

Notice of Meeting:

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

Date: Wednesday 30 October 2024
Time: 10.00 am
Venue: Council Chamber, Dunedin Public Art Gallery, The Octagon,
Dunedin

Sandy Graham
Chief Executive Officer

Council
SUPPLEMENTARY AGENDA

MEMBERSHIP

Mayor
Deputy Mayor

Mayor Jules Radich
Cr Cherry Lucas

Members

| | |
|----------------------|---------------------|
| Cr Bill Acklin | Cr Sophie Barker |
| Cr David Benson-Pope | Cr Christine Garey |
| Cr Kevin Gilbert | Cr Carmen Houlahan |
| Cr Marie Laufiso | Cr Mandy Mayhem |
| Cr Jim O'Malley | Cr Lee Vandervis |
| Cr Steve Walker | Cr Brent Weatherall |
| Cr Andrew Whiley | |

Senior Officer

Sandy Graham, Chief Executive Officer

Governance Support Officer

Lynne Adamson

Lynne Adamson
Governance Support Officer

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***Note:** Reports and recommendations contained in this agenda are not to be considered as Council policy until adopted.*

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REPORTS

FUNDING FOR HOSPITAL CAMPAIGN

Department: Communications and Marketing

EXECUTIVE SUMMARY

- 1 The purpose of this report is to formally approve funding for the Save Our Southern Hospital campaign. The campaign was relaunched following the recent government announcement on 26 September 2024 about the future of the Southern Regional Tertiary Hospital (the Hospital).
- 2 Given the need to act quickly, Council committed to the campaign on a similar basis to the previous campaign from January 2023 which had an approved budget of \$130,400 (\$1/person in Dunedin) knowing that a formal report for funding would follow.
- 3 This report seeks funding at a slightly higher level - \$146,099 (which is \$1.10 per resident based on 134,200 residents as per the Significant Forecasting Assumptions prepared for the 9 Year Plan 2025-34.)

RECOMMENDATIONS

That the Council:

- a) **Approves** an authorised overspend of \$146,099 (\$1.10 for every person in Dunedin) to fund the Save Our Southern Hospital campaign.
- b) **Notes** that revenue options will be explored to offset costs.

BACKGROUND

- 4 Following the Government's announcement of proposed cuts to the Hospital, Council reignited the Save Our Southern Hospital campaign to argue strongly for a fit-for-purpose hospital.
- 5 Council moved quickly following the Government announcement about proposed changes to the Hospital and a public protest march was organised to galvanise public support behind the campaign.
- 6 Due to urgency, Council informally committed to funding the campaign but this report seeks formal retrospective approval for the spend to-date and a budget to continue with planned activity. This is unbudgeted expenditure.

DISCUSSION

- 7 In mid-September 2024, Council endorsed a campaign plan against any proposed cuts to the new hospital project. This included a public protest march which was held on 28 September. An estimated 35,000 people from the southern region marched to show their support for the hospital to be built as promised.
- 8 Following the march, various other initiatives have been undertaken including media coverage, billboard placement, posters and social media activations.
- 9 An ambulance (Cliff) has been loaned for the purpose of the campaign and is being used to generate support and publicity around the city and southern region.
- 10 The estimated costs for the campaign total \$156,320, and include the public march, the cost of running the ambulance, marketing and publicity in Otago and Wellington, merchandise, and administration and staffing support.
- 11 Revenue is estimated to be \$10,221 from merchandise sales, fundraising and sponsorship.
- 12 The table below provides a summary of estimated revenue and expenditure for the Hospital campaign.

| Save our Southern Hospital Campaign | |
|---|-----------------|
| | Forecast |
| Revenue | |
| Merchandise Sales (Badges, shirts) | 5,221 |
| Givealittle (pledged) | 2,500 |
| Corporate sponsorship | 2,500 |
| Total Revenue | 10,221 |
| Expenditure | |
| Public March | |
| Including media, banners, printing, sign language service | 37,025 |
| Ambulance | |
| Including branding, fuel, driver accommodation | 17,184 |
| Marketing and publicity: Otago | |
| Including printing, advertising, domain name | 52,590 |
| Marketing and publicity: Wellington | |
| Including billboards, posters, newspaper advertising | 8,181 |
| Merchandise | |
| Including badges, donation buckets, pull-up banners, t-shirts | 7,899 |
| Facilitation of wider group meeting | |
| Including facilitation fee, catering | 2,441 |
| Other | |
| Admin support | 31,000 |
| Total Expenditure | 156,320 |
| Net Funding Deficit | 146,099 |

- 13 Net funding of \$146,099 (\$1.10 for every person in Dunedin) enables:

- Dunedin and southern activity including newspaper and online advertising, posters and postcards, t-shirts etc
 - Wellington activity including billboards and posters
 - Branding, fuel and other costs for 'Cliff' the ambulance, and the costs associated with the 6 November delegation to Wellington to present the NZ Nurses Organisation petition.
- 14 Noting that this does not include funding for an activation on 31 October (the last day Cliff the ambulance is in town before making the journey to Parliament).
- 15 The current plans take the campaign to 6 November 2024. Additional funding will be required to take the campaign through to 20 December.
- 16 It is important to note however that this is unbudgeted expenditure and may result in an overspend. Staff are working hard to cover some of the costs from existing budgets. Staff are capturing most costs (but not all staff time) against a specific budget code and will report on spending through the monthly financial reports.

OPTIONS

- 17 Given the Council's clear public position and leadership role in supporting the Hospital campaign, a budget needs to be approved.
- 18 As a public organisation the Council is required to meet the standards of probity and financial prudence so it can withstand parliamentary and public scrutiny, and support trust and confidence. The spend on the Save Our Southern Hospital campaign is outside of usual Council expenditure, is unbudgeted, and therefore is classified as sensitive expenditure. The Council's Sensitive Expenditure Policy, and the Office of the Auditor General guidelines on sensitive expenditure require decisions to reflect the following principles:
- A justifiable business purpose; and
 - The preservation of impartiality; and
 - To be made with integrity; and
 - To be of a moderate and conversative value and nature; and
 - To provide transparency; and
 - To be approved by an appropriate authority
- 19 In order to meet these principles, it is recommended that the Council considers the following additional steps for this expenditure:
- Consider if the costs to be covered in this campaign by DCC funding are appropriate, for example, as this is a campaign for the wider southern region is there the possibility of other local government entities covering costs associated with campaign activities within their regions
 - Ensure decisions on expenditure and the campaign are made without conflicts of interest, favouritism or bias
 - Ensure that the campaign aligns with the values of the DCC and the ratepayers
 - Ensure that expenditure is of a moderate and conservative value and solutions are sought that are cost-effective

- Ensure there is transparency and accountability of all the costs associated with the campaign available to the public
 - Ensure there is oversight from the Chair of the Audit and Risk Subcommittee on incurred and planned expenditure for the campaign
- 20 Staff have considered the spend on the campaign alongside the sensitive expenditure guidelines and believe that the spend is reasonable, it aligns with the values of the community evidenced by 35,000 people supporting the public march. Every effort has been made to ensure expenditure is cost effective including looking for revenue to offset the cost to ratepayers. The Chair of the Audit and Risk Subcommittee has been briefed on the campaign and the proposed budget.
- 21 Council has committed to the campaign and needs to determine the level of budget available. Staff recommend that the budget is allocated in the same way as the original campaign – that is a dollar amount based on a per capita basis. Staff recommend \$1.10 per head of population to account for increased costs since January 2023. The figure of 134,200 residents as per the Significant Forecasting Assumptions for the 9 Year Plan is suggested as the multiplier.
- 22 Council is able to approve a higher amount if they wish, noting that any allocation is unbudgeted.

NEXT STEPS

- 23 Reassess the direction of the campaign following a decision from Government, or on receipt of information about the build from Government on or about 10 December 2024.

Signatories

| | |
|-------------|---|
| Author: | Kathryn van Beek - Acting Communications Team Manager |
| Authoriser: | Carolyn Allan - Chief Financial Officer |

Attachments

There are no attachments for this report.

SUMMARY OF CONSIDERATIONS

Fit with purpose of Local Government

This decision enables democratic local decision making and action by, and on behalf of communities, promotes the social well-being, economic well-being and cultural well-being of communities in the present and for the future.

Fit with strategic framework

| | Contributes | Detracts | Not applicable |
|---|--------------------------|--------------------------|--------------------------|
| Social Wellbeing Strategy | ✓ | <input type="checkbox"/> | <input type="checkbox"/> |
| Economic Development Strategy | ✓ | <input type="checkbox"/> | <input type="checkbox"/> |
| Environment Strategy | <input type="checkbox"/> | <input type="checkbox"/> | ✓ |
| Arts and Culture Strategy | <input type="checkbox"/> | <input type="checkbox"/> | ✓ |
| 3 Waters Strategy | <input type="checkbox"/> | <input type="checkbox"/> | ✓ |
| Future Development Strategy | ✓ | <input type="checkbox"/> | <input type="checkbox"/> |
| Integrated Transport Strategy | ✓ | <input type="checkbox"/> | <input type="checkbox"/> |
| Parks and Recreation Strategy | <input type="checkbox"/> | <input type="checkbox"/> | ✓ |
| Other strategic projects/policies/plans | <input type="checkbox"/> | <input type="checkbox"/> | ✓ |

Māori Impact Statement

Rūnaka have been engaged with as part of the Hospital Campaign.

Sustainability

The Hospital Campaign advocates for social and economic sustainability.

LTP/Annual Plan / Financial Strategy /Infrastructure Strategy

The are no known implications.

Financial considerations

The Hospital Campaign is not budgeted. The spend has been considered sensitive expenditure and this is discussed in the body of the report.

Significance

While this is low significance in terms of the Significance and Engagement Policy, the Hospital campaign has a high level of significance for the community.

Engagement – external

While we haven't engaged externally regarding the cost of the campaign, the campaign has engaged with organisations and groups including the public of Dunedin, Rūnaka, Mayors of Southern and Otago Councils, people across the southern region, Grey Power, Nurses, Doctors, Clinicians, The University of Otago, Otago Polytechnic, Business South and local businesses, and the 35,000 people who attended the public march.

Engagement - internal

A number of teams and departments have been involved in creating the campaign.

SUMMARY OF CONSIDERATIONS

Risks: Legal / Health and Safety etc.

If funding is not approved, the campaign cannot continue to be resourced.

Conflict of Interest

No known conflicts of interest.

Community Boards

Community Boards will be used to help promote the campaign.