges	An entry fee and some charges apply. As the service delivers community benefits, general rate funding is also an appropriate funding source. User charges should not be set so high as to create a barrier to entry.
Otago Museum Levy	A creative city with a rich and diverse arts and culture scene. A successful city with a diverse, innovative and productive economy. A supportive city with caring communities and a great quality of life.	The museum benefits from receipt of the levy, the work it does is for the benefit of the wider community. The community benefits through the custodial role the Museum fulfils and its role as a tourist attraction.	The Council has made a commitment to undertake this activity for the long term, noting that the Otago Museum Trust Board Act is in place.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	Not applicable.	100% general rates	This activity involves paying a levy to the Museum on behalf of the community and will therefore be funded by the capital value based general rate.
Toitū Otago Settlers Museum	A creative city with a rich and diverse arts and culture scene. A successful city with a diverse, innovative and productive economy. A supportive city with caring communities and a great quality of life.	Visitors to the museum benefit. The community also benefits through the custodial role the gallery fulfils and its role as a tourist attraction.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	Not applicable.	92% general rates 8% fees and charges	This activity is largely public good. While charging an entry fee is possible, in 2014, Council confirmed a decision to not to charge at cultural institutions, but noting entry fees to special exhibitions, sale of retail items or for hiring the venue etc., are permitted.
Regulatory services group							
Animal Services	A supportive city with caring communities and a great quality of life. A sustainable city with healthy and treasured natural environments.	Dog owners, as well as the community at large in terms of educational programmes and the ability to report dog issues and seek assistance.	The Council has made a commitment to undertake this activity for the long term.	The registration fees charged to owners of dogs are in effect a charge on a group of people whose actions require this service to be undertaken.	Not applicable.	10% general rates 90% fees and charges	The activity is funded from dog registration fees with a small of proportion funded by the capital value based general rate. It is important to ensure that fees are not set so high as to act as a disincentive to registration and compliance.

Activity	Community outcomes	Who benefits	Period of benefit	Whose acts create a need (actions or inactions)	Separate funding	Funding sources	Rationale
Building Services	A supportive city with caring communities and a great quality of life. A successful city with a diverse, innovative and productive economy. A sustainable city with healthy and treasured natural environments.	Applicants for building consents. There is an acknowledgement that there is benefit to the wider community in having consented buildings.	The Council has made a commitment to undertake this activity for the long term.	People who carry out unregulated building activity generate the need for the Council to prevent and reduce the negative effects of this activity.	Not applicable.	25% general rates 75% fees and charges	Building Consent Authority (BCA) work is funded by consent fees. Affordability issues have to be considered in order to ensure that cost of consents do not act as a disincentive to compliance. Comparison with charges by other Councils is carried out. Non BCA work is funded by General rates as it is a public service.
Environmental Health	A supportive city with caring communities and a great quality of life. A sustainable city with healthy and treasured natural environments.	Individual licensees benefit as holding a license allows them to trade. The community receives public health and safety benefits from licensing food premises, regulating industries (e.g. tattooists, beauticians, funeral homes, hairdressers),and responding to complaints in respect to noise and rubbish.	The Council has made the commitment to undertake this activity for the long term.	Licensees and other people who do not comply with any aspects of regulations are required to remedy the problem.	Not applicable.	65% general rates 35% fees and charges.	There is a significant community benefit from these activities from a health and safety perspective currently and in the longer term. User charges are applied to licensing and regulation activities, and the exacerbator pays principle applies for infringements.
Liquor Licensing	A supportive city with caring communities and a great quality of life.	Individual licensees benefit as holding a license allows them to trade. There are public health benefits in terms of reducing the incidence of intoxicated persons in public places.	The Council has made the commitment to undertake this activity in the long term.	Liquor license fees are in effect a charge on the group of premises owners whose application to serve alcohol requires this service to be undertaken. Penalties apply for licence infringements.	Not applicable.	10% general rate. 90% fees and charges, noting license fees are set by statute.	The Council has a statutory responsibility to provide this service. To the extent that costs are not covered by set licence fees, Council must meet the balance of the cost through general rates.
Parking Operations	A connected city with a safe, accessible and low-carbon transport system. A compact city with a vibrant CBD and thriving suburban and rural centres.	Those using the parking services benefit directly from the provision of parking.	The Council has made the commitment to undertake this activity in the long term.	Individual car owners seeking parking in the city close to businesses and retailers.	Not applicable.	100% fees and charges	Users of the services provided are readily identifiable, and pay through parking meters and pay stations.

Activity	Community outcomes	Who benefits	Period of benefit	Whose acts create a need (actions or inactions)	Separate funding	Funding sources	Rationale
Parking Services (Enforcement)	A connected city with a safe, accessible and low-carbon transport system. A compact city with a vibrant CBD and thriving suburban and rural centres.	Members of the community expect a well organised and policed parking system which will allow them to park once they arrive at their destination	The Council has made the commitment to undertake this activity in the long term.	individual car owners seeking parking in the city close to businesses and retailers. Those abandoning vehicles.	Not applicable.	2% general rates 98% fees and charges	Those breaching parking regulations are readily identifiable, and are charged an enforcement fee, noting that enforcement charges/ fines are set by statute. General rates are used for abandoned vehicles when necessary.
Economic development group							
Economic Development and Marketing	A successful city with a diverse, innovative and productive economy. A creative city with a rich and diverse arts and culture scene. A supportive city with caring communities and a great quality of life.	Businesses that contact the service benefit. The city and the community benefits from work encouraging tourism and promotion of Dunedin, and the economic growth and development activities undertaken.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	Not applicable.	90% general and tourism/ economic development rates. 10% external funding (comprised of project based funding from external partners)	This activity is largely public good with no scope for user charges and will therefore be funded by the capital value based general rate. Note: availability of external funding varies from year to year.
i-SITE Visitors Centre	A successful city with a diverse, innovative and productive economy.	Those businesses that receive bookings through i-Site directly benefit from the service provided. There is a wide economic benefit for the city as a whole through visitor spending in the city on booked accommodation and attractions, and associated retail spending.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that contributed to the need to undertake this activity.	Not applicable.	60% general and tourism/ economic development rates. 40% fees and charges	There is benefit to the city in terms of encouraging visitor spending within the city, therefore a proportion of the activity is funded by the capital value based general rate. Commissions from sale of tours, accommodation etc., are received for some of the services provided by this activity.
Community and planning group							
Community Development and Events	A supportive city with caring communities and a great quality of life. A creative city with a rich and diverse arts and culture scene.	The community benefits through the provision of information, advice and assistance on matters relating to the community for the Council. Community Groups that receive advice and assistance are identifiable.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	Not applicable	95% general rates 5% grants, fees and charges.	This activity is largely public good with limited scope for user charges and will therefore be funded primarily by the capital value based general rate.

Activity	Community outcomes	Who benefits	Period of benefit	Whose acts create a need (actions or inactions)	Separate funding	Funding sources	Rationale
City Development	A compact city with a vibrant CBD and thriving suburban and rural centres. A connected city with a safe, accessible and low-carbon transport system. A supportive city with caring communities and a great quality of life. A sustainable city with healthy and treasured natural environments	The service benefits the general public through the ability to enjoy an aesthetically pleasing environment	The Council has made a commitment to undertake the activity for the long term	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity. Note that costs for private plan changes are recovered.	Not applicable.	100% general rates	This activity is largely public good with no scope for user charges and will therefore be funded by the capital value based general rate.
Resource Consent Management	A compact city with a vibrant CBD and thriving suburban and rural centres. A successful city with a diverse, innovative and productive economy. A sustainable city with healthy and treasured natural environments	Applicants for resource consents benefit. The whole community benefits from compliance monitoring and complaints investigations, ensuring that development occurs with minimal adverse environmental effects, and environmental and amenities standards are maintained.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions that require this service to be provided.	Not applicable	60% general rates 40% fees and charges.	Funding from fees and charges reflects the Council's decision for resource consent processing to be undertaken on a cost recovery basis Compliance monitoring and complaint investigation is largely public good and is funded from the capital value based general rate.
Governance and support services group							
Civic and Governance Support Services	A supportive city with caring communities and a great quality of life.	The activity supports the decision-making function of the Council and therefore benefits the community as a whole.	Indefinitely. The Council's decision making function is provided for by the Local Government Act 2002.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	Not applicable.	100% general rates	Funding from capital value based general rates spreads the funding cross the entire community.
Corporate Support Services	Indirect contribution to all community outcomes.	Effective support of Council activities. Making available information such as GIS data, Land Information data and Council's archives benefits the whole community.	Indefinitely. The Council's functions are provided for the by Local Government Act 2002.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	Not applicable.	90% general rates 10% external revenue including fees and charges	Identified users are charged fees for some services. Funding the remainder of service provision through the capital value based general rates spreads the funding across the entire community.
Warm Dunedin	A supportive city with caring communities and a great quality of life.	Owners who chose to upgrade the insulation and heating their homes through the Warm Dunedin programme.	The Council has made a commitment to undertake this activity for the long term.	There are no actions or inactions of particular individuals or groups that have contributed to the need to undertake this activity.	Not applicable	100% contribution by user via targeted rates.	Individual applications are made by residents to access funding to improve insulation and heating in their homes. This is repaid via a targeted rate on their property.

kaupapa here haumaru takotoraka pūtea
treasury risk management policy

Purpose

This Policy document is the Policy document for the Dunedin City Council ("the DCC"). It has been prepared by Dunedin City Treasury Limited ("DCTL") and before being submitted to the DCC for approval it has been reviewed and approved by the DCTL Board and the Board of Dunedin City Holdings Limited ("DCHL"). It is for the use of all subsidiaries owned by DCC and is the basis for the risk management parameters within the Council's Liability Management and Investment policies that are approved from time to time by the Council. The entities that this Policy document applies to are collectively called the Dunedin City Council Group ("DCC Group").

For the purposes of this Policy and as at the date of this Policy, the DCC Group consists of the following entities:

- Dunedin City Council
- Dunedin City Holdings Limited
- Dunedin City Treasury Limited
- Dunedin Stadium Property Limited
- Dunedin Venues Management Limited
- City Forests Limited
- Aurora Energy Limited
- Delta Utility Services Limited
- Dunedin Railways Limited

This Policy is the sole Treasury Risk Management Policy within the Group.

The purpose of the Treasury Risk Management Policy is to set out a prudential framework for the identification, quantification, assessment and management of all financial market risks associated with the Borrowing, Investment, Foreign Exchange and Commodity exposures faced by the DCC Group.

This Policy has been prepared with reference to the relevant sections of the Local Government Act 2002 and its subsequent amendments.

A sound treasury management control framework will assist the DCC Group in achieving its broader business objectives by:

- Managing the cost of debt and treasury investment returns within an appropriate risk management framework;
- Maximising the net worth of its assets; and

The Policy contains specific objectives, policies and reporting requirements for the management of:

- Operational Risk
- Liquidity and Funding Risk
- Interest Rate Risk
- Credit Risk
- Investment Risk
- Foreign Exchange and Commodity Risk

Treasury risk management and related operational risk management are carried out internally by qualified and experienced personnel acting under specific delegations, which ensure appropriate segregation of duties, and act within a best practice code of conduct; and which utilise systems of an appropriate standard incorporating effective reporting.

The DCC has set in place a financial structure to allow effective financial management of its activities on a sound commercial basis. This structure consists of a number of companies which are independently managed through Boards of Directors. Notwithstanding this corporate structure, the benefits of a centralised approach to treasury management have been recognised. This Policy provides a framework for treasury management by the DCC Group.

The DCC by its political nature and the ongoing requirement to deliver appropriate services to its ratepayers and to be the custodian of assets owned by, and for the benefit, of the ratepayers of Dunedin City, has a conservative approach to risk management. This Policy document recognises these principles.

This Treasury Risk Management Policy does not apply to the DCC's Waipori Fund. The Waipori Fund is governed by a separate Statement of Investment Policies and Objectives (SIPO).

Treasury structure – roles and responsibilities

The roles and responsibilities of the key parties involved in the treasury management process are detailed below.

Currently the board of DCTL and DCHL are composed of the same Board members.

Dunedin City Council

The Council has responsibility for:

- Overall performance of the DCC Group;
- Approving the DCC Treasury Risk Management Policy, on the recommendation of the DCHL Board;
- Approving Council Liability Management and Investment Policies.;
- Approving annual Council borrowing requirements through the Annual Plan;
- Delegating authority to DCTL to undertake Treasury activities on behalf of the DCC;
- Overseeing the DCC Group Treasury activities through regular DCHL reporting and compliance.

DCHL Board

The DCHL Board has responsibility for:

- Overseeing the operations of all subsidiaries under its supervision including treasury risk management activity;
- Recommending that Council approve the DCC Treasury Risk Management Policy, on the recommendation of the DCTL Board;
- Monitoring the performance of DCTL against this Policy by DCTL Board treasury reporting;

DCTL Board

The DCTL Board has responsibility for:

- Assisting the achievement of overall DCC objectives by promoting sound treasury management practices throughout the DCC Group;
- Overseeing the operation and performance of DCTL ensuring that treasury activities within the DCC Group are conducted within agreed risk management parameters;
- Recommending changes to the Treasury Risk Management Policy to the DCHL Board for submission to the Council for approval;
- Monitoring the performance of the treasury operation through the review of regular reports;
- Undertaking an annual internal review of the Treasury Risk Management Policy each year and an external review at least once every three years and recommending any changes to the DCHL Board for approval and subsequent submission to the Council for approval;
- Overseeing implementation of internal or external audit recommendations;
- Reviewing treasury activity through regular treasury reporting;
- Approving transactions, short term facilities or decisions outside the delegated authority of the Treasurer;
- Reviewing performance against benchmarks;
- Reviewing and recommending instruments and techniques to manage risk outside the Treasury Risk Management Policy, to the DCHL Board and Council for approval.
- Confirming any facility agreement between subsidiaries and DCTL including pricing levels and any annual adjustments to base pricing levels attributable to DCTL's actual performance.

DCTL Management

DCTL management have responsibility for:

- Ensuring the DCC Group has necessary funding to meet its obligations, within the boundaries specified in debenture documentation and this Policy;
- The management of all treasury risks within the DCC Group, excluding foreign exchange risk in those circumstances in which the DCHL Board has agreed this will be managed at subsidiary level;
- Managing external financial market relationships;
- Managing internal relationships with DCTL clients;
- Notifying the DCTL Board and General Manager Finance of DCC of any breaches of this Policy, including a plan for remediation, as appropriate;
- Overseeing the operation of treasury information systems;
- Developing and documenting appropriate operational procedures and ensuring an appropriate system of internal control is in place;
- Overseeing implementation of internal or external audit recommendations on treasury related issues after consultation with the DCTL Board;
- Managing the DCC and DCTL annual credit rating review process;
- Reporting to the DCTL board the overall activities and results of DCTL in accordance with Section 13;
- Advising the DCC Group entities on foreign exchange risk management policies, financial products and techniques as requested;

Breach reporting

Any breaches of the Treasury Risk Management Policy are to be advised in the first instance to the DCTL Board and General Manager Finance of DCC by the Treasurer within 1 business day of the breach being detected. This notification will outline the nature of the breach, its causes, and recommendations to rectify the breach.

The DCHL Board, Audit and Risk Subcommittee of Council and Council will be notified of all breaches (whether rectified or not) no later than their next scheduled meetings.

Operational risk and internal control policy

Purpose

The Operational Risk Policy addresses the risk incurred by an organisation's internal activities. Operational risk is the risk of loss resulting from inadequate or failed internal process, people and systems, or from external events.

Policy statement

DCTL manages this exposure by:

- Ensuring the Treasury function is operating in a controlled manner and that adequate internal control procedures are in place for measurement and management of the various functions undertaken by the Treasury function;
- Ensuring the Treasury function has adequate systems in place for the management of financial risk;
- Ensuring Treasury function employees are suitably qualified and trained to undertake and perform financial risk management activities; and
- Ensuring legal enforceability of financial management contracts.

A formal 'Treasury Procedures Manual' of written procedures/protocols for the treasury management function must be maintained detailing each stage of each procedure for the processing and checking of treasury transactions. The Manual also details paper-flow, files, registers, internal controls and accounting treatment of all transactions. It also includes guidelines and precedent documents.

The procedures manual is a live document and requires updating with any significant change to procedures that arise.

All DCC Group entities are responsible for implementing and reviewing their own appropriate operational and internal controls.

Delegated authorities to management for initiating financial transactions, appropriate dealing limits, and authorisation and settlement conditions are to be confirmed by the DCTL Board.

Interest rate risk policy

Purpose

Interest rate risk management has the objective of managing the Council's interest rate exposures in order to:

- Give a sufficient level of certainty to the Council's funding costs while, at the same time, allowing the Council to participate if interest rates move favourably.
- Control variations in interest expense for the debt portfolio from year to year, taking into consideration relevant budgetary assumptions.

Management of interest rate risk

Interest rate risk is managed by implementing the following:

Annual forecasts of long term debt are to be provided to DCTL by each member of the DCC Group.

It is the responsibility of each DCC Group entity to advise DCTL of any change to long term debt forecasts as and when any change occurs throughout the year.

DCTL maintains an approved debt interest rate reset profile within the debt interest rate resetting profile detailed below. Fixed rate debt is defined as having a re-pricing or rollover date of more than 12 months into the future.

The hedging limits apply to forecast debt as identified on an annual basis.

Fixed Rate Maturity Profile Limit		
Period[1]	Minimum Cover	Maximum Cover
0- 2years	40%	100%
2-5 years	20%	80%
5-10 years	0%	60%
10-15 years	0%	35%[1]

Specified permitted debt instruments are detailed in the Permitted Investment instruments policy below.

All interest rate hedges are entered into by DCTL with external counterparties.

Other DCC Group entities are precluded from entering into any financial transactions with external counterparties.

The Management of Interest Rate Risk excludes the assets of the Waipori Fund.

Liquidity and funding risk policy

Liquidity risk

Liquidity and funding risk management is associated with ensuring the availability of sufficient funds to meet the DCC Group's financial commitments in a timely manner. It is also associated with planning for unforeseen events which may curtail cash flows and cause pressure on liquidity. These risks include:

- An unplanned reduction in revenue thus reducing cash receipts;
- Unexpected business disruption;
- Unplanned capital or operating expenditures;
- External market liquidity; To manage liquidity risk the Group must maintain committed funding facilities with New Zealand Registered Banks or from the capital markets or using funds on deposit with a New Zealand Registered Bank or with authorised fixed interest investments at a minimum level of 10% above the projected peak debt total over the ensuing 12 month period.
- DCTL is to maintain a liquidity buffer or committed bank debt facilities that are sufficiently large enough to cover all debt maturities in the two month period following the reporting date. In addition, facilities will be of sufficient size to also cover forecasted incremental term debt issuance.

Funding risk

Funding risk is the risk to the DCC Group of not being able to re-finance or raise new debt at a future time at competitive rates, fees and borrowing margins, and also terms.

A key factor of funding risk management is to spread and control the risk to reduce the concentration of risk at one point in time so that if any unforeseen events occur, the overall interest cost is not materially increased because of adverse margin changes, adverse base interest rates or a lack of availability of funds.

The DCC Group aims to manage this risk by having its funding facilities spread over a reasonable period of years and from a range of funding sources.

1 Interest rate hedging can extend beyond 10 years to a maximum of 15 years with DCTL Board approval.

To spread this risk, it is prudent to have the total debt spread so that there is a maximum amount maturing in any 12-month period.

The policy control in relation to funding risk is:

- No more than $350 million can mature on a rolling 12 month basis and at least 20% of total debt must have a maturity greater than five years (but no more than 12 years without DCC approval).

Funding within the DCC Group

DCTL provides all funding to DCC Group entities. DCTL is the sole borrowing entity and it manages interest rate risk for the Group.

Funding provided by DCTL will be in the form of two different Tranches.

Tranche 1: Funding provided by DCTL related to existing interest rate hedging arrangements DCTL will provide funding to DCC Group entities on a floating rate basis priced off the three-month BKBM FRA rate at the day of drawdown plus a pre-agreed margin detailed in the specific funding facility documentation for that entity.

Tranche 2: All funding unrelated to existing interest rate hedging arrangements will be provided by DCTL on a fixed rate basis and not as a margin to the floating BKBM rate. This will be calculated by DCTL after considering the actual expected cost of funds for the financial year of DCTL.

The actual interest expense recognised for each DCC Group entity each financial year will be based on DCTL's actual cost of funds plus a margin to reflect the costs of operating DCTL. At the end of each financial year each DCC Group entity will be subject to an internal adjustment to underlying interest expense based on floating rates as above and any residual fixed rate swaps to ensure actual interest expense is in line with DCTL performance.

Because all interest rate risk management is at the DCTL level interest rate expense will not be a KPI for any DCC Group entity other than DCTL. However, KPI's for the DCC Group entities around accuracy of cash flow projections, debt projections etc are expected to be implemented.

Permitted debt and derivative instruments policy

Purpose

The Permitted Debt Instruments Policy describes the instruments which can be transacted, having regard to any legislative requirements and the potential risks that may need to be hedged and the risk inherent in the instruments.

Permitted instruments

This list of permitted instruments for debt management is:

Borrowing Instruments

- Bank overdraft
- Committed bank facilities
- Commercial Paper issuance
- Fixed Rate Bonds, Floating Rate Notes from the domestic debt capital markets

LGFA Funding

DCTL may borrow from the LGFA and, in connection with that borrowing, may enter into any agreement to the extent considered appropriate including:

- Contribute a portion of borrowing back to the LGFA as an equity contribution to the LGFA e.g. borrower notes;
- DCC may provide a guarantee over indebtedness to the LGFA;
- DCC may accept a transfer from DCTL of Borrower Notes issued by the LGFA;
- DCC may contribute additional equity (or subordinated debt) to the LGFA if required
- DCC may secure its borrowings from the LGFA and the performance of other obligations to the LGFA or its creditors with a charge over DCC's rates and revenue (using a Debenture Trust Deed), or
- DCC may subscribe to the shares and uncalled capital of the LGFA

In connection with any borrowing from the LGFA, the Council and or the DCC Group must also comply with all relevant financial covenants/ratios of the LGFA as follows:

Financial Covenant	Foundation Policy Covenant
Net Debt/Total Revenue	<280%
Net Interest/Total Revenue	<20%
Net Interest/Annual Rates Income	<30%
Liquidity	>110%

LGFA Alternative Net Debt to Total Revenue Foundation Policy Covenant for the financial years ending June 2021 to 2025:

Financial Year ending	Net Debt/Total Revenue
30 June 2021	<300%
30 June 2022	<300%
30 June 2023	<295%
30 June 2024	<290%
30 June 2025	<285%

Derivative Instruments

- Forward interest rate agreements (FRA's)
- Interest rate swaps
- Interest rate options (purchase of caps or collars only)
- Options on interest rate swaps

Any combination of these instruments is permitted.

Derivative instruments permitted under this Policy may be used for hedging purposes or to position the portfolio for interest rate moves within the constraints contained in the Interest Rate Risk Policy. The following specific policy constraints are required:

- All hedging transactions must relate to an underlying debt exposure and no speculative transactions can be undertaken;
- Where possible any instruments used should be designated as effective hedges for accounting purposes and should be matched to physical debt in DCTL's debt

portfolio. If this is not possible the potential impact must be advised to the Boards of DCTL and DCHL and the Council before the transaction is undertaken; and

- Interest rate options are not permitted to be sold except to cancel a previously purchased option where hedging is no longer required or where the option is combined with a purchased option of matching maturity and principal in the course of executing an interest rate collar strategy.

Cash management policy

Definition of policy purposes

Cash management is concerned with ensuring the best use of available cash resources. This requires organising the collection and disbursement systems in such a way as to maximise the investment of and to limit the borrowings of funds. Accurate and timely forecasting of cash movements by the DCC Group is essential.

Cash management practices are to focus on cost effective collection of funds, achieving minimal float, retention of funds for as long as possible and controlled disbursement.

Cash accountability

DCTL is responsible and accountable for the investment of surplus cash and financing of short-term borrowings. The Finance Manager or equivalent within each DCC Group entity co-ordinates procedures that support the achievement of the overall DCC Group cash management objective and advises the Assistant Treasurer as to cash requirements.

Responsibility for operating a cash efficient operation ultimately rests with the individual Group entities, which must have systems in place to ensure the efficient management of their cash flows and to be able to work proactively with DCTL to achieve this. Responsibility for developing controls and procedures is that of the individual entity's Finance Manager (or equivalent) with such controls and procedures reviewed by DCTL to ensure practical application can be achieved.

Bank account structure

The location and counterparties of Council's accounts form the bank account structure. The DCC limits the number of accounts to the minimum necessary to service financial requirements. All DCC Group entities must have their transactional banking with the same financial institution.

Funding DCC accounts

All accounts are funded directly by DCTL. This funding will be made in accordance with agreed funding limits and agreements. The DCC Group entities must endeavour to maintain an adequate balance in their bank accounts. Surplus balances should be monitored closely, and excess funds used to reduce debt enabling the efficient use of funds within the Group.

Cash collection and disbursement

The bulk of revenues are received on cyclical or regular intervals and are typically divorced from expenditure which is incurred on an ongoing basis. This cash flow pattern emphasises the importance of accurate cash flow forecasts and efficient cash collection and disbursement mechanisms.

Investment management policy

Purpose

The Investment Management Policy establishes appropriate benchmarks (for performance measurement) and prudent limits for the management of surplus funds. The investment management objective is to optimise returns subject to maintaining an appropriate risk profile.

Rationale

The objective of investment management is to achieve an appropriate return consistent with the risk assumed. While the DCC Group has a number of cash and fixed interest investments in place currently that provide income and also a source of liquidity, the aim going forward is to have the bond holdings repaid on maturity (even if there is an option to reinvest) and, unless approved by Council, there will be no new investments entered into for a term in excess of one year. Cash investments will by nature become a function of liquidity and cash flow management and DCTL will endeavour to minimise outstanding borrowings by applying material cash surpluses to debt reduction. At its discretion DCTL can sell bonds held before maturity subject to market conditions, term to maturity, actual interest income received against average cost of debt for DCTL and potential capital gains. Unless there are credit concerns about any holding DCTL should not consider sales at a capital loss, rather hold to maturity and thus receive the whole face value back. Any such sales must be approved by the DCTL Board.

Policy parameters

The following controls apply:

- All investments are to be in accordance with the Permitted Investment Instruments Policy and the Credit Risk Policy below;
- Investments in risk-leveraged derivative instruments are not permitted; and
- Investment performance is to be benchmarked against an appropriate index as agreed between the Treasurer and the DCTL Board.

Permitted investment instruments policy

Purpose

The Permitted Investment Instruments Policy describes the investment related instruments which can be transacted having regard to any legislative requirements and the potential risks faced by the DCC Group and inherent in the instruments.

Permitted instruments

The list of permitted instruments for investment are:

Investments Instruments

- Bank deposits (maximum 365 days)
- Commercial Paper (maximum 365 days)
- Fixed Rate Bonds, Floating Rate Notes from the domestic debt capital markets (maximum 365 days to maturity) other than residual bond holdings at the time of this Policy's approval.

Local government funding agency

DCC and DCTL may invest in shares and other financial instruments of the LGFA and may borrow to fund that investment. The objective in making any such investment will be to:

- Obtain a return on the investment; and
- Ensure that the LGFA has sufficient capital to become and remain viable, meaning that it continues as a source of debt funding for the Group.

Because of this dual objective, DCC and DCTL may invest in LGFA shares in circumstances in which the return on that investment is potentially lower than the return it could achieve with alternative investments.

If required in connection with the investment, the Council may also subscribe for uncalled capital in the LGFA.

Credit risk policy

The risk of financial loss that could accrue to the DCTL from the non-settlement of financial transactions requires a separate credit limit to be established for all external counterparties.

No transaction will be entered into with any outside counterparty for whom an approved credit limit has not been established within the parameters detailed in this Policy.

Maximum counterparty credit limit

The maximum credit limit which is to be applied to any outside counterparty reflects the maximum exposure in total likely to be incurred at any one time, the maximum loss which could be sustained by DCTL without affecting viability and the benefits of risk reduction through diversification.

Individual counterparty credit limits

Rated Organisations

Individual credit limits will be determined by reference to credit rating published by internationally recognised rating agencies. Principal use will be made of S&P Global Ratings or the Moody's Investor Services or Fitch Ratings equivalents.

Limits will be assigned on the basis of their relative standing in respect of the maximum available rating and the maximum counterparty credit limit. Formulas and limits are set out in 'External counterparty credit limits' below. All limits are to be approved by the DCTL Board.

Unrated Organisations

No limit will be established for unrated organisations without Council approval. The Treasurer will provide a formal request in support of any application including the cost benefit of contemplating such a relationship.

External credit limit operation

DCTL will ensure that information is available on total exposure to counterparties and that proposed transactions can be assessed against available limits.

Counterparties exceeding limits must be advised in the first instance to the DCTL Board and General Manager Finance of DCC by the Treasurer within 1 business day of the breach being detected. This notification will outline the nature of the breach, its causes, and recommendations to rectify the breach.

The Treasurer may recommend with immediate effect the termination or reduction in the limit of a counterparty at any time.

External counterparty credit limits

The following schedule confirms the approved limits and includes the Waipori Fund:

Instrument	Long Term S&P Rating (or Moody's or Fitch equivalent)	Maximum exposure to any one counter-party with this rating ($ million)
All Exposures	AAA	$150
All Exposures	AA to AA+	$100
All Exposures	AA-	$60
All Exposures	A to A+	$50
Residual Investments	BBB to A-	$5

Exposures are to be calculated as follows:

Cash/Bonds	100% of face value including accrued interest

Other Exposures

Potential Credit Exposure Calculations (PCE):

FX forwards/ options	MTM + FV x remaining tenor(y) x 10% Interest Rate Swaps	MTM + FV x remaining tenor(y) x 1.00%
Interest Rate Options	MTM + FV x remaining tenor(y) x 1.00%	

(Where Mark to Market "MTM" is positive if the position is in the money for DCTL and negative if it is out of the money for DCTL).

For each instrument, if MTM + PCE is negative, a nil value is assigned. If the total exposure for any one FI is net out of the money for DCTL, then a nil value is used when calculating total exposure for the relevant credit band.

DCTL will report monthly on actual credit usage by all of the DCC Group with all external counterparties against the approved limits.

Internal credit risks

The credit risk is managed as follows:

- No transaction is to be undertaken unless it is formally documented as a facility agreement which includes the facility limit and is approved by the DCTL Board and the relevant DCC entity Board.
- No security arrangements are required for all entities that are ultimately 100% owned by the DCC.

Foreign exchange risk policy

The Foreign Exchange Risk Policy establishes guidelines under which foreign exchange risk management occurs.

The management of Foreign Exchange Risk excludes the assets of the Waipori Fund.

The objective of the Policy is to mitigate the potential for financial loss arising through unfavourable movements in exchange rates.

Permitted instruments

In addition to foreign currency spot transactions the DCC Group can enter into the following instruments to manage foreign exchange risk by undertaking:

- Forward foreign exchange transactions; and
- Foreign exchange options.

The maximum contract term and amount for any hedging instrument is the same as the underlying contract exposure. Hedges are undertaken to match the expected payment or receipt of a firm commitment.

Hedging parameters

- The various DCC Group entities will monitor their net foreign exchange position in all currencies. Any foreign currency exposure greater than NZ$100,000 by individual contract, is deemed significant and subject to this Policy, needs to be notified to DCTL within one business day of the commitment being entered into;
- Net foreign currency exposures in excess of NZ$100,000 are to be fully hedged within one business day of the exposure being notified to DCTL. Exposure is defined to exist at the firm commitment of an approved sale or purchase in a foreign currency.

Hedging at subsidiary level

An individual DCC Group entity can manage its own foreign exchange exposures subject to approval from the DCTL Board and subject to a formal foreign exchange risk management policy being developed by the entity, reviewed by DCTL and approved by the entity's Board and the DCTL Board.

However, this would only be expected to occur if the entity had ongoing foreign exchange transactional exposures linked to export receipts or import payments that are a core part of the underlying business, e.g. the foreign exchange exposures are ongoing and directly related to - day-to-day business activities.

In these circumstances hedging transactions with external counterparties will be executed by DCTL upon instruction from the entity. All such deals will be in the name of the hedging entity to avoid the requirement for internal transactions to be completed.

City Forests has its own Foreign Exchange Risk Management Policy as approved by the Boards of City Forests and DCTL.

Commodity risk policy

The Commodity Risk Policy establishes guidelines under which commodity price risk management occurs.

Rationale

The objective of the Policy is to mitigate the potential for financial loss arising through unfavourable movements in commodity prices. This commodity transaction risk can result in the DCC's cash flows being adversely affected by movements in commodity prices that will change the New Zealand dollar (NZD) value of commodity payables or receipts.

If material exposures exist which are ongoing (defined as an underlying exposure in excess of NZ$500,000 equivalent per annum), DCTL will work with the entity to develop an appropriate policy to manage that risk with the policy being submitted to the DCTL Board for approval.

The DCC and City Forests have their own Carbon Risk Management Policies. The City forests Carbon Risk Management Policy has been approved by the Boards of City Forests and DCTL.

For clarity the trading in physical forest assets are not considered a commodity.

Any one-off commodity exposures (defined as in excess of NZ$50,000) will be reviewed by DCTL which will recommend a potential hedging strategy to the Board of the DCC Group entity incurring the exposure. Any such hedge must be approved by the DCTL Board.

Reporting

Management reports

Management reports for the DCTL Board are produced on a monthly basis providing the following categories of information:

- Approved facility limits provided to DCC entities, and current utilisation.
- External counterparty limit utilisation for the DCC Group.
- Measurement of interest rate hedging, maturity profile and liquidity levels against Treasury Risk Management Policy parameters.
- Details of DCC Group FX hedging against policy parameters.
- Quarterly reporting that measures the actual interest cost against interest expense in the current Annual Plan and also current LTP.

Reporting to DCTL board

The DCTL Board will be provided with a monthly report of Treasury activity. The report will include details of any exception to the Treasury Risk Management Policy and information supporting any decisions required of DCTL, DCHL or Council where authority has not been delegated to management.

Performance measurement

Definition for policy purposes

Performance measurement is the analysis of DCTL activity in order to compare actual achievement with the objectives established for its operation. Without such a systematic and objective approach no judgements can be formulated as to achievement, as to whether the DCC is receiving value from DCTL and as to what improvements have been made.

Establishing performance indicators

Performance indicators are established annually in the Statement of Intent. Performance indicators for the treasury functions must:

- be consistent with the objectives established for treasury management and be recast as changes occur in short or long term objectives;
- have a time horizon chosen for measurement purposes which is relevant; and the targets must be achievable; and
- have targets agreed by all involved but at a minimum will compare average all up interest rate (% terms) against current Annual Plan budget and current LTP budget.
- a separate measurement of the performance of the Interest Rate Risk Policy itself (i.e. the success and continued appropriateness of the risk control limits stipulated in the Policy and the performance of working within the Policy limits is desirable. Measuring actual results (e.g. average funding cost should be measured and reported against a Board approved market benchmark.

Performance measurement reporting

A quarterly report to the DCHL and DCTL Boards will update performance against the key indicators agreed.

kaupapa here whakaheke rēti, whakakoreka
rates remission and postponement policy

Purpose

- To support fairness and equity of the rating system.
- To provide certainty about sources and levels of funding.
- To provide financial assistance or support for ratepayers where they might otherwise have difficulty meeting their rate payment obligations.
- To support broader Council policy objectives.

Scope

Dunedin City Council sets rates under section 23 of the Local Government (Rating) Act 2002. Rates are used by Council to fund the balance of its costs once all other funding sources are taken into account.

Section 102 of the Local Government Act 2002 provides that a council may have a rates remission and postponement policy.

This policy contains the full details of each remission and postponement scheme as well as outlining the objectives and criteria for each scheme and applies to every ratepayer or their agent (as defined within the policy).

Once adopted this policy must be reviewed at least once every 6 years.

Definitions

"Financial Hardship" means that the ratepayer is unlikely to have sufficient funds after the payment of rates for the care of any dependents, reasonable living expenses, health care, and provision for the maintenance of their home and chattels.

"Land Use" is whereby a person: leases the land; resides on the land; de-pastures or maintains livestock on the land; stores anything on the land; and/or uses the land in any other way.

"Māori Freehold Land" is land

- that has been investigated by the Māori Land Court and a freehold order has been issued, or
- was set aside by the Crown as Māori freehold land and awarded by Crown Grants to specific individuals, or
- has had the status determined as Māori Freehold Land by order of the Māori Land Court.

Māori Freehold Land is held by individuals who have shares together as tenants in common.

"Multiple Owners" in respect to Māori Freehold Land, is land owned by more than one person.

"Rates instalment notice" is a quarterly rates invoice for a rating unit.

"Rating unit" is the unit of liability (land) that gives rise to the obligation on the ratepayer to pay rates.

"Register" is a database maintained for the purpose of recording properties of which the Council has agreed to remit.

"Remitted Rates" are rates for which the requirement to pay is remitted.

1 General provisions

1.1 All applications under this policy must be made in writing, using the prescribed form unless expressly declared otherwise in this policy. Copies of the prescribed forms may be obtained from the Council Offices or Customer Service Centres.

1.2 All applications must be made by the ratepayer or their authorised agent, (but exclude a mortgagee of the ratepayer).

1.3 A reference to a ratepayer is reference to all persons entered on the Council's rating information database in respect of that rating unit.

1.4 All applications will be considered on their individual merits and on a case by case basis.

2 Remission of rates for extreme financial hardship

Objective

2.1 To assist ratepayers experiencing extreme financial hardship while providing for the collection of rates.

Conditions and Criteria

2.2 Applications for remission of rates for an amount of up to one rate instalment may be made by a ratepayer (or their agent) where the following can be demonstrated to the Council's satisfaction:

- 2.2.1 That the rating unit to which the application relates is the primary private residence owned and occupied by them, or farmland occupied by the ratepayer.
- 2.2.2 The ratepayer does not own (or have an interest in) any other rating units, including investment properties (whether in the district or another), with the exception of farmland which may include several rateable units that are used as one farming unit.
- 2.2.3 The ratepayer does not have the financial capacity to pay their rates instalment when demanded or the payment of the rates instalment would create extreme financial hardship for the ratepayer.
- 2.2.4 The remission will apply for the rating year in which the application is made.
- 2.2.5 The ratepayer is not in arrears from a previous rating year.

3 Postponement of rates for extreme financial hardship

Objective

3.1 To assist ratepayers to continue to live in their own home where they are experiencing financial hardship which temporarily affects their ability to pay rates.

Conditions and criteria

3.2 Applications for the postponement of up to 100% of rates may be made by a ratepayer (or their agent) who can demonstrate the following to the Council's satisfaction:

- 3.2.1 That the rating unit to which the application relates is the primary private residence owned and occupied by the ratepayer, or is farmland occupied by them.
- 3.2.2 There are no outstanding rate arrears owed in respect of the rating unit.
- 3.2.3 The ratepayer does not own (or have an interest in) any other rating units or investment properties (whether in the district or another), with the exception of farmland which may include several rateable units that are used as one farming unit.
- 3.2.4 The ratepayer does not have the financial capacity to pay their rates, or the payment of rates would create financial hardship.

3.3 The ratepayer may be required to make arrangements acceptable to the Council, for payment of future rates.

3.4 Any postponement will continue to apply until the earliest of the following:

- 3.4.1 the death of the ratepayer(s); or
- 3.4.2 the ratepayer(s) cease to be the owner or occupier of the rating unit; or
- 3.4.3 the ratepayer(s) cease to use the property as his/her residence; or
- 3.4.4 a date specified by the Council; or
- 3.4.5 at the ratepayer's request.

3.5 The Council may charge an annual fee to cover the Council's administrative and financial costs, on postponed rates for the period that the rates are postponed.

3.6 The postponed rates or any part thereof may be paid at any time. The ratepayer may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this policy.

3.7 Postponed rates will be registered as a statutory land charge on the rating unit title. This means that the Council will have first call on the proceeds from the sale or lease of the rating unit. All costs associated with the statutory land charge, including but not limited to preparation and registration of the statutory land charge, will be met by the ratepayer.

3.8 A postponement will apply from the beginning of the rating year in which the application is made and will end at the conclusion of the rating year.

3.9 Penalties will not be applied or will be remitted for any rates that have been postponed.

3.10 The Council may require a ratepayer to make an application each year for continued postponement.

3.11 The ratepayer agrees to meet any Council costs associated with granting the postponement.

4 Remission of penalties

Objective

4.1 To set parameters for the Council to remit penalties where it is fair and equitable to do so, and to encourage ratepayers to pay arrears and keep payment up to date.

Conditions and criteria

4.2 Applications for the remission of up to 100% of any penalties can be made by a ratepayer who can demonstrate that they meet one or more of the following criteria:

- 4.2.1 Compassionate reasons (including the illness or death of a spouse or partner).
- 4.2.2 The rate account went to the wrong address.
- 4.2.3 The ratepayer did not receive an account.
- 4.2.4 The Council made a mistake.
- 4.2.5 Previous owners did not pay rates in full before property sale was completed.

4.2.6 Monies received on time but credited to a different rate account due to a ratepayer supplying an incorrect reference number.

4.2.7 Previous history of prompt payment and is paying the rate account within 10 days of the instalment due date, or as soon as practicable and offers a reasonable excuse for tardiness.

4.3 An application for this remission need not be in writing unless the penalty is in excess of $100.

4.4 Penalties will not be applied where a ratepayer has entered into a repayment agreement satisfactory to Council and makes the agreed regular rate payments.

4.5 Where a ratepayer has not paid the first instalment by the due date of that instalment but pays the total annual rates and charges by the second scheduled instalment due date, late payment penalties on the first instalment will be remitted.

5 Remission for certain targeted rates on farmland

Objective

5.1 To support fairness and equity of the rating system by providing for relief from certain targeted rates for rural land, which is non-contiguous, farmed as a single entity and owned by the same ratepayer.

Conditions and criteria

5.2 Applications for 100% remission of applicable targeted rate(s) may be received from ratepayers of rural land, which is non-contiguous, farmed as a single entity and owned by the same ratepayer.

5.3 Applications may be made in respect of any targeted rate set on the basis of a fixed dollar charge per rating unit. The ratepayer will remain liable for at least one set of each type of charge and must meet the following criteria:

5.3.1 The rating units must be owned by the same ratepayer.

5.3.2 Only one of the units may have any residential dwelling situated on the rating unit which is occupied by the ratepayer as their principal private residence.

5.4 Where any of the rating units lies within the district of an adjoining Local Authority which applies their sets of Targeted Rates to the rating units in the District, the Council may wave the applicable targeted rate(s) on those rating units.

5.5 If a remission is approved, the ratepayer will only be charged one set of targeted rates each rating year.

5.6 A remission will apply from no later than the beginning of the next rating year commencing 1st July from which the application is made until the occupier no longer meets the criteria above.

6 Remission for certain targeted rates on farmland and commercial land used by the same ratepayer as a single entity

Objective

6.1 To support fairness and equity of the rating system by providing relief from certain targeted rates on Farmland and Commercial properties where the ratepayer occupies and uses the adjoining land as one unit.

Conditions and criteria

6.2 Applications for 100% remission of applicable targeted rate(s) may be received from ratepayers of rural land, which is contiguous, farmed as a single entity and owned by the same ratepayer.

6.3 Applications may be made in respect of applicable targeted rate(s) set on the basis of a fixed dollar charge per rating unit. The ratepayer will remain liable for at least one set of each type of charge.

6.4 The granting of this remission is subject to all of the following conditions:

6.4.1 all Rating Units must be occupied by the same ratepayer

6.4.2 all Rating Units must be used by the ratepayer as a single entity

6.4.3 all Rating Units must be contiguous or separated only by road, railway, drain, water race, river or stream

6.4.4 the number of Community Services Targeted rates is limited to the number of inhabited dwellings on each rating unit

6.4.5 the occupier is unable to negotiate a lease compliant with the Local Government (Rating) Act 2002.

6.5 If a remission is approved, the ratepayer will only be charged one set of targeted rates each rating year.

6.6 A remission will apply from no later than the beginning of the next rating year commencing 1st July from which the application is made until the occupier no longer meets the criteria above.

7 Remission of certain targeted rates for a family flat

Objective

7.1 To support fairness and equity of the rating system by providing relief from certain targeted rates where the ratepayer occupies and uses a second self-contained dwelling on their property for family use and does not rent the flat on the open market separately from the main dwelling.

Conditions and criteria

7.2 Applications for 100% remission of applicable targeted rate(s) may be received from ratepayers that have a second self-contained dwelling on their property, owned by the same ratepayer.

7.3 Applications may be made in respect of any targeted rate set on the basis of a fixed dollar charge per rating unit. The ratepayer will remain liable for at least one set of each type of charge.

7.4 The granting of this remission is subject to all of the following conditions:

7.4.1 all Rating Units must be occupied by the same ratepayer

7.4.2 all Rating Units must be used by the ratepayer as a single entity

7.4.3 the number of Community Services Targeted rates is limited to the number of inhabited dwellings on each rating unit

7.5 If a remission is approved, the ratepayer will only be charged one set of targeted rates each rating year.

7.6 A remission will apply from no later than the beginning of the next rating year commencing 1st July from which the application is made until the occupier no longer meets the criteria above.

8 Remission of rates on land voluntarily protected for conservation purposes

Objective

8.1 The policy is intended to support the Council's goal –

"To promote a quality environment and sustainable management of our resources by ensuring that existing values are not compromised and by encouraging improvement."

8.2 To encourage property owners to protect and preserve open spaces within the city for the benefit and enjoyment of present and future generations of the people of Dunedin.

Conditions and criteria

8.3 On application by the ratepayer the Council may remit 100% of rates for any period where a rating unit meets the following criteria:

8.3.1 The rating unit is within the city. It may be a part of a larger property in which case the area concerned shall be separately rated; and

8.3.2 The rating unit is an area of land listed in Schedule 25.4 of the District Plan as an area of significant conservation value or the landowner has agreed for the land to be so listed; and

8.3.3 The conservation of the rating unit contributes to the benefit and enjoyment of citizens of Dunedin by preserving particular natural or historic or cultural features within the district. This could include, but is not limited to, the following features:

- A specific area of forest or bush; or
- A specific visual or scenic feature of the landscape; or
- Any specific feature the conservation of which, in the view of the Council, meets the Council's goal in regard to the environment.

8.4 When determining an application, the Council shall have regard to the following matters:

8.4.1 the desirability of preserving particular natural or historic or cultural features within the district

8.4.2 whether, and to what extent, the preservation of particular natural or historic or cultural features might be prejudicially affected if rates remission is not granted in respect of the land on which they are situated

8.4.3 whether, and to what extent, preservation of particular natural or historic or cultural features are likely to be encouraged by the granting of rates remission

8.4.4 the extent to which the preservation of different types of natural, historic, and cultural features should be recognised by different criteria and conditions for rates remission, and whether different levels of rates remission should apply

8.4.5 the extent to which rates remission should be available where the preservation of natural or historic or cultural features does not restrict economic utilisation of the land;

8.4.6 such other matters as the Council considers relevant.

8.5 The Council may impose conditions on a property owner when granting relief.

Explanatory Note - Where the rating unit is owned or used by and for the purposes of the Queen Elizabeth the Second National Trust it is non-rateable under the Local Government (Rating) Act 2002

9 Remission of rates following a natural disaster or calamity

Objective

9.1 To provide rates relief to ratepayers where the use of any rating unit has been detrimentally affected by erosion, subsidence, submersion or any natural disaster, and where Government funds that rates relief.

Conditions and criteria

9.2 An application may be made by a ratepayer for remission of up to 100% of their rates for the period for which the rating unit is uninhabitable or the use is detrimentally affected by erosion, subsidence, submersion or any natural disaster.

9.3 The remission will apply only to each single event and to the rating unit affected by such an event.

9.4 The granting of this remission is subject to all of the following conditions:

9.4.1 The Government has established and approved a reimbursement scheme for rates remitted for such properties

9.4.2 Applications for this remission must be in writing describing the nature of the event, the steps being taken to return the rating unit to a usable state and provide an estimate of the time the rating unit is expected to be affected.

9.4.3 All applications must be made within three (3) months of the event.

9.4.4 Council can set additional criteria for each event, as criteria may change depending on the nature and severity of the event and available funding at the time.

9.5 Council may require other records, such as Insurance claims, as part of the approval process

10 Remission of rates for unexpected events

Objective

10.1 To support fairness and equity of the rating system by providing rate relief for any unexpected event where it may be considered appropriate to do so.

Criteria

10.2 Council may resolve to remit any rate or rate penalty for any unexpected event, where it considers that is appropriate, fair and equitable to do so.

11 Remission of rates on Māori freehold land

Objective

11.1 The objectives of this policy are to:

11.1.1 Recognise situations where there is no occupier or person gaining an economic or financial benefit from the land.

11.1.2 Recognise situations where land use is limited due to the physical accessibility of the land.

11.1.2 Recognise situations where land use is limited due to the marginal quality of the land.

11.1.4 Recognise situations where there are no practical means of enforcing the rates assessed due to the dispersion of multiple owners.

11.1.5 To account for the importance of the land relating to the preservation of the natural character of the coastal environment, the protection of outstanding natural features and the protection of significant indigenous vegetation and significant habitats of indigenous fauna; and land that is set aside as whenua rāhui.

11.1.6 Encourage owners or trustees to use or develop the land.

Conditions and Criteria

11.2 Applications may be made to remit all or part of the rates (including penalties for unpaid rates) on Māori freehold land

11.3 A register titled the Māori Freehold Land Rates Remission Register ("the Register") will be maintained by Council to record properties for which it has agreed to remit rates pursuant to this policy.

11.4 Rates may only be remitted where the rating unit has been entered onto the Register.

11.5 The criteria for eligibility for entry to the Register are as follows:

11.5.1 The land listed on the application must be Māori Freehold Land.

11.5.2 The matters listed in Schedule 11 of the Local Government Act 2002 will be taken into account.

11.5.3 The land must be unoccupied by any persons, with no place of residence built thereon.

11.5.4 No income is derived from any use of the land.

11.6 The Council reserves the right to seek further information as the Council deems necessary.

11.7 The application must include reasons why the remission is sought and demonstrate the objectives of this policy that will be achieved by the granting of the rates remission.

11.8 Where the land is vested in multiple owners, a copy of the minutes authorising individuals to act for the other owners should be enclosed, if it can be practicably obtained.

11.9 The Register will be reviewed annually, and eligible landowners may need to re-apply at the request of the Council. If the land has been developed within this period and/or any use of the land has become capable of generating an income, the rates will cease to be remitted from 1 July the following year.

11.10 The Council may at its own discretion add the land to the Register without an application, if it is considered reasonable in the circumstances to do so in accordance with the eligibility requirements in Clause 11.5.

11.11 The extent of the rates remission is at the sole discretion of the Council. This policy does not provide for the permanent remission of rates and the remission may be cancelled or reduced at any time.

12 Postponement of rates for Māori freehold land

12.1 There is no specific policy for the postponement of rates on Māori freehold land, however, other Council rates postponement policies may apply.

kaupapa here takoha whakawhanaketaka development contributions policy

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

Reserves and Community Infrastructure	Utilities (Water supply, wastewater and stormwater)	Transportation
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.

Reserves and Community Infrastructure	Utilities (Water supply, wastewater and stormwater)	Transportation
Section 101(3)(a)(i) the community outcomes to which the activity primarily contributes;		
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
Section 101(3)(a)(ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals;		
Existing community and growth community 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. 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: • Growth • Level of Service • Renewal The growth costs provide for new or additional assets or assets of increased capacity to meet the demands growth places on community facilities.		
Areas of benefit 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.		
The DCC intends to use two areas of benefit for Reserves and Community Infrastructure to distribute the benefits: • Dunedin Metropolitan • Dunedin Other 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. The growth costs for each project have been apportioned to both areas based on the following variables: • Location of capital works • Cross border benefit/utilisation between the two areas	The DCC intends to use the scheme boundaries to define the areas of benefits for the Water Supply and Wastewater contributions. These are: Water Supply • Dunedin Central (Greenfields and Brownfields) • Rockland Rural • Waikouaiti and Karitane • West Taieri Wastewater • Dunedin Central (Greenfields and Brownfields) • Middlemarch • Seacliff • Waikouaiti/Karitane and Warrington 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.	The DCC intends to use two areas of benefit for Transportation to distribute the benefits: • Dunedin Metropolitan • Dunedin Other 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. The growth costs for each project have been apportioned to both areas based on the following variables: • Location of capital works • Cross border benefit/utilisation between the two areas

Reserves and Community Infrastructure	Utilities (Water supply, wastewater and stormwater)	Transportation
Section 101(3)(a)(iii) the period in or over which those benefits are expected to occur;		
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. Once a development contribution has been paid in relation to a development, the benefits of the asset, service, or environmental enhancement shall occur indefinitely.		
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;		
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. 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.		
Land Use Categories 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.		
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
Section 101(3)(a)(v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities;		
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.		
Section 101(3)(b) the overall impact of any allocation of liability for revenue needs on the community;		
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(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 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 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:

$$\textit{Standard Contribution} = \frac{\textit{Sum of Growth Costs Consumed in Analysis Period}}{\textit{Sum of New Equivalent Household Units in Analysis Period}}$$

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:

Growth Cost Consumed = Standard Contribution ($/EHU) x 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	$0		$0	$1,620	$200	$220	$2,040
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 100m² 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 100m² GFA	0.93 EHU per property	0.99 EHU per 100m² GFA	0.34 EHU per 100m² ISA	0.29 EHU per 100m² GFA	0.37 EHU per 100m² GFA	0.30 EHU per 100m² GFA	0.30 EHU per 100m² GFA	0.66 EHU per 100m² GFA	0.60 EHU per 100m² GFA
Commercial	0.19 EHU per 100m² GFA	0.94 EHU per property	0.31 EHU per 100m² GFA	0.34 EHU per 100m² ISA	5.42 EHU per 100m² GFA	3.17 EHU per 100m² GFA			0.05 EHU per 100m² GFA	0.05 EHU per 100m² GFA
Farming	0.86 EHU per dwelling	0.41 EHU per property	1.48 EHU per dwelling	0 EHU per 100m² 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 100m² GFA	0.90 EHU per property	0.58 EHU per 100m² GFA	0.34 EHU per 100m² ISA	2.75 EHU per 100m² GFA	3.48 EHU per 100m² GFA			0.03 EHU per 100m² GFA	0.03 EHU per 100m² GFA
Otago University /Polytechnic – Other	0.16 EHU per 100m² GFA	0.94 EHU per property	0.28 EHU per 100m² GFA	0.34 EHU per 100m² ISA	1.85 EHU per 100m² GFA				0.05 EHU per 100m² GFA	
Otago University /Polytechnic – Accommodation	0.61 EHU per 100m² GFA	0.93 EHU per property	1.09 EHU per 100m² GFA	0.34 EHU per 100m² ISA	0.69 EHU per 100m² GFA		0.60 EHU per 100m² GFA		0.82 EHU per 100m² 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 form 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.

- 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 5: 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* 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 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 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:

- the development contribution was incorrectly calculated or assessed under the territorial authority's development contributions policy; or
- the DCC incorrectly applied its development contributions policy; or
- 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 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:

- 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
- 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 distributers 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

Water Supply - Area of Benefit	Total Capex	Total Growth Capex	Analysis Window Growth Capex (including interest)	Analysis Period EHUs	Charge per EHU
Dunedin Central Brownfields (Dunedin Metro, Mosgiel, Waitati, Warrington, Merton and Seacliff)	**384,270,556**	**34,500,139**	**10,585,757**	**3,346**	**3,164**
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
Rocklands Rural	**0**	**0**	**0**	**0**	**0**
Future Expenditure	0	0	0	0	0
Historic Expenditure	0	0	0	0	0
Interest	0	0	0	0	0
Waikouaiti and Karitane	**11,586,914**	**1,211,047**	**120,700**	**83**	**1,456**
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
West Taieri	**6,672,017**	**1,492,389**	**109,102**	**11**	**9,986**
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
Greenfields	**3,079,209**	**3,079,209**	**1,242,496**	**1,673**	**743**
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

Table 7: Wastewater

Wastewater - Area of Benefit	Total Capex	Total Growth Capex	Analysis Window Growth Capex (including interest)	Analysis Period EHUs	Charge per EHU
Dunedin Central Brownfields (Tahuna, Green Island, Mosgiel)	**400,691,946**	**43,863,994**	**14,579,592**	**3,660**	**3,983**
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
Greenfields	**5,525,017**	**5,525,017**	**2,088,960**	**1,830**	**1,141**
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
Waikouaiti and Karitane	**5,665,439**	**261,203**	**112,695**	**77**	**1,455**
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
Middlemarch	**2,808,556**	**148,718**	**147,276**	**16**	**8,979**
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
Seacliff	**343,686**	**99,437**	**14,812**	**4**	**3,554**
Future Expenditure	0	0	0	4	0
Past Expenditure	343,686	99,437	14,812	4	3,554
Interest			0	4	0
Warrington	**3,439,993**	**340,245**	**253,847**	**27**	**9,541**
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

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

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

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

Table 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

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

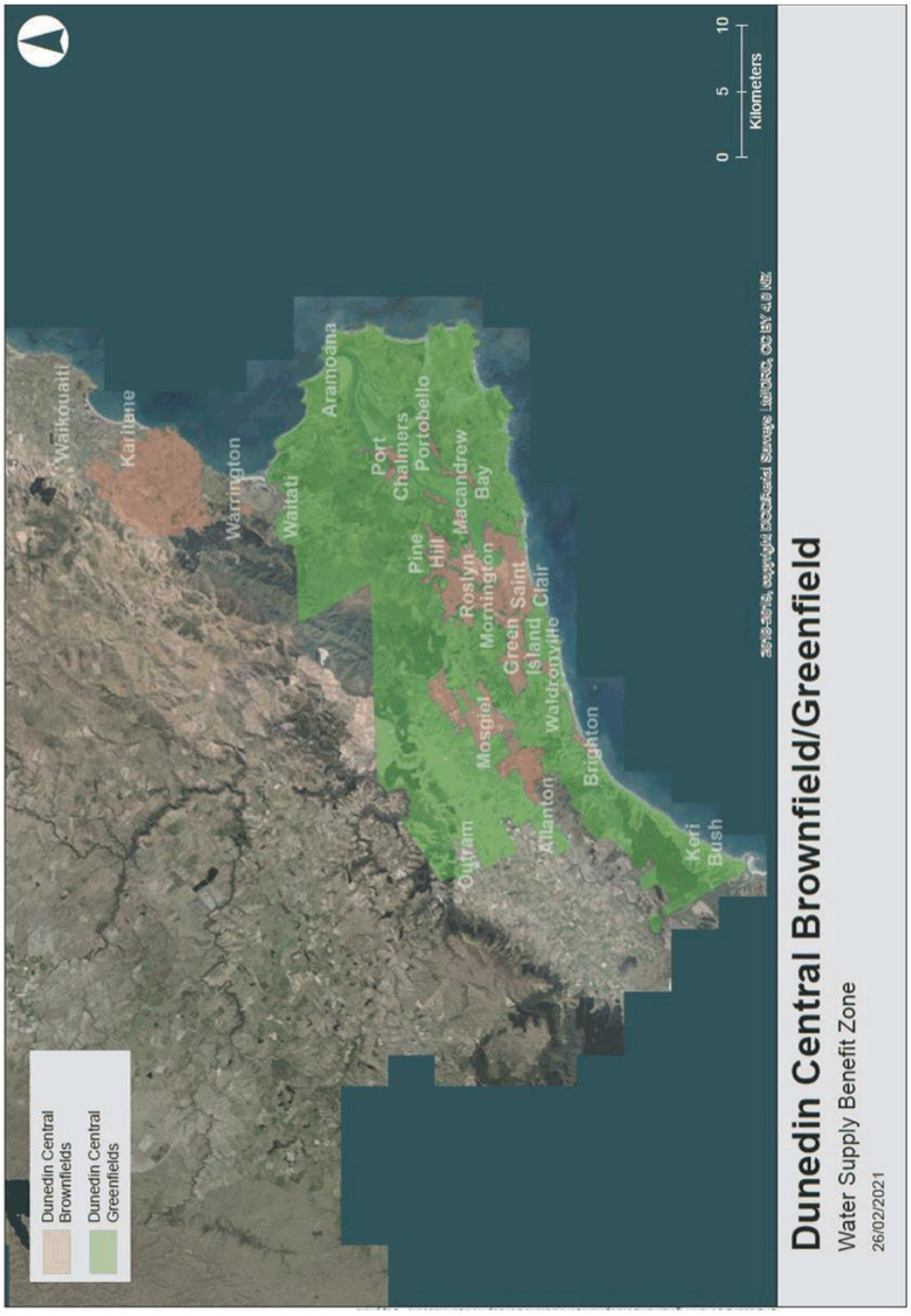
Transportation, Community Infrastructure and Reserves Areas of Benefit Maps

Dunedin Metropolitan
Dunedin Other

Mosgiel Plan Change Area of Benefit Maps

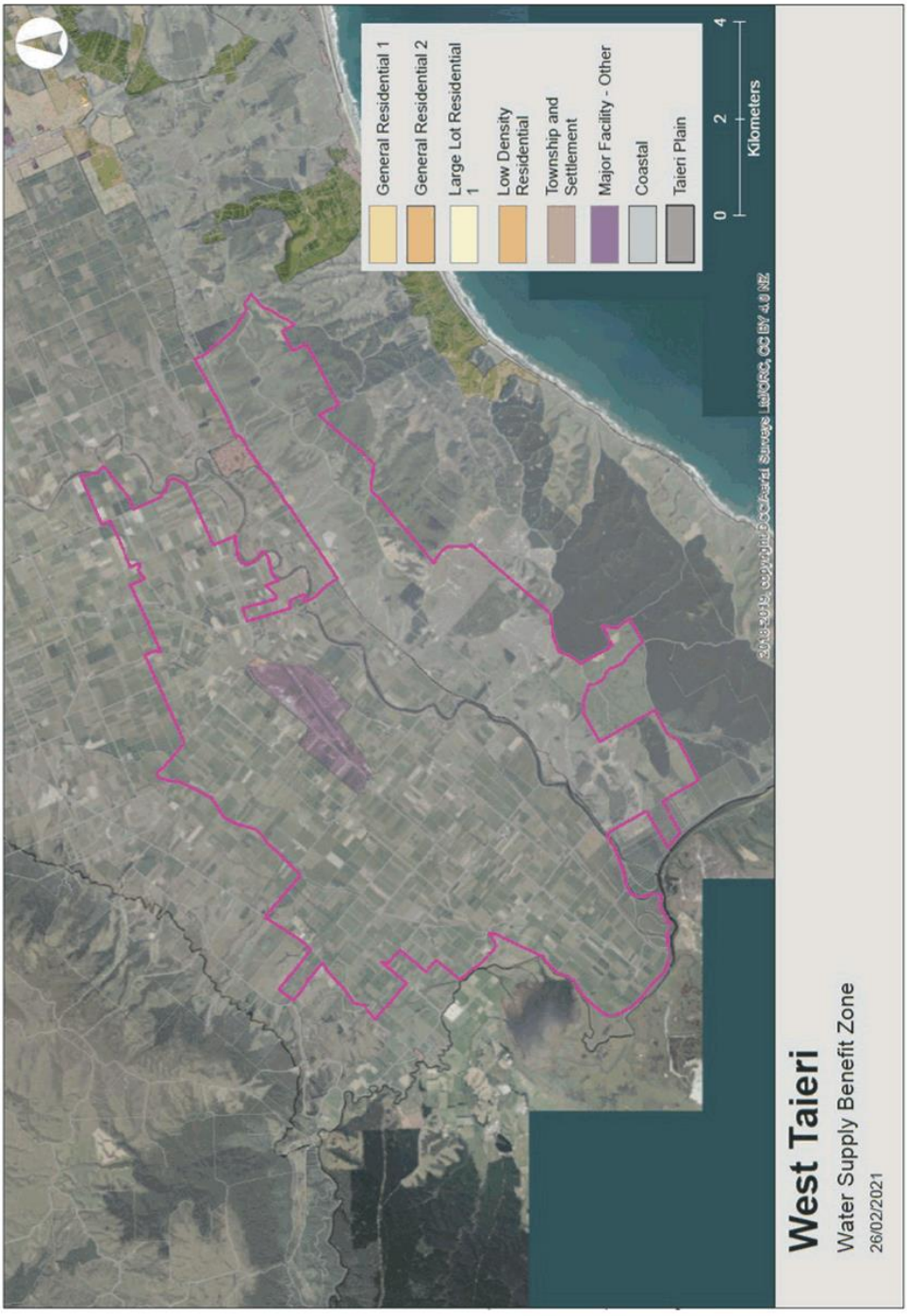
Mosgiel East – Local Reserves, Transportation, Stormwater and Wastewater
Mosgiel West - Local Reserves, Transportation, Stormwater and Wastewater
Mosgiel East C Waste Supply and Wastewater
Mosgiel Variation 9B Water Supply and Wastewater

Map 1: Dunedin Central (Greenfield and Brownfield) – Water supply

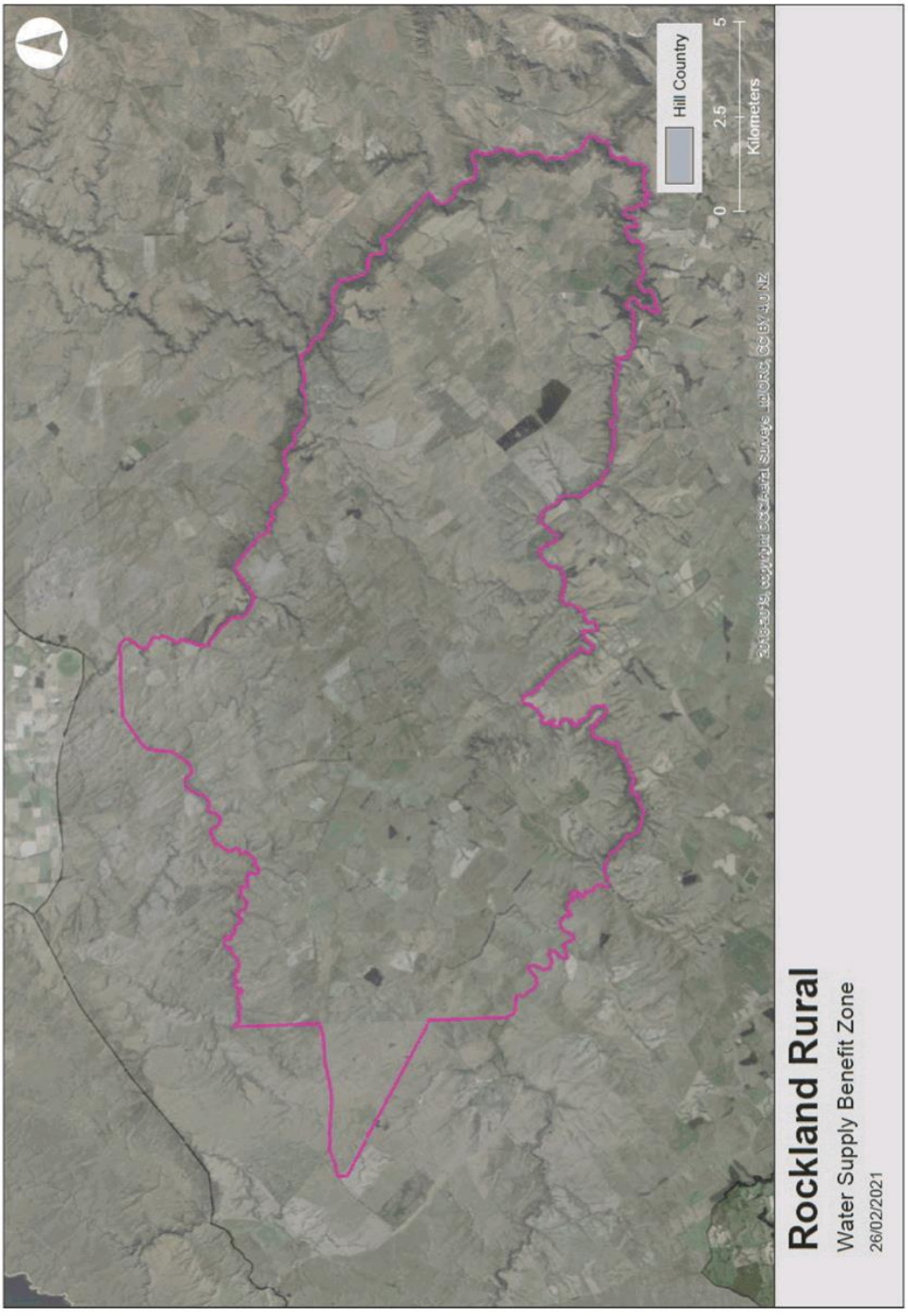


Map 2: Outram – Water Supply

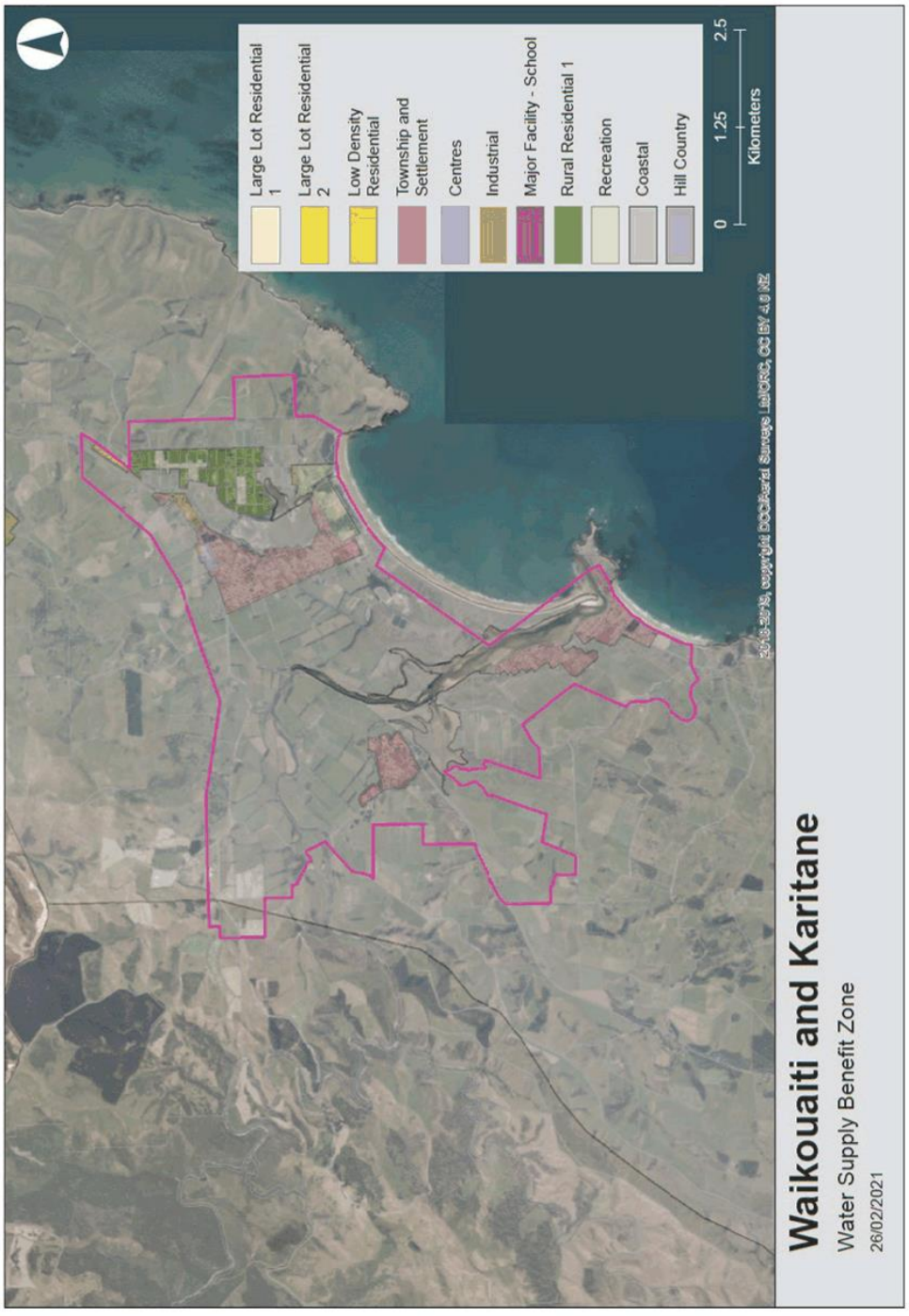
Map 3: West Taieri – Water Supply



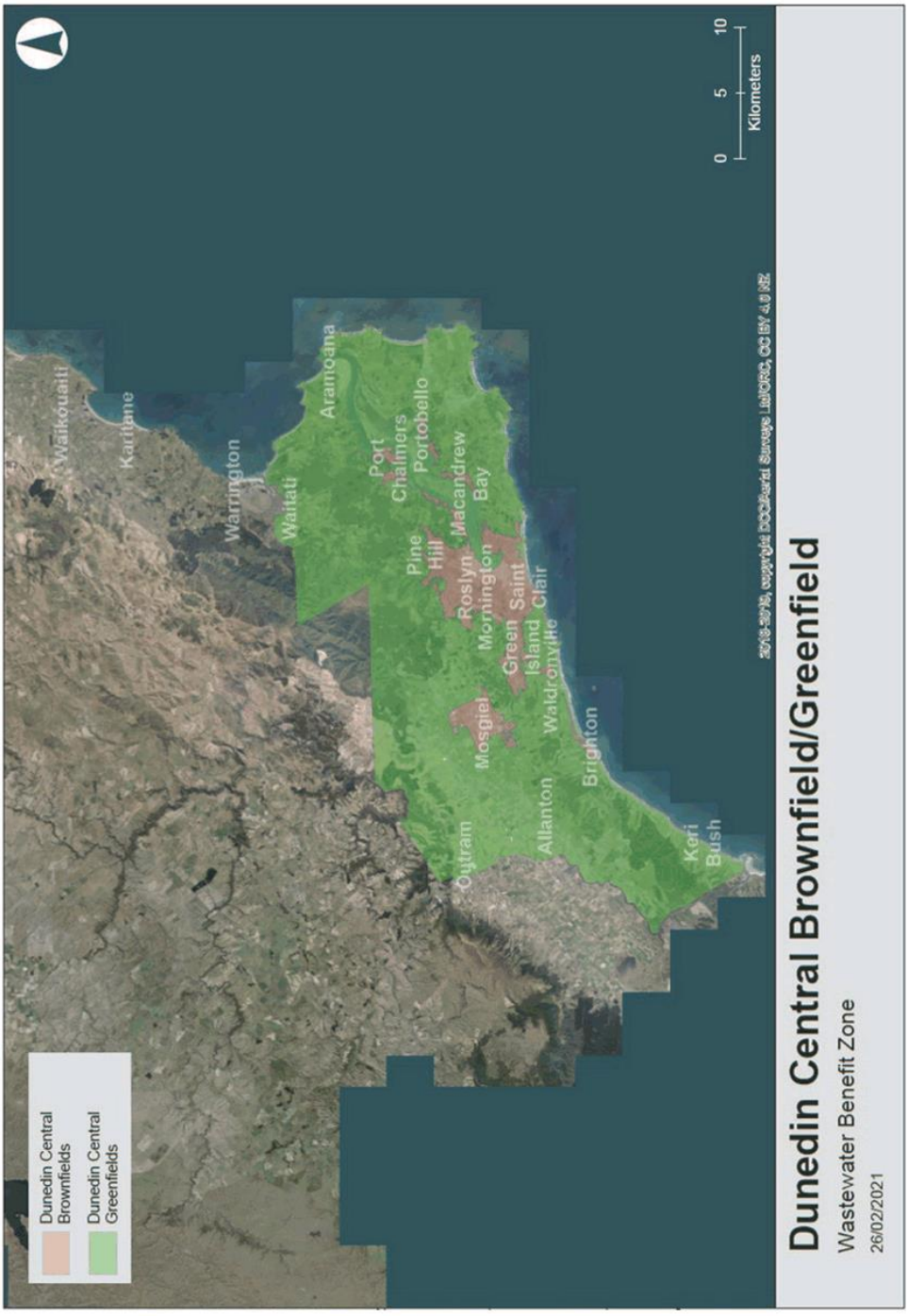
Map 4: Rockland Rural – Water Supply



Map 5: Waikouaiti and Karitane – Water Supply



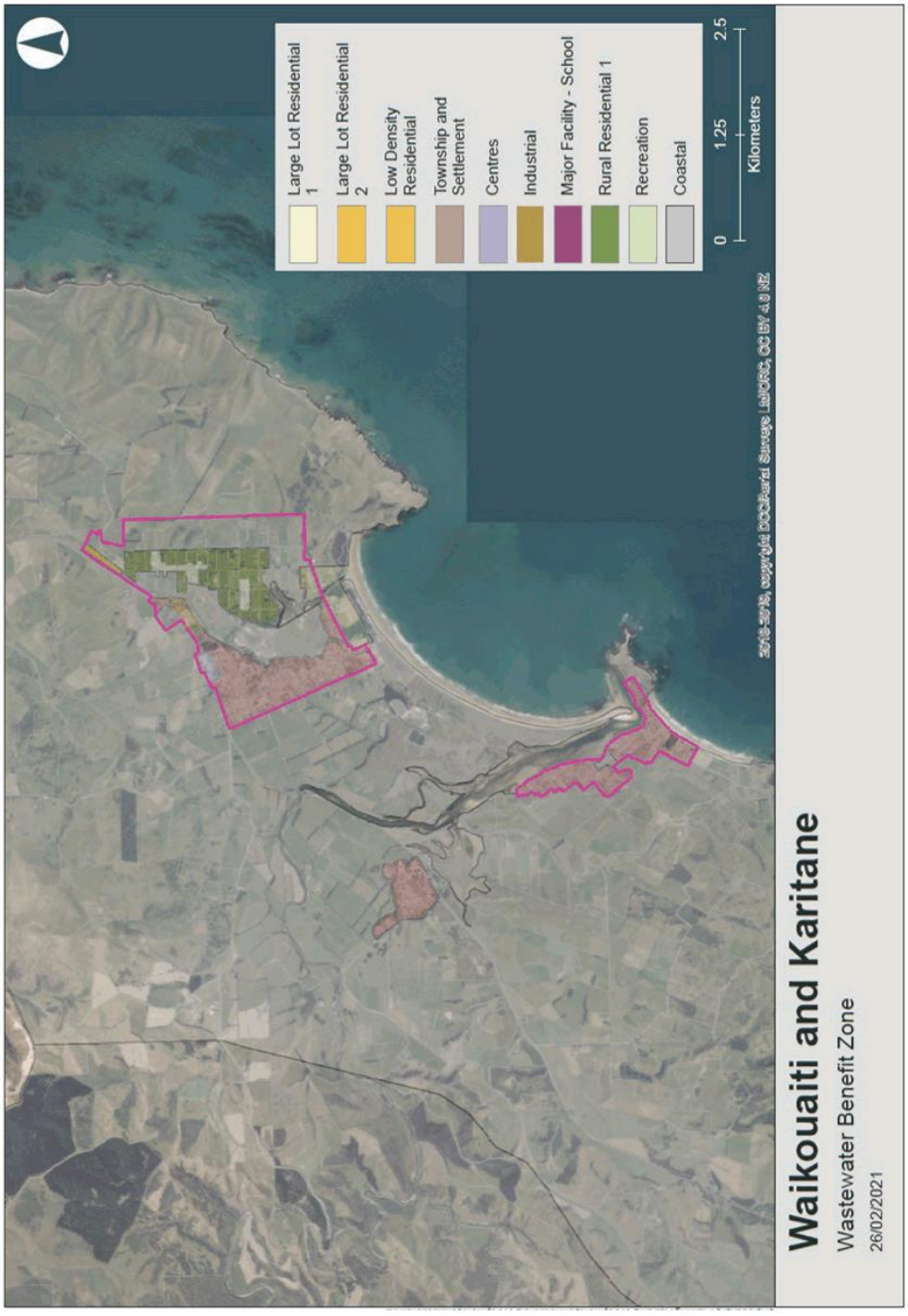
Map 6: Dunedin Central (Greenfield and Brownfield) – Wastewater



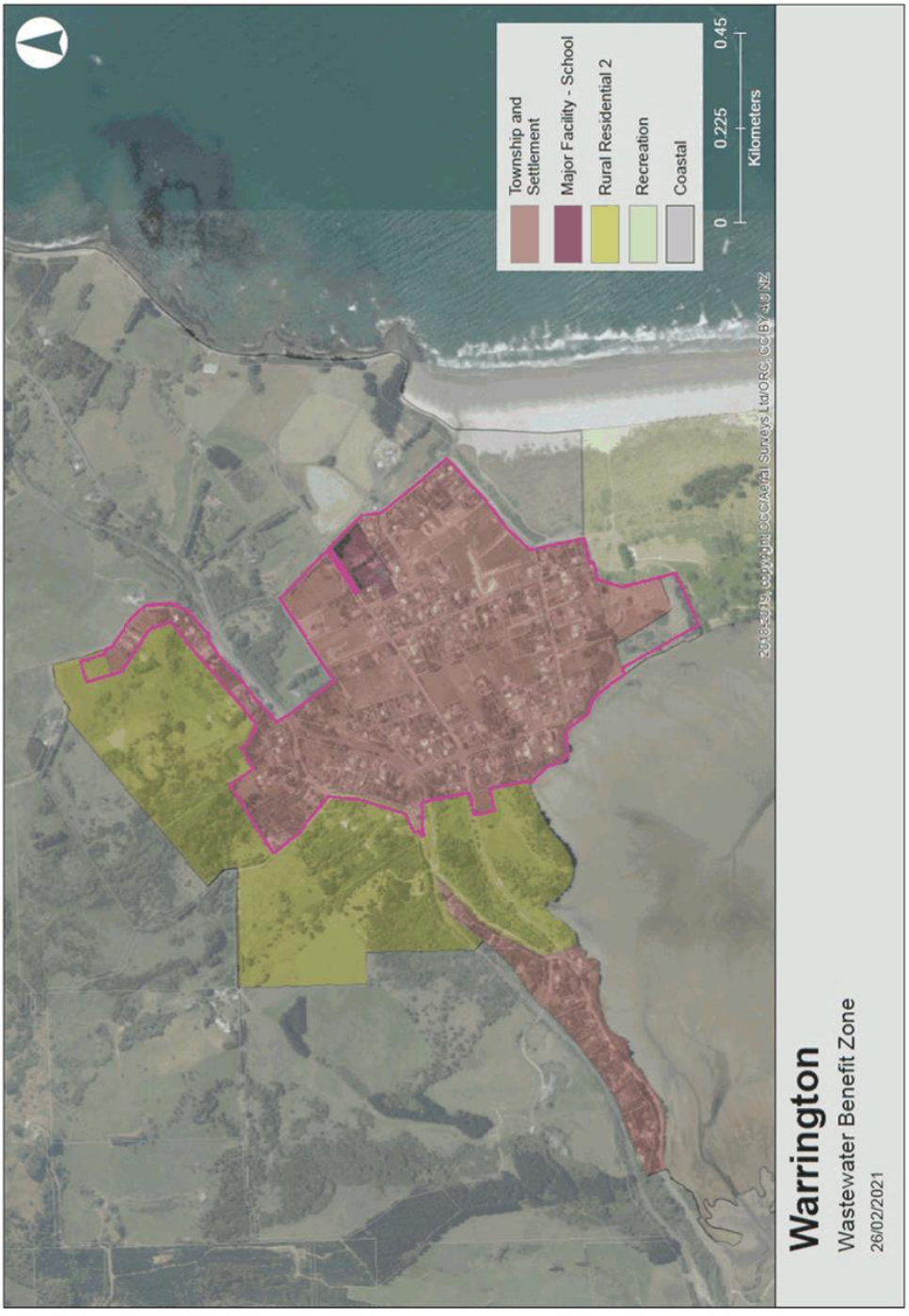
Map 7: Middlemarch – Wastewater

Map 8: Seacliff – Wastewater

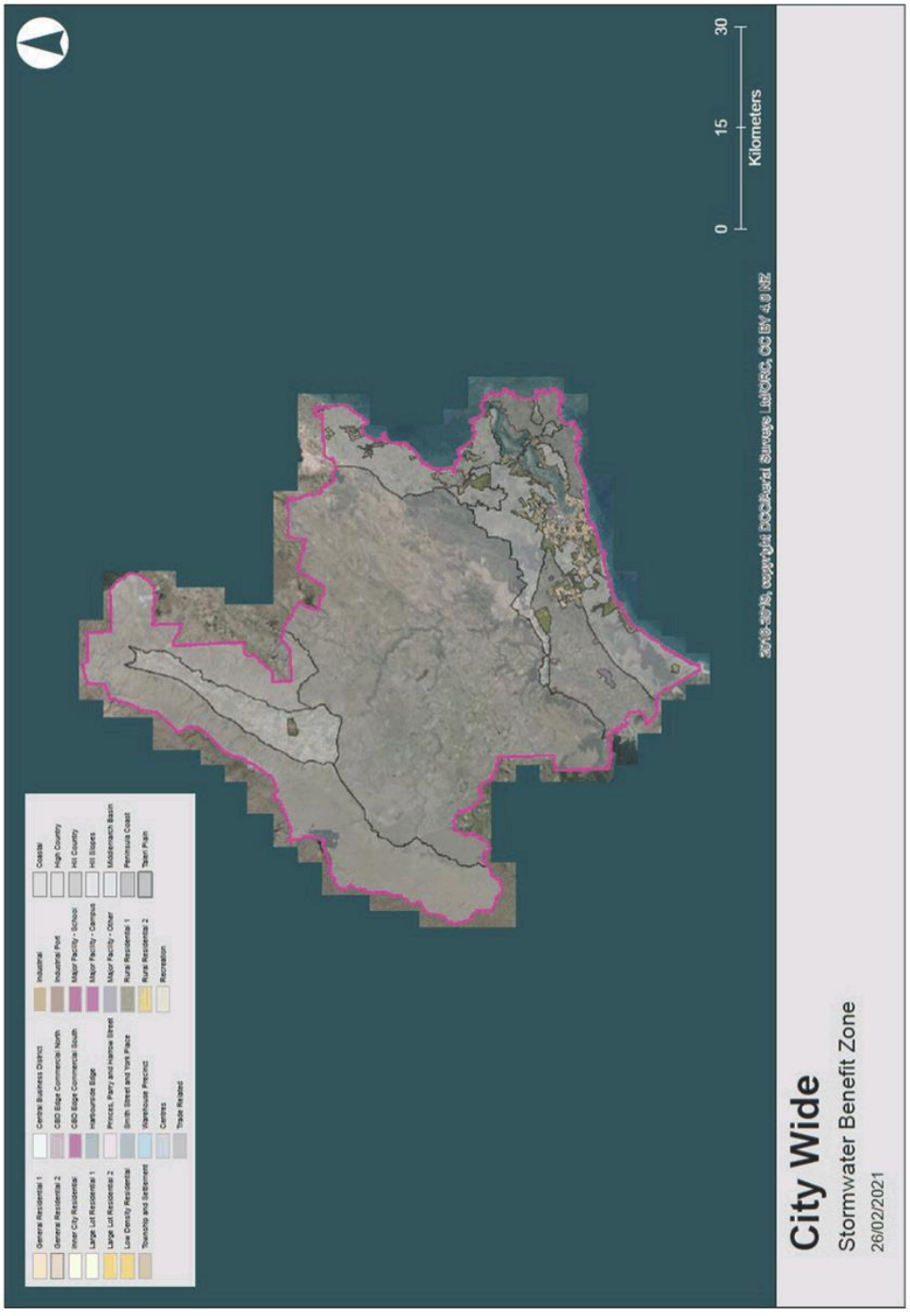
Map 9: Waikouaiti and Karitane – Wastewater



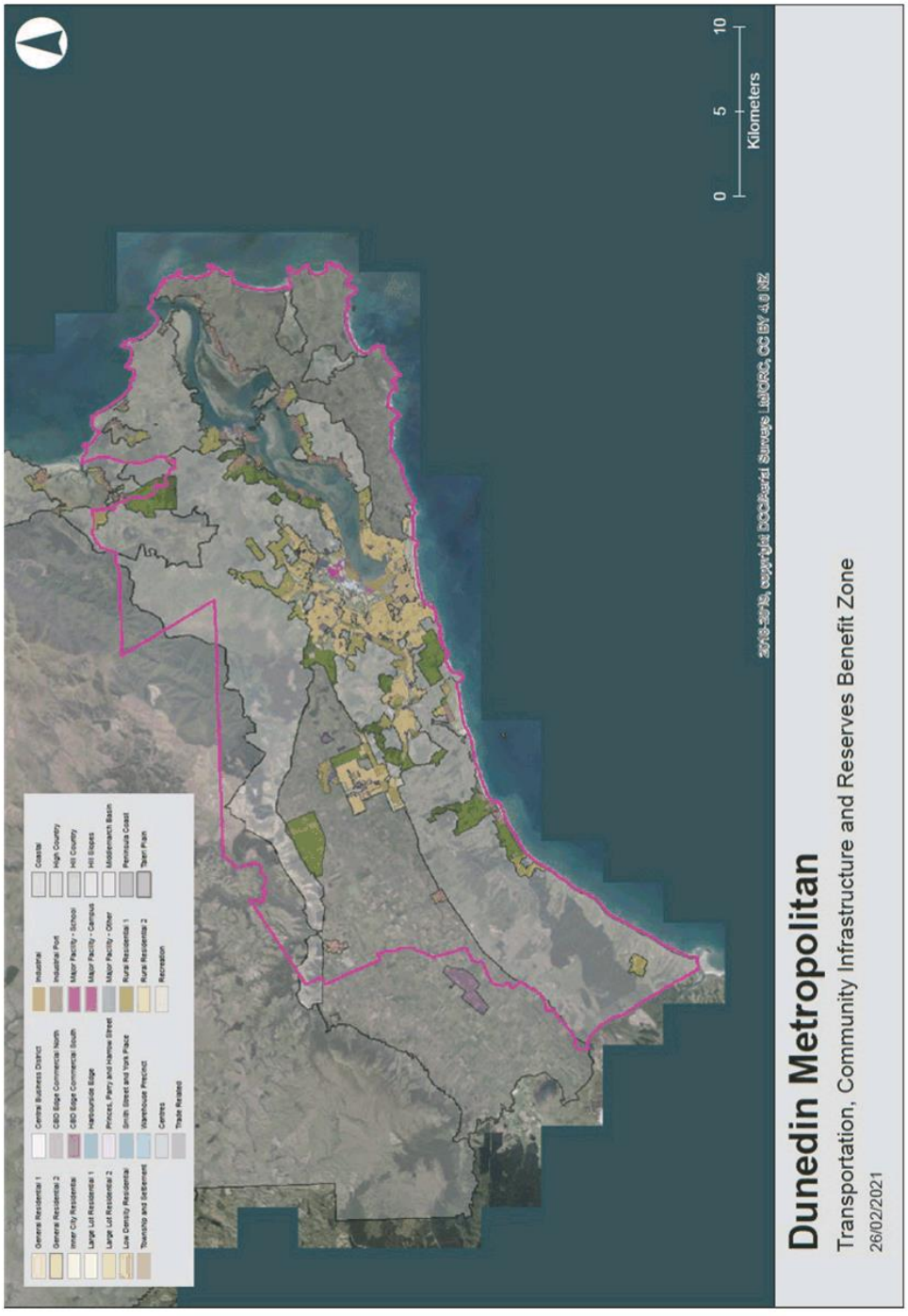
Map 10: Warrington – Wastewater



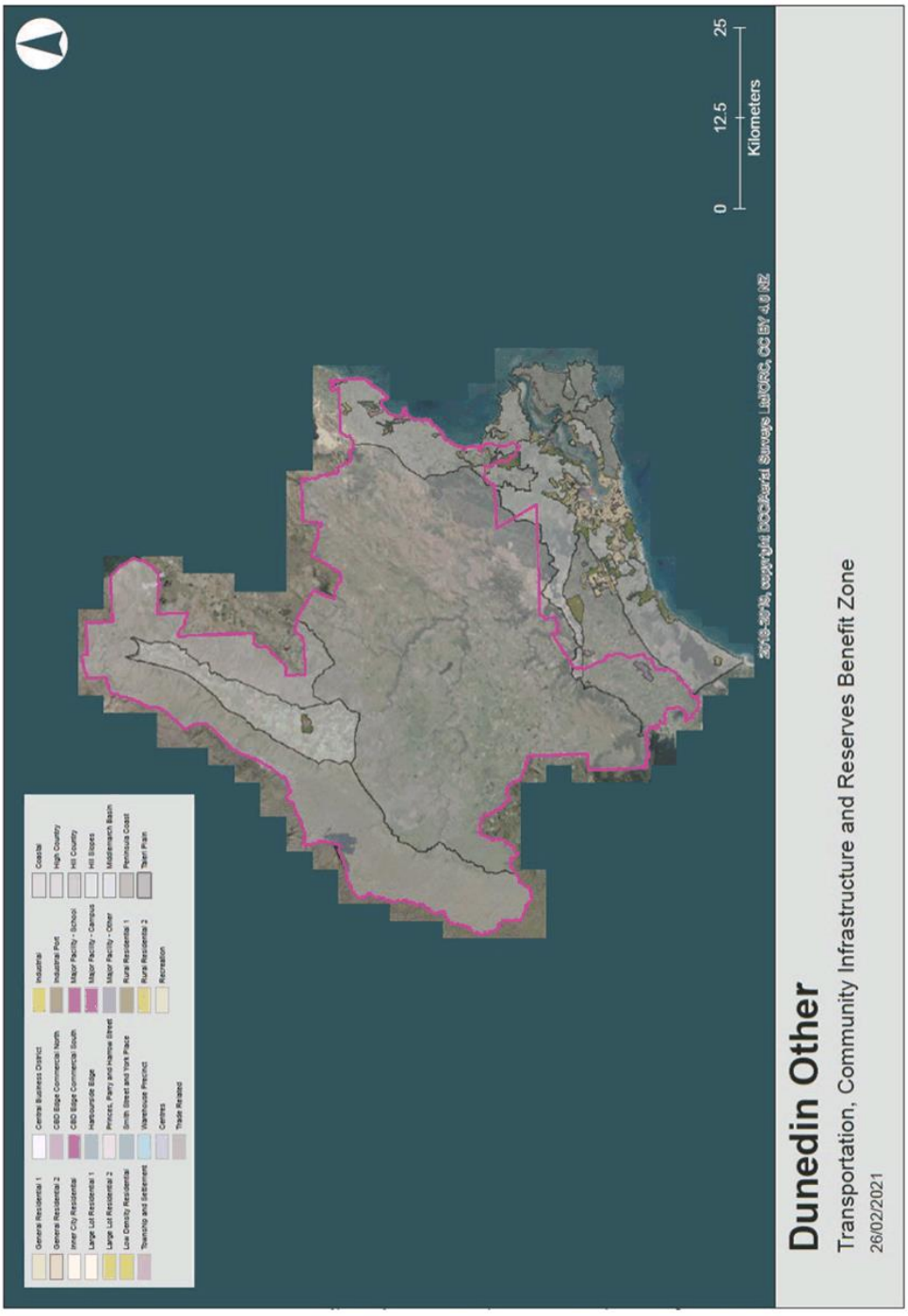
Map ll: City Wide -Stormwater



Map 12: Dunedin Metropolitan -Transportation community infrastructure and reserves areas



Map 13: Dunedin Other -Transportation community infrastructure and reserves areas



Mosgiel Plan Change areas of benefit

Map 1: Mosgiel East – Local Reserves, Transportation, Stormwater and Wastewater

Mosgiel Plan Change areas of benefit

Map 2: Mosgiel West - Local Reserves, Transportation, Stormwater and Wastewater

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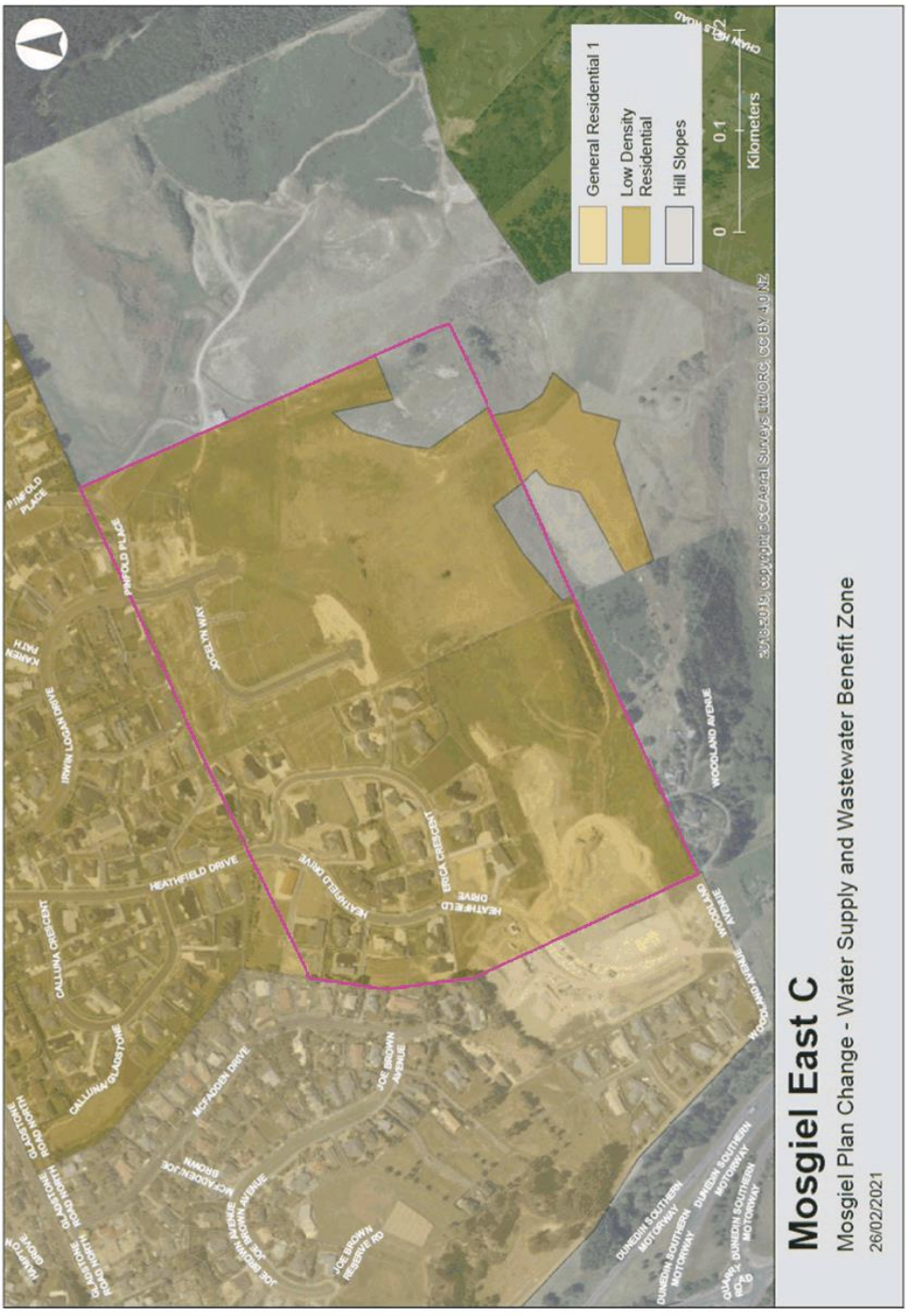
Mosgiel Plan Change areas of benefit

Map 3: Mosgiel East C Waste Supply and Wastewater



Mosgiel Plan Change areas of benefit

Map 4: Mosgiel Variation 9B Water Supply and Wastewater

kaupapa here hirahira whakatūtaka significance and engagement policy

Purpose

The Dunedin City Council will consider community views when making decisions. This Policy establishes a general approach for determining the significance of Council decisions and sets out when and how the Council will engage the community in its decision-making relative to the significance of the decision.

The objectives of this Policy are:

- To establish a process for determining the significance of a decision.
- To support public involvement in significant decision-making, which will ensure good decision-making.
- To build positive relationships with stakeholders and the wider community, encouraging co-operation, respect and mutual understanding of other points of view.
- To ensure that the Council meets all legislative requirements in terms of consultation and community engagement, including the requirements of section 76AA of the Local Government Act 2002 (LGA).

Policy

Significance

Significance means the importance of an issue, proposal, decision, or matter, as assessed by the Council, in terms of its likely impact on, and likely consequences for:

- Dunedin as a whole.
- The parties and communities who are likely to be particularly affected or interested in the issue, proposal, decision or matter.
- The financial and non-financial costs and implications, or the capacity of the Council to perform its role/functions.

DCC staff and elected members will be responsible for assessing the significance of a potential decision, in accordance with legislation and this Policy. When determining the significance of an issue, proposal, decision or other matter the criteria in section 2 will be considered.

Criteria for significance

The Council has identified criteria to assess the degree of significance. The significance of an issue, proposal or decision lies somewhere on a continuum from low to high. Where the significance of a proposal or decision is unclear against one criterion, then the Council will treat that criterion as being more, rather than less significant. If any of the following criteria are met, the proposal or decision may be 'significant'. However, the criteria should be considered collectively to get to this point.

Importance to Dunedin: The extent to which the matter impacts on DCC area, now and in the future. Factors to be considered include:

- The effect on existing levels of service provided by the DCC for significant activities (including a decision to begin or cease a significant activity).
- The long-term social, economic, environmental and cultural impact of the decision on the needs of current and future generations.
- The opportunity costs, the level of risk and how difficult it would be to reverse the effects of the decision.

Community interest: The extent to which individuals, organisations, businesses, groups, communities and sectors within the community are particularly affected by, or are interested in, the matter. Factors to be considered include:

- The number of individuals, organisations, businesses, groups, communities and sectors within the community that are affected.
- The extent of the impact on affected individuals, organisations, businesses, groups, communities and sectors within the community.
- The level of public interest, or the potential to generate interest or controversy.
- The extent to which community opinion is divided on the matter.

Degree of significance

Low → High

Good community agreement — Divided community views

Consistency with existing policy and strategy: the extent to which the matter is consistent with the Council's community outcomes, Strategic Framework and policies (refer to Schedule 1). Factors to be considered include:

- The extent to which the decision is consistent with the Council's community outcomes, Strategic Framework priorities and policies.
- The extent to which the decision is consistent with previous Council decisions.

Degree of significance

Low → High

Consistent with other strategies and policies — Large inconsistencies with other strategies and policies

Impact on Council's finances, capacity and capability: The impact of the decision on the ability to achieve the objectives set out in the Council's Long Term Plan and Financial Strategy. Factors to be considered include:

- Transfers of strategic assets to or from the Council (refer to Strategic assets below).
- The financial cost of the decision, in the short, medium and long term.
- The extent of the impact on rates and/or debt (including cumulative effects).
- The extent to which the decision is consistent with the Financial Strategy.
- The impact on Council's capacity/capability to meet legislative requirements.

Degree of significance

Low → High

Little financial impact — Large financial impact

Strategic assets

Some assets or groups of assets are considered strategically important to achieve and promote the current or future wellbeing of the community and the priorities of the Strategic Framework. These assets are identified in Schedule 2.

In general, the Council will, at a minimum, engage the community using the special consultative procedure (as described in Engagement activities below) on any significant changes to the Council's ownership or control of strategic assets and any decisions to construct, replace or sell strategic assets.

Materiality and the Annual Plan

A local authority is required to prepare and adopt an Annual Plan for each financial year. Consultation on a proposed Annual Plan is only required if there are significant or material differences from the content of the Long Term Plan for the financial year concerned (Sections 95 and 95A of the LGA). However, the Council can still choose to engage with the community on its plans if it wishes to do so.

Section 95A(5) of the LGA defines materiality: "For the purposes of this section a difference, variation or departure is material if it could in its own right, or in conjunction with other differences, influence the decisions or assessments of those reading or responding to the proposed Annual Plan."

When assessing materiality, the key questions to consider are:

- Would this project/proposal cause a reasonable person to change their view of the affordability of the plan or of the service levels being provided?
- Would this project/proposal cause a reasonable person to want to/not want to provide feedback on the proposal?

Materiality in this context is not the same as the concept commonly used in financial reporting and cannot always be reduced to a dollar value.

Engagement

Engagement provides an opportunity for the public to debate and discuss their views on a decision or proposal being considered by the DCC. The community views expressed through an engagement process will be considered and taken into account, along with other information, when decisions are made. Engagement may not necessarily result in consensus. However, engagement should allow for an exchange and examination of information and points of view between affected and interested people and decision-makers before a decision is made. Engagement ensures that decisions are informed and improved by the community's involvement.

Principles of engagement: The Council will take a principle-based approach to its community engagement activities, in alignment with the international association for public participation (IAP2) Core Values.

- **Genuine:** We will engage honestly and we will respect and listen to the views provided by the community with an open-mind and will give due consideration to them when making decisions.

- **Timeliness:** We will engage with the community as early as appropriate and ensure that engagement processes are an integral part of project planning. We will allow enough time for participants to contribute and for them to be able to raise unexpected issues.
- **Purposeful:** We will be clear about the purpose of engagement and the ability and scope of the engagement to influence decisions.
- **Engagement with Māori:** We will engage with Māori in the city in a way that is reflective of tikanga and kawa.
- **Inclusive and accessible:** We will engage in a way which encourages participation of all who are likely to be affected by, or are interested in, a decision.
- **Recognition of diversity:** We will use engagement methods which are appropriate to the issue and those we are seeking to engage, having regard to their culture, age, ability and time availability.
- **Informed:** We will provide clear, easy to understand and objective information relating to engagement and ensure it is readily available so that participants can make informed contributions.
- **Responsive:** We will be transparent about how we record, consider and respond to participants' contributions, and provide clear information on how the community's feedback has been taken into account in decision-making.
- **Cost-effective:** We will engage in a cost-effective manner, and resource engagement in proportion to the significance of the decision. We will ensure the least possible cost to all involved in the engagement (including the costs to the communities / affected parties).

Figure 1: IAP2 Core Values

International Association for Public Participation (IAP2) Core Values

1. Public participation is based on the belief that those who are affected by a decision have a right to be involved in the decision-making process.
2. Public participation includes the promise that the public's contribution will influence the decision.
3. Public participation promotes sustainable decisions by recognising and communicating the needs and interests of all participants, including decision-makers.
4. Public participation seeks out and facilitates the involvement of those potentially affected by or interested in a decision.
5. Public participation seeks input from participants in designing how they participate.
6. Public participation provides participants with the information they need to participate in a meaningful way.
7. Public participation communicates to participants how their input affected the decision.

Determining when to engage

Statutory Compliance: The LGA and other legislation require the Council to consult with the community in a range of circumstances. The LGA has also sets out principles to guide all consultation and prescribes specific consultative procedures, which must be followed in certain circumstances (refer to Engagement activities below). At a minimum, the Council will adhere to all legislative requirements.

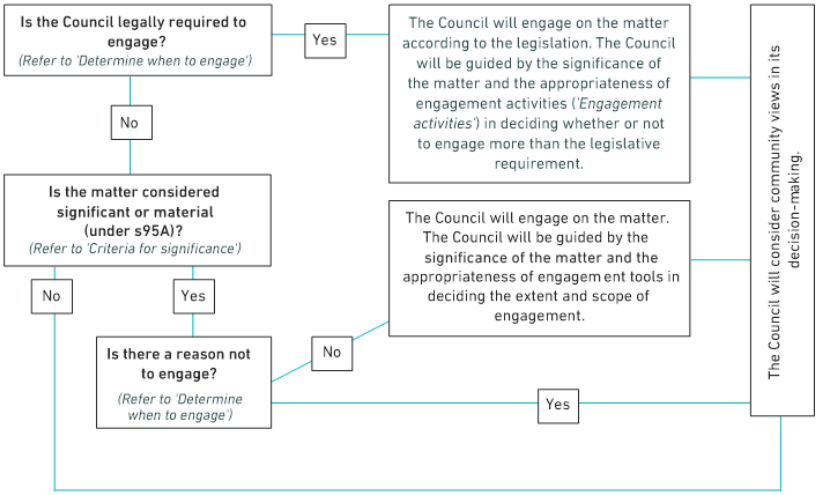
Significant proposals or decisions: The Council will determine the nature and form of the engagement in accordance with the significance of the particular decision. In general, the greater the significance of the decision, the more we will do to engage the community. A 'significant' decision will not automatically require the special consultative procedure (refer to Engagement activities below), but will require some method of engagement unless there is a reason not to engage.

Reasons not to engage: The Council acknowledges there are times when it is not necessary, appropriate or possible to engage the community on a proposal or decision. The Council may choose not to engage on a proposal or decision, but will only decide this in accordance with the criteria below:

- The proposal or decision is not of a nature or significance that requires engagement.
- The Council already has a sound understanding of the views and preferences of the persons likely to be affected by or interested in, the proposal or decision.
- There is a need for confidentiality or commercial sensitivity.
- The costs of engagement outweigh the benefits of it.
- The proposal or decision has already been addressed by the Council's strategies, policies or plans, which have recently been consulted on.
- An immediate or quick response or decision is needed or it is not reasonably practicable to engage.

Whenever the Council does not formally engage, community views will still be considered before a decision is made and as much information will be provided to the public as possible. Figure 2 provides a summary of the factors the Council will consider when deciding when to engage.

Figure 2: Flowchart of deciding when to engage



Engagement activities

The Council will determine which engagement tools, activities or processes to use based on the individuals, organisations, businesses, groups, communities and sectors within the community that are affected by, or interested in the proposal; and the extent of that interest/impact. In the first instance, DCC staff will be responsible for assessing the appropriateness of engagement activities for each proposal or decision at the project planning stage. The Council will be flexible in its engagement approach and be responsive to new ideas. Reports to the Council and its Committees will outline a proposed engagement plan, to be approved by the Council or Committee.

The Council recognises that differing levels of engagement tools, activities or processes may be required during the various stages of decision-making on an issue and for different stakeholders. Figure 3 is based on the International Association of Public Participation (IAP2) spectrum of engagement and sets out some engagement activities. It describes when these activities may be appropriate for particular kinds of decisions and when the community can expect to be involved in the decision-making. However, this does not commit the Council to using specific tools or activities in any specific circumstance.

Figure 3: Types of Engagement Activities (IAP2 spectrum of engagement)

Level	Inform	Consult	Involve	Collaborate	Empower
Goal of engagement	To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, or solutions.	To obtain public feedback on analysis, alternatives or decisions.	To work directly with the public throughout the process to ensure that public concerns are constantly understood and considered.	To partner with the community and stakeholders in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place the final decision-making in the hands of the public.
Examples of issues, decisions or matters where this engagement might be appropriate	Temporary road closure District Plan monitoring reports Council reports	Long Term Plan consultation Dog Control Bylaw	Review of the Community Grants Policy Revitalisation of an area (e.g. Warehouse Precinct)	Development of a Strategy (e.g. Economic Development Strategy) Upgrade of playgrounds	Triennial council election

Level	Inform	Consult	Involve	Collaborate	Empower
Engagement activities the Council might use – both in person and/or online	Public notice Letter drop Media release Discussion paper DCC website Multilingual radio FYI story Dynamic social media Animated videos Augmented reality	Exhibition Expo Public hearing Survey Special consultative procedure People's Panel Roadshow 'Graffiti' suggestion wall Social media	Community Board meeting Hui a iwi/ public meeting Working party Workshops Focus group Drop-in sessions Social media	Multi stakeholder process Advisory group Round table meeting Market pop-ups World cafe	Referendum Citizen juries Participatory budgeting
When the community can expect to be involved in the decision- making	The Council will advise the community when a decision has been made.	The Council will advise the community when a draft decision has been made and will provide the community with an opportunity to participate and respond before a final decision is made.	The Council will provide the community with opportunities to be involved throughout the decision-making process, before a final decision is made.	The Council will provide the community with opportunities to be involved throughout the decision-making process, including when the options are being considered before a final decision is made.	The Council will provide the community with the power to make the final decision.

Engagement concerning local issues: Some local issues will be considered highly significant for particular communities. In these cases, the Council will engage with affected communities directly. The Council will take a flexible approach on how it engages with the community on local issues according to the community's preferences for engagement. This approach will often involve DCC staff, Councillors and, where relevant, Community Boards.

Engagement linked to day-to-day council business: DCC staff, in consultation with the relevant Councillors and Community Boards, will identify and manage community engagement activities associated with the organisation's usual work and projects. The responsible department will establish the most appropriate engagement activities at the project planning stage. The department will then be responsible for providing information to the community on the issue and facilitating the community involvement.

Ongoing engagement activities: The Council recognises that engagement is not a one-off activity, and uses a number of initiatives regularly to engage with the community. Such activities enable early engagement on issues, and include:

- **Advisory and stakeholder groups** – The Council establishes advisory and stakeholder groups to engage with individuals, organisations, businesses, groups, communities and sectors within the community. These advisory and stakeholder groups may be ongoing or established for a particular timeframe. All advisory and stakeholder groups will be established by a Council resolution, have specific terms of reference and regularly report to a relevant Council Committee.
- **Community Boards** – The Council partners with Community Boards, which provide advice on matters affecting their communities and advocate for the interests of their communities. Community Boards may also make submissions to the Council and other organisations on matters affecting their areas.
- **Partnerships** – The Council facilitates a range of partnerships and networks between all levels of government, business and community organisations, including informal engagement with staff and key stakeholders.
- **Place-based approach** - The Council works with a number of specific communities and neighbourhoods to set priorities in their area, improve the co-ordination of services being delivered within their area and enable consideration of all issues relating to their area.
- **Online engagement** – The Council uses digital tools for engaging with the community, such as the People's Panel, social media and the DCC's website.

Special Consultative Procedure: The Council will engage with the community using the special consultative procedure when required by legislation, and when it is the most effective engagement tool for a particular proposal or decision. The special consultative procedure is outlined in section 83 of the LGA, and is summarised below.

- The Council will prepare and adopt a written statement of proposal, and if relevant, a summary of that proposal, which will: clearly identify what the proposal is and the reasons for it; and provide an analysis of feasible options.

- The Council will provide an opportunity for people to give feedback on the matter and will: ensure the summary and statement of proposal is widely available; enable interaction between the community and the Council, or its representatives; provide an opportunity for people to present their views to the Council; and provide at least one month for feedback.

Review

This Policy will be reviewed at least once every three years, and within 12 months following each triennial election.

Schedule 1: DCC Strategic Framework

Schedule 2: Strategic council-owned assets

Strategic assets are those considered by the Council to be strategically important to achieve and promote the current or future well-being of the community and the priorities of the Strategic Framework. Currently the Council's strategic assets are:

- Cemeteries Community housing
- Dunedin Botanic Garden
- Dunedin Centre, Town Hall and Municipal Chambers
- Dunedin Public Art Gallery and collections
- Dunedin Public Libraries and collections
- Dunedin Railway Station
- Edgar Centre
- Forsyth Barr Stadium
- 231 Stuart Street (formerly the Fortune Theatre)
- Hereweka Harbour Cone
- Lan Yuan Chinese Garden
- Landfill facilities
- Logan Park
- Moana Pool
- Olveston House and collections
- Parks, recreation and open space network Regent Theatre
- Shares in Dunedin International Airport Company Limited
- Dunedin City Holdings Limited
- Stormwater collection and disposal system
- The Town Belt
- Toitū Otago Settlers Museum and collections Transportation Network
- Wastewater collection, treatment and disposal system
- Water collection, storage, treatment and distribution system

Notes:

The Council may consider any other asset or group of assets as being 'significant' by using the criteria of significance.

Where a strategic asset is a network or has many components, decisions can be made on individual components within the network without it being regarded as significant, unless that component substantially affects the level of service provided to the community.

Decisions can be made to physically alter strategic assets that are required to prevent an immediate hazardous situation arising, or repair an asset due to damage from an emergency or unforeseen situation.

As agreed by the Council, in the case of Council Controlled Organisations (CCO), decisions relating to the management, acquisition or divestment of assets are taken by the independent board of the CCOs under the Statement of Intent.

Section 6

he āpitītaka appendices

Contents

ko kā hua kino
APPENDIX 1 significant negative effects

Group/activity	Significant and potential negative effects	Responses
Roading and footpaths group		
Transport No significant negative effects are currently identified, but examples of potential negative effects on the local community are included here.	Air pollution – added emissions due to congestion. Water resource pollution – detritus from roads entering drainage systems and waterways. Land resource pollution from dust. Constricted traffic flow resulting in longer transport time. Limits on loading resulting in more trips to move tonnage. Road roughness affecting vehicle operating costs. Noise, vibration and/or pollution from road works. Pedestrian safety (accidents). Accessibility during road construction. Visual impacts on landscape. Effects on archaeological sites, heritage areas and/or areas of cultural significance.	Efforts are made to mitigate any negative effects through planning and consultation with the community. The Council ensures that contractors follow accepted environmental practices while undertaking construction and maintenance. Ongoing monitoring of the effects of operation is undertaken and action taken to remedy any issues arising.
Water supply group		
Water supply The collection, treatment and distribution of drinking water has potential negative effects on the local community. The 3 Waters Strategic Direction Statement and the system planning approach prioritises and plans the resolution of these issues and recognises that some issues can only be resolved pragmatically over longer periods of time.	Location of treatment plants close to residential properties could cause noise and/or odour issues.	Potential negative effects are managed as part of the day-to-day operation of the water supply activity. Preventative maintenance, emergency management and supply specific water safety plans are in place to limit disruption to wellbeing.
	Poor drinking water quality can cause sickness in the community and effect the ability to use water for domestic and trade purposes.	
	High water supply costs that may affect industries expanding/ relocating to Dunedin or treatment upgrades costs being unviable for those ratepayers on low incomes	Efficiently manage and maintain the water supply services. System planning looks at long term strategic investment objectives and outcomes for the optimal cost/benefit ratio.

Group/activity	Significant and potential negative effects	Responses
	Water take (e.g., taking water from a river for treatment) and discharges of wastewater from the drinking water treatment plants (e.g., backwash water used to clean membranes)	Potential negative effects are managed as part of the day-to-day operation of the water supply activity. Activities are permitted and regulated by conditions of relevant resource consents, which ensure potential adverse effects are managed at acceptable levels. Chlorine is removed (using a de-chlorination unit) from any discharges from the water treatment plants to control potential contamination from water production.
Sewerage and sewage group		
Wastewater The collection treatment and discharge of treated wastewater may have potential negative effects on the community. The 3 Waters Strategic Direction Statement and the system planning approach prioritises and plans the resolution of these issues and recognises that some issues can only be resolved pragmatically over longer periods of time.	Locations of treatment plants close to residential properties can give rise to issues with odour or noise.	Potential negative effects are managed as part of day-to-day operation of the treatment plants (including responding to customer complaints). Community liaison has been initiated in known areas of community concern, and complex odour and noise mitigation is programmed at treatment plants.
	High trade waste charges may affect industries expanding/ relocating to Dunedin or treatment upgrade costs contributing to rating increases that are unviable for those ratepayers on low incomes.	System planning looks at long term strategic investment objectives and outcomes for the optimal cost/benefit ratio.
	Discharge from the wastewater system from treatment plants and overflows from the network can impact the local community. These discharges to the environment can be planned (e.g., the constant discharge of treated wastewater via an ocean outfall) or unplanned (e.g., a heavy rainfall event, blockage or broken pipe in the network causing an overflow). There is also the potential for wastewater to enter the stormwater system (e.g., in heavy rainfall events).	Potential negative effects are managed as part of day-to-day operation of the wastewater system. Activities are permitted and regulated by conditions of relevant resource consents, which ensure potential adverse effects are managed at acceptable levels. This includes monitoring of the effluent and sediment/coastal receiving waters and impact assessments. Renewal programmes for the treatment plants and wastewater network are intended to minimise the incidence of asset failures. System planning looks at long term strategic investment objectives and outcomes for the network, treatment plants and sludge treatment and disposal. Mana whenua are engaged as partners in system planning.

Group/activity	Significant and potential negative effects	Responses
Stormwater group		
Stormwater The collection and disposal of stormwater may have potential negative effects on the interests of the community. The 3 Waters Strategy and implementation plan prioritises and plans the resolution of these issues and recognises that some issues can only be resolved pragmatically over longer periods of time. The Otago Regional Council is the controlling authority for the streams. A high proportion of the runoff is from erosion of land in rural catchments.	The local community can be affected by heavy rain events that result in flooding of properties and land.	Potential negative effects are managed as part of day-to-day operation and maintenance of the stormwater system (including planning for upcoming heavy rainfall events as part of the Civil Defence Response). Where flooding is due to the failure of stormwater pipes that are privately owned (watercourses), minor extensions to DCC's network are made to reduce flooding and other hazards such as sinkholes and landslips. Work is in progress to better understand secondary flow paths by reviewing, updating and calibrating Stormwater Catchment Models.
	Flooding can impact on property values and could lead to a potential loss of businesses if repeated flooding impacts their ability to operate and/or insure.	Potential negative effects are managed as part of day-to-day operation and maintenance of the stormwater system (including planning for upcoming heavy rainfall events as part of the Civil Defence Response). Modelling of stormwater system to identify mains that are at capacity and may constrain future development.
	Discharge of contaminated stormwater to waterways.	Activities are permitted and regulated by conditions of relevant resource consents, which ensure potential adverse effects are managed at acceptable levels. Water quality testing, and harbour sediment contaminant testing monitor contamination as part of resource consent requirements. Additional environmental monitoring project ongoing to sample critical stormwater outlets and assess environmental impacts as part of system planning.
	Discharge of stormwater into waterways or near areas of cultural significance.	Water quality testing, and harbour sediment contaminant testing monitor contamination. Mana whenua are engaged as partners in system planning.
Reserves and recreational facilities group		
Aquatic services No significant negative effects are currently identified, but examples of potential negative effects on the local community are included here.	The potential exists for negative effects on the environmental interests of the community from the use of chlorine gas as a pool disinfectant, resulting in harm from a leakage in the gas storage or delivery system.	Emergency systems for early leak detection and emergency cylinder shut-downs to minimise adverse effects are in place. Alarms are wired directly to the Fire Service to ensure a quick response. The gas cylinders are stored in an area separate from the primary pool facilities.

Group/activity	Significant and potential negative effects	Responses
	High energy consumption involved in the heating and operation of pools may impact environmental interests.	Energy use has been reduced with heat recovery projects. The 10 year plan includes a project 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). Energy efficiency has been a key consideration in the design of the new Mosgiel Pool to be built.
	The social wellbeing of individuals could be impacted by near-drowning, drowning incidents or perception of a danger of drowning.	This is managed by supervision of all pools by trained lifeguards.
Botanic Garden No significant negative effects are currently identified, but examples of potential negative effects on the local community are included here.	Use of chemicals for pest plant, animal, and disease control.	This is managed through the compulsory adherence by the contractor to: Agrichemical Users Code of Practice – NZS 8409; Regional Plan – Air; and Fertiliser Use Code of Practice – (NZFMRA). The adherences to these standards are monitored by staff supervising the work.
	Biosecurity risk of exotic (and native) plants and captive birds escaping or causing or disease in local native flora and fauna.	This is managed by monitoring the health status of aviary birds and plants, staff who engage all measure necessary to ensure bird and plant health is maintained at optimum levels at all times. Holding structures for birds and potential of weediness of plants are checked and monitored at all time with appropriate remedial work is carried out before any harm or loss occurs.
Parks and reserves No significant negative effects are currently identified, but examples of potential negative effects on the local community are included here.	Conflict between provisions of recreation pursuits (e.g. mountain biking) vs. environmental protection.	This is managed through the adoption of appropriate, consulted policy (Tracks Policy) and Reserves Management Plans.
	Use of chemicals for pest plant, animal, and disease control.	This is managed through the compulsory adherence by the contractor to: Agrichemical Users Code of Practice – NZS 8409; Regional Plan – Air; and Fertiliser Use Code of Practice – (NZFMRA). Adherences to these standards is monitored by staff supervising the work.
Regulatory services group		
Building services No significant negative effects are currently identified, but examples of potential negative effects on the local community are included here.	Because the Building Services unit is not able to control the incoming work load sometimes it is not able to issue consents within the statutory time frames.	A short fall in processing capacity can be compensated for by contracting other Building Consent Authorities to assist with the work.

Group/activity	Significant and potential negative effects	Responses
Waste management group		
Waste and environmental solutions Waste collection and management services may have potential negative effects on the interests of the community.	Odour and noise for residents neighbouring the Green Island Landfill.	Council's current and proposed future approach for management is in accordance with resource consents for this activity.
	Recoverable resources which end up at the landfill are a loss of resource efficiency.	Programmes and communications promoting correct recycling practices are continually being developed and improved.
	Litter and illegal dumping negatively impact on the community from a visual, environmental and financial perspective and it can be difficult to identify offenders.	Council continues to engage and work collaboratively with affected parties in an effort to reduce the frequency of littering and illegal dumping events. A more coordinated approach is being taken across Council.
	Methane emissions from waste disposed to landfill contribute to Dunedin's carbon emissions profile.	Council has developed a long term strategy to develop waste diversion and resource recovery infrastructure in order to significantly reduce waste disposed to landfill by 2030.
Community and planning group		
City development and resource consents No significant negative effects are currently identified, but examples of potential negative effects on the local community are included here.	District Plan policies and rules, NES and regulation, their administration via permitted activity status and resource consent decisions can have negative effects on the interests of people within the community.	If these policies and rules and their administration is done effectively and appropriately, the effects should maximise the potential benefits to the community as a whole.
Community development and events No significant negative effects are currently identified, but examples of potential negative effects on the local community are included here.	The Events Team organises large events within the city. At times, these can cause some traffic congestion, in particular around Forsyth Barr Stadium and Octagon areas.	The Events Team is actively promoting ride-share, walking and other options for people to attend major events within the city. The Council works with the ORC and other providers to ensure there are buses from the Stadium to the city. More work is planned to explore further options to reduce traffic volumes in and around the Stadium and Octagon during major events.

There are no significant negative effects identified for the following groups/activities:

Group	Activity
Reserves and recreational facilities group	Cemeteries and crematorium
Property group	Commercial property Community housing Operational property
Galleries, libraries and museums group	Dunedin Public Art Gallery Dunedin Public Libraries Lan Yuan Chinese Garden Olveston Historic Home Toitū Otago Settlers Museum
Regulatory services group	Animal services Parking services Environmental health Alcohol licensing Parking operations
Economic development group	Business development Destination Dunedin Dunedin i-Site Visitor Centre
Governance and support services group	Business information services Civic and administration Corporate leadership Corporate policy Council communications and marketing Customer services agency Finance Fleet operations Human resources Investment account Waipori fund Warm Dunedin

tauāki tauraki
APPENDIX 2 statements of variation

Statement of variation to the assessment of water and sanitary services

In 2007, the Council undertook an Assessment of Water and Sanitary Services of the provision of water-related and sanitary services within its district. The Assessment reviewed Council-operated water, wastewater and stormwater services, and assessed communities without such services having 25 or more persons in residence for more than 60 days per year. The resulting report, adopted in 2008, identified a number of issues and actions resulting from the assessment.

The Council has a statutory obligation under the Local Government Act 2002, Schedule 10, Part 1 (6a), 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. The changes outlined below are a summary of changes since the Statement of Variation in the 10 year plan 2018-28.

3 Waters assumptions

Forecast capital expenditure budgets for water supply, wastewater and stormwater systems are based on asset condition assessments, asset performance, asset life renewals and replacements and servicing of areas rezoned for development in the Second Generation District Plan (2GP). The work required for development area forecasts will be reassessed once proposed zoning changes from Variation 2 of the 2GP are agreed and incorporated.

3 Waters plans to invest in a higher growth scenario from 2019 – 2038, followed by a medium growth scenario from 2038 onwards. Current projections indicate the population will continue to grow sharply until 2038, reaching 142, 318.

Growth-related capital expenditure will be debt financed and funded by development contributions where appropriate.

3 Waters will consider a review of the existing Water and Sanitary Services Assessment as part of its strategic system planning during 2021 - 2024. Capital expenditure budgets will be reviewed to accommodate changes and required actions from this review.

3 Waters general

3 Waters is currently in Stage 1 of system planning for water and wastewater, and will commence stormwater in 2021. System planning assesses the 'entire system' from source to disposal, enabling optimal long-term strategic decision making. This could be on the number of treatment plants and treatment processes, storage options within the system, possible wet weather treatment options, water demand management, resilience and growth etc.

The 2008 Water and Sanitary Services Assessment (WSSA) makes refence to the need to 'better understand the composition, age and condition of the assets. Until it does, the accuracy of the future renewals forecasts is uncertain'. Recent work has been undertaken at the treatment plants to collect condition and performance data, the results of which informs the significant plant renewal programme. 3 Waters also plans to improve the condition assessment data programme through the programme of work to prepare for Water Reform.

The WSSA also highlights that 'a more robust method of determining the Capital Works Programme needs to be developed. Network modelling can be used to determine service levels and the capacity (or lack of) in the network'. As part of the system planning process the cost and benefit of differing levels of services can be assessed, and under the reform work programme 3 Waters has also started to improve asset management practices and processes such as criticality, risk frameworks and improving capital delivery processes.

Water supply

The Drinking Water Standards New Zealand (DWSNZ) were revised in 2018 and further changes are anticipated in the short to medium term as a result of the Government's 3 Waters Reform. This will likely require additional new capital expenditure to ensure treatment plants and networks comply with tightened DWSNZ and legislation.

Projects aimed at increasing the resilience of Dunedin's water supply are ongoing. The refurbishment of the Ross Creek reservoir is currently complete and the upgrades of Waikouaiti water treatment plant is ongoing. There is a significant work programme under the 'water supply resilience' project in the 10-year plan, which aims to improve the resilience of the water supply in the event of severe drought, catchment fire, or major pipeline or treatment plant failure. Mosgiel is no longer supplied by bores, it is now supplied from the Mount Grand Water Treatment Plant.

Wastewater

Capital works are planned to renew critical plant assets at all the metropolitan wastewater treatment plants and assess the future of sludge treatment and disposal. System planning is underway to inform the large-scale strategic investment plan for the wastewater systems, including wet weather flow management, ability to treat to anticipated new standards and accommodate growth. Reviewing, updating and calibrating the hydraulic models is underway, along with assessing the key environmental impacts of wastewater discharges and overflows. Capital work is underway for the upgrade to Seacliff wastewater treatment plant.

Planning has started for upgrades to the northern wastewater schemes of Middlemarch, Waikouaiti-Karitane and Warrington to ensure the treatment plants are able to meet effluent quality targets as existing discharge permits expire over the next 7 years.

Stormwater

Significant work is underway to review, update and calibrate priority stormwater hydraulic models and to assess the environmental impact of key discharges. Significant capital works are proposed as part of the South Dunedin flood alleviation project to reduce the risk of flooding in this community, by bringing affected assets up to currently accepted design standards. Capital works are proposed for Mosgiel during 2021-2028 to bring areas of the network and pump stations with capacity issues up to currently accepted design standards. High priority discrete watercourse projects are ongoing. It is anticipated that as part of 3 Waters reform, new stormwater standards and regulation will come into force which will likely result in additional capital expenditure being required.

Public toilets

The Council intends to maintain its approach of ensuring sufficient public toilet facilities. Included in the 10 year plan is a capital budget to provide more public toilets. In the first year it is intended to provide a Changing Places Bathroom in the central city, and from year 2 onward, a further two toilets each year. Residents will be given the opportunity to engage on this initiative and can provide feedback on preferred locations for the new toilets. Appropriate cleaning and maintenance through capital and operating budgets over the next 10 years is being provided, in accordance with its last Assessment of Water and Sanitary Services.

Cemeteries and crematoriums

The Council manages 19 cemeteries throughout the Dunedin area, although a number of cemeteries are closed to new burials (Andersons Bay Cemetery, East Taieri Cemetery, Northern Cemetery, Port Chalmers old cemetery, West Taieri and the Southern Cemetery).

Pandemic planning has been undertaken to ensure that the Dunedin City Council can manage its burial services during an outbreak, and this planning is periodically reviewed.

A cemetery capacity analysis has been undertaken to identify potential sites suitable for an urupa within Council's existing cemeteries. Council will be engaging with iwi and hapū and through the Māori Participation Working Party to identify a location and design for a proposed urupā.

The Council intends to maintain its approach of ensuring sufficient and appropriately managed cemeteries and crematoria through its capital and operating budgets over the next 10 years, in accordance with its last Assessment of Water and Sanitary Services.

Statement of variation against adopted Waste Management and Minimisation Plans

The Dunedin City Council has a statutory obligation under the Local Government Act 2002, Schedule 10, Part 1, Clause 6 to identify and explain significant variations between its waste management and minimisation plans adopted under section 43 of the Waste Minimisation Act 2008 and the proposals set out in the Council's 10 year plan.

The Council had a statutory obligation under the Waste Minimisation Act 2008, Part 4 section 43, to review the Council's Resource Recovery and Waste Management Strategy (RRWMS), and develop a Waste Management and Minimisation Plan, (WMMP). The review requires a full waste assessment to be completed for the district. This review covers both Council and non-Council activities.

A waste assessment for the Dunedin City District was completed in 2018. Accordingly, the next review by DCC will be due six years in October 2024. Following public consultation an amended Waste Minimisation and Management Plan (WMMP2020) was adopted by Council on 25 May 2020.

There are no significant variations between the proposals outlined in the 10 year plan and the Council's Waste Minimisation and Management Plan.

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