

**Notice of Meeting:**

I hereby give notice that an ordinary meeting of the Finance and Council Controlled Organisations Committee will be held on:

**Date:** Tuesday 9 May 2023  
**Time:** 1:30pm (or at the conclusion of the Community Services Committee)  
**Venue:** Council Chamber, Level 2, Dunedin Public Art Gallery, The Octagon, Dunedin

Sandy Graham  
Chief Executive Officer

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**Finance and Council Controlled Organisations Committee**  
**PUBLIC AGENDA**

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**MEMBERSHIP**

<b>Chairperson</b>	Cr Lee Vandervis	
<b>Deputy Chairperson</b>	Cr Cherry Lucas	
<b>Members</b>	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	Mayor Jules Radich
	Cr Steve Walker	Cr Brent Weatherall
	Cr Andrew Whiley	

**Senior Officer** Gavin Logie, Chief Financial Officer

**Governance Support Officer** Lauren Riddle

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Lauren Riddle  
Governance Support Officer

Telephone: 03 477 4000  
governance.support@dcc.govt.nz  
[www.dunedin.govt.nz](http://www.dunedin.govt.nz)

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

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**1 PUBLIC FORUM**

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

**2 APOLOGIES**

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

**3 CONFIRMATION OF AGENDA**

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

## DECLARATION OF INTEREST

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### EXECUTIVE SUMMARY

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

### RECOMMENDATIONS

That the Committee:

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

### Attachments

	Title	Page
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Finance and Council Controlled Organisations Committee Register of Interest - Current as at 2 May 2023				
Councillors are members of all committees				
Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
Mayor Jules Radich	Shareholder	Izon Science Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Taurikura Drive Investments Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Golden Block Developments Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Cambridge Terrace Properties Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder	Southern Properties (2007) Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Arrenway Drive Investments Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Golden Centre Holdings Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder	IBMS Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder	Raft Holdings Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder	Otago Business Coaching Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Effectivise Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Athol Street Investments Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder	Allandale Trustee Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Aberdeen St No2 Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Road Safety Action Plan	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	100% Shareholder/Director	Panorama Developments Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Hospital Local Advisory Group (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Council of Social Services (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Tertiary Precinct Planning Group (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Tertiary Sector Steering Group (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Local Government New Zealand (Zone 6 Committee) (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Member	Connecting Dunedin (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Cr Bill Acklin	Shareholder/Director	Dunedin Brokers Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	APRA - AMCOS	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Entertainer	Various functions	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Strath Taieri Community Board (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Craigieburn Reserve Committee (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Toitū Otago Settlers Museum Board (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Cr Sophie Barker	Director	Ayrmed Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Various publicly listed companies	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Property Owner	Residential Property Owner - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Beneficiary	Sans Peur Trust (Larnach Castle)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Mentor	Business Mentors NZ	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Southern Heritage Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Friends Otago Museum	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otago Peninsula Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Orokonui Ecosanctuary	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Volunteer	Blue Penguins Pukekura	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Vegetable Growers Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Committee Member	Otago Anniversary Day Dinner	No conflict Identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chairperson	Dunedin Heritage Fund (Council Appointment)	No conflict Identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Gasworks Museum Trust (Council Appointment)	No conflict Identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Otaru Sister City Society (Council Appointment)	No conflict Identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Hereweka Harbour Cone Trust (Council Appointment)	No conflict Identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Local Government New Zealand (Zone 6 Committee) (Council Appointment)	No conflict Identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Member	Te Ao Tūroa Partnership (Council Appointment)	No conflict Identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Connecting Dunedin (Council Appointment)	No conflict Identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Cr David Benson-Pope	Owner	Residential Property Ownership in Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee and Beneficiary	Blind Investment Trusts	Duty to Trust may conflict with duties of Council Office	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Yellow-eyed Penguin Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	New Zealand Labour Party	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Heritage Fund (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Public Art Gallery Acquisitions Committee (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otago Museum Trust Board (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Cr Christine Garey	Trustee	Garey Family Trust - Property Ownership - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Women of Ōtepoti	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member (alternate)	Grow Dunedin Partnership (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otago Museum Trust Board (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Sophia Charter (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	St Paul's Cathedral Foundation (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Theomin Gallery Management Committee (Olveston) (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Cr Kevin Gilbert	Owner	Gipfel Limited - Bakery	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Schlubert Trust - Residential Property	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Schlup Family Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	BNI	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Business South	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Air New Zealand	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Kevin Gilbert and Esther Gilbert Partnership - Residential Rental Property	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.



Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Trustee	Biddies Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Advisors	Ronald McDonald House Supper Club Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Fair Trading Committee (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Local Government New Zealand (Zone 6 Committee) (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member (alternate)	Otago Regional Transport Committee (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Toitū Otago Settlers Museum Board (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Keep Dunedin Beautiful (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otago Settlers Association (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Saddle Hill Community Board (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	<b>Member</b>	<b>National Industry Advisors Group Food and Beverage (Workforce Development Council)</b>	<b>No conflict identified</b>	<b>Seek advice prior to the meeting if actual or perceived conflict of interest arises.</b>
	Member	Connecting Dunedin (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Cr Carmen Houlahan	Owner	Residential Property - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Owner	Rental Property - North Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Part Owner	Adobe Group Ltd, Wanaka	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Rotary Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Institute of Directors	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otago Property Investors Association	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Public Art Gallery Society (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Public Art Gallery Acquisitions Committee (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Creative Dunedin Partnership (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otago Theatre Trust (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Cr Marie Laufiso	Property Owner	Residential Property	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Moray Place Community Building Trust - Trust Owner of Property 111 Moray Place	Duty to Trust may conflict with duties of Council Office	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Chair	Otago Mental Health Support Trust	Potential grants applicant which would result in pecuniary interest. Duty to Trust may conflict with duties of Council Office	Do not participate in consideration of grants applications. If the meeting is in public excluded, to leave the room.
	Member	Women of Ōtepoti Recognition Initiative	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Family Member	Staff member a relative	Potential conflict depending on level of staff member involvement	Managed by staff at officer level if a perceived conflict of interest arises.
	Secretary	Brockville Improvements and Amenities Society (BIAS)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Corso Ōtepoti Dunedin Trust	Potential grants recipient	Withdraw from discussion and leave the table. If in public excluded leave the room. Seek advice prior to the meeting.
	Member	Dunedin Manufacturing Holdings Inc	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Secretary	BIAS Charitable Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Dunedin Branch Treasurer	P.A.C.I.F.I.C.A Inc	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Green Party of Aotearoa New Zealand	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Abrahamic Interfaith Group (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Refugee Steering Committee (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Social Wellbeing Advisory Group (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	District Licensing Committee (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chairperson	Grants Subcommittee (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Cr Cherry Lucas	Trustee	Otago Farmers Market	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otago A & P Society	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Henderson Lucas Family Trust - Residential Dunedin Property	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	NZ Institute of Chartered Accountants	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otago Museum Trust Board (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Chinese Garden Advisory Board (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Toitū Otago Settlers Museum Board (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member (alternate)	Grow Dunedin Partnership (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Mosgiel Taieri Community Board (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Member	Te Poāri a Pukekura Partnership (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Cr Mandy Mayhem	Chairperson	Waitati Hall Society Inc	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chairperson	Blueskin News Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Co-ordinator	Waitati Market	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Co-ordinator	Emergency response group, Blueskin area	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	FENZ Local Advisory Committee for Otago	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Waitati Music Festival Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Blueskin Bay Amenities Society	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Blueskin A & P Society	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chairperson	Keep Dunedin Beautiful (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Deputy Chairperson	Keep New Zealand Beautiful	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Coastal Community Cycleway Network	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	West Harbour Community Board (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Disability Issues Advisory Group (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Social Wellbeing Advisory Group (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Cr Jim O'Malley	Owner	Biocentrix Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Mosgiel Association Football Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Ocho Newco Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Owner	Residential Property Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Owner	Ayrmed Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Ice Sports Dunedin Incorporated (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Connecting Dunedin (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Hospital Local Advisory Group (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otago Regional Transport Committee (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Member	Okia Reserve Management Committee (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Tertiary Precinct Planning Group (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Waikouaiti Coast Community Board (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Lee Vandervis	Director	Lee Vandervis, Antonie Alm-Lequeux and Cook Allan Gibson Trustee Company Ltd - Residential Property Ownership - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Bunchy Properties Ltd - Residential Property Ownership - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Owner	Vandervision Audio and Lighting - Hire, Sales and Service Business	May contract and provide service to DCC	Withdraw from discussion and leave the table. If the meeting is in public excluded leave the room. Seek advice prior to the meeting.
	Member	District Licensing Committee (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Okia Reserve Management Committee (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Steve Walker	Board Member	Dunedin Wildlife Hospital Trust	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in public excluded leave the room. Seek advice prior to the meeting.
	Chairperson	West Harbour Beautification Trust	Potential conflict WHBT work with Parks and Reserves to co-ordinate volunteer activities	Withdrawal from all West Harbour Beautification Trust/ DCC discussions involving this relationship.
	Member	Orokouai Ecosanctuary	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in public excluded leave the room. Seek advice prior to the meeting.
	Member	Port Chalmers Golf Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Society of Beer Advocates	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	New Zealand Labour Party	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Port Chalmers Historical Society	Potential grants recipient	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Owner	Residential Property - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Various publicly listed companies	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	NZ Sea Lion Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Edinburgh Sister City Society (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Predator Free Dunedin (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Cr Brent Weatherall	Member	Urban Access	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Owner	Residential Property	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Owner	Business George Street, Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Trustee	Brent Weatherall Jeweller Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Weatherall Trustee Company	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Residential Rental Properties	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Craigieburn Reserve Committee (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Public Art Gallery Society (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Andrew Whiley	Owner/Operator	Whiley Golf Inc and New Zealand Golf Travel Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder 22 May 2017	Estate of Grace Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Japek (Family Trust) - Property Ownership - Dunedin	Duties to Trust may conflict with duties of Council Office.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otago Golf Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin South Rotary Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Institute of Directors	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	National Party	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chairman	Volunteer South	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	President	New Zealand PGA (Professional Golf Association)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chair	Dunedin Community House Executive Committee	Potential grants recipient	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otago Property Investors Association	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Chisholm Links Golf Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Hereweka Harbour Cone Trust (Council Appointment)	No conflict Identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otago Peninsula Community Board (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Shanghai Association (Sister City Society) (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Grow Dunedin Partnership (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	NZ Masters Games Trust Board (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Puketai Residential Centre Liaison Committee (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

## CONFIRMATION OF MINUTES


### FINANCE AND COUNCIL CONTROLLED ORGANISATIONS COMMITTEE MEETING - 23 MARCH 2023

#### RECOMMENDATIONS

That the Committee:

- a) **Confirms** the minutes of the Finance and Council Controlled Organisations Committee meeting held on 23 March 2023 as a correct record.

#### Attachments

	Title	Page
A 	Minutes of Finance and Council Controlled Organisations Committee meeting held on 23 March 2023	15

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## **Finance and Council Controlled Organisations Committee MINUTES**

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**Minutes of an ordinary meeting of the Finance and Council Controlled Organisations Committee held in the Council Chamber, Level 2, Dunedin Public Art Gallery, The Octagon, Dunedin on Thursday 23 March 2023, commencing at 1:05pm**

### **PRESENT**

**Chairperson** Cr Lee Vandervis  
**Deputy Chairperson** Cr Cherry Lucas

**Members**

Cr Bill Acklin	Cr Sophie Barker
Cr David Benson-Pope	Cr Christine Garey
Cr Marie Laufiso	Cr Carmen Houlahan
Cr Jim O'Malley	Cr Mandy Mayhem
Cr Steve Walker	Mayor Jules Radich
Cr Andrew Whiley	

**IN ATTENDANCE** Sandy Graham (Chief Executive Officer); Gavin Logie (Chief Financial Officer); Keith Cooper (Chairperson, Dunedin City Holdings Limited Group); Jemma Adams (General Manager, Dunedin City Holdings Limited Group)

**Governance Support Officer** Lauren Riddle

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### **1 PUBLIC FORUM**

There was no Public Forum.

### **2 APOLOGIES**

Moved (Cr Lee Vandervis/Cr Steve Walker):

That the Committee:

**Accepts** the apologies from Crs Kevin Gilbert and Brent Weatherall for absence and from Cr Carmen Houlahan for lateness.

**Motion carried (FCCO/2023/005)**

**3 DECLARATIONS OF INTEREST**

Members were reminded of the need to stand aside from decision-making when a conflict arose between their role as an elected representative and any private or other external interest they might have.

Moved (Cr Lee Vandervis/Cr Bill Acklin):

That the Committee:

- a) **Notes** the Elected Members' Interest Register; and
- b) **Confirms** the proposed management plan for Elected Members' Interests.

**Motion carried (FCCO/2023/006)**

**4 CONFIRMATION OF MINUTES****4.1 FINANCE AND COUNCIL CONTROLLED ORGANISATIONS COMMITTEE MEETING - 14 FEBRUARY 2023**

Moved (Cr Lee Vandervis/Cr Steve Walker):

That the Committee:

**Confirms** the minutes of the Finance and Council Controlled Organisations Committee meeting held on 14 February 2023 as a correct record.

**Motion carried (FCCO/2023/007)**

**PART A REPORTS****5 FINANCE AND COUNCIL CONTROLLED ORGANISATIONS COMMITTEE FORWARD WORK PROGRAMME**

A report from Civic provided an update of the Committee's forward work programme in regard to areas of activity, progress and expected timeframes for decision making across a range of areas of work.

The Chief Executive Officer (Sandy Graham) and the Chief Financial Officer (Gavin Logie) and spoke to the forward work programme and responded to questions.

Moved (Cr Lee Vandervis/Cr Steve Walker):

That the Committee:

**Notes** the Finance and Council Controlled Organisations Committee forward work programme as at March 2023.

**Motion carried (FCCO/2023/008)**



**6 AUDIT AND RISK SUBCOMMITTEE OVERVIEW**

Warren Allen, Chairperson of the Audit and Risk Subcommittee provided an overview of the Audit and Risk Subcommittee's role and responded to questions.

Cr Carmen Houlahan entered the meeting at 1.22pm.

Moved (Cr Lee Vandervis/Cr Steve Walker):

That the Committee:

**Notes** the Audit and Risk Subcommittee update.

**Motion carried (FCCO/2023/009)**

**7 FINANCIAL RESULT - PERIOD ENDED 28 FEBRUARY 2023**

A report from Finance provided the financial results for the period ended 28 February 2023.

The Chief Financial Officer (Gavin Logie) spoke to the report and responded to questions.

Moved (Cr Lee Vandervis/Cr Andrew Whiley):

That the Committee:

**Notes** the Financial Performance for the period ended 28 February 2023 and the Financial Position as at that date.

**Motion carried (FCCO/2023/010)**

**8 DUNEDIN CITY HOLDINGS LIMITED GROUP UPDATE - QUARTER ENDING 31 DECEMBER 2022**

A report from the Executive Leadership Team provided a quarterly update for the period ended 31 December 2022 for the Dunedin City Holdings Limited (DCHL) Group.

The Chairperson, Dunedin City Holdings Limited (Keith Cooper) and the General Manager, Dunedin City Holdings Limited (Jemma Adams) spoke to the report and responded to questions.

Moved (Chairperson Lee Vandervis/Cr Mandy Mayhem):

That the Committee:

**Notes** the Dunedin City Holdings Limited Group Quarterly Update for the period ended 31 December 2022.

**Motion carried (FCCO/2023/011)**

**9 DUNEDIN CITY HOLDINGS LIMITED GROUP COMPANIES - INTERIM REPORTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2022**

A report from the Executive Leadership Team provided the interim reports for the six months ended 31 December 2022 for the Dunedin City Holdings Limited (DCHL) Group Companies.

The Chairperson, Dunedin City Holdings Limited (Keith Cooper) and the General Manager, Dunedin City Holdings Limited (Jemma Adams) spoke to the report and responded to questions

Moved (Cr Lee Vandervis/Cr Carmen Houlahan):

That the Committee:

**Notes** the Dunedin City Holdings Limited Group Companies Interim Reports for the six months ended 31 December 2022.

**Motion carried (FCCO/2023/012)**

**10 DRAFT 2023/24 STATEMENTS OF INTENT - DUNEDIN CITY HOLDINGS LIMITED GROUP COMPANIES**

A report from the Executive Leadership Team provided the draft 2023/24 Statements of Intent of Dunedin City Holdings Group companies.

The Chairperson, Dunedin City Holdings Limited (Keith Cooper) and the General Manager, Dunedin City Holdings Limited (Jemma Adams) spoke to the report and responded to questions

Cr Carmen Houlahan left the meeting at 02:25 p.m.

Cr Carmen Houlahan returned to the meeting at 02:27 p.m.

Moved (Cr Lee Vandervis/Cr Steve Walker):

That the Committee:

**Notes** the draft 2023/24 Statements of Intent of Dunedin City Holdings Group companies.

**Motion carried (FCCO/2023/013)**

The meeting was declared closed at 2:32pm.

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CHAIRPERSON

## PART A REPORTS

### FINANCE AND COUNCIL CONTROLLED ORGANISATIONS COMMITTEE - FORWARD WORK PROGRAMME

Department: Civic

#### EXECUTIVE SUMMARY

- 1 The purpose of this report is to provide a regular update of the Finance and Council Controlled Organisations Committee forward work programme to show areas of activity, progress and expected timeframes for decision making across a range of areas of work. (Attachment A).
- 2 As this is an administrative report only, there are no options or Summary of Considerations.

#### RECOMMENDATIONS

That the Committee:

- a) **Notes** the Finance and Council Controlled Organisations Committee forward work programme as shown in Attachment A.

#### DISCUSSION

- 3 The forward work programme will be a regular agenda item which shows areas of activity, progress and expected timeframes for decision making across a range of areas of work.
- 4 As an update report, purple highlights show changes to timeframes. New items added to the schedule will be highlighted in yellow. Items that have been completed or updated are shown as bold.

#### Signatories

Author:	Lauren Riddle - Governance Support Officer
Authoriser:	Gavin Logie - Chief Financial Officer

#### Attachments

Title	Page
<a href="#">A</a> Forward Work Programme - May 2023	21



Key	
New item	
Changes to timeframes	
Completed; progress to date update	<b>Bold</b>

Finance and Council Controlled Organisations Committee Forward Work Programme 2022/2023 - May 2023															
Area of Work	Reason for Work	Council role (decision and/or direction)	Expected timeframe												
			May	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Financial Results	To update the Committee the financial result (YTD) and the financial position as at the date of the report	Noting the financial results.  <b>Progress to date:</b> Financial result reports will continue to be presented to future meetings.	Notes	Notes		Notes		Notes	Notes			Notes			Notes
Waipori Fund Quarterly Report	To update the Committee on the results of the Waipori Fund	Noting the Dunedin City Treasury Limited’s quarterly report on the Waipori Fund  <b>Progress to date:</b> These reports will be presented to future meetings.	Quarterly report to March			Quarterly report to June		Quarterly report to September				Quarterly report to December			Quarterly report to March
Investment Plan	Develop an Investment Plan	Consider and decide on an investment plan.  <b>Progress to date:</b> A draft of the Investment Plan is being finalised. The draft Plan has been referenced in the Letter of Expectation to DCHL. The Plan will go to the Finance & CCO committee in June, previously scheduled for May.		Update											
Submissions to central government and other external parties.	Provide feedback on proposals from central government and other external parties.	Consider and decide on draft submission on central government and other external parties proposals as required.		As and when required											
Council Controlled Organisations															
Council controlled organisations - Statements of Intent	Statutory requirement under section 64 of the LGA, and the Energy Companies Act, to provide statements of intent to its shareholders. Section 65 of the LGA requires local authorities to agree to the statements of intent, or if not agreed to, take steps to have them notified.	Provide feedback on draft statements of intent. Agree to the final statements of intent adopted by the Boards of each CCO.  <b>Progress to date:</b> Elected member feedback on the draft Statements of Intent is on the agenda for consideration. Final Statements will be presented to the 27 June Council meeting for approval.	Consider	Council for approval											

Area of Work	Reason for Work	Council role (decision and/or direction)	Expected timeframe												
			May	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
DCHL Company Annual Reports	To provide the Committee with a copy of the parent financial statements for the financial year.	<b>Progress to date:</b> The parent financial report for the year ended 30 June 22 were presented to the Finance & CCO committee in February 2023.										Report			

**FINANCIAL RESULT - PERIOD ENDED 31 MARCH 2023**

Department: Finance

**EXECUTIVE SUMMARY**

- 1 This report provides the financial results for the period ended 31 March 2023 and the financial position as at that date.
- 2 As this is an administrative report only, there are no options or Summary of Considerations.

<b>\$ Million</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>		<b>Last Year</b>
Revenue	263.840	258.685	5.155	F	245.922
Expenditure	291.409	266.903	(24.506)	U	246.150
Net Surplus/(Deficit) excluding Waipori	(27.569)	(8.218)	(19.351)	U	(0.228)
Waipori Fund Net	3.351	2.527	0.824	F	(1.250)
Net Surplus/(Deficit) including Waipori	(24.218)	(5.691)	(18.527)	U	(1.478)
<b>Capital Expenditure</b>	152.611	142.027	(10.584)		96.869
<b>Debt</b>					
Short Term Borrowings	101.000	86.000	(15.000)	U	43.300
Term Loans	334.273	334.273	-		271.973
<b>Total Debt</b>	435.273	420.273	(15.000)	U	315.273

## RECOMMENDATIONS

That the Committee:

- a) **Notes** the Financial Performance for the period ended 31 March 2023 and the Financial Position as at that date.

## BACKGROUND

- 3 This report provides the financial statements for the period ended 31 March 2023. It includes reports on financial performance, financial position, cashflows and capital expenditure. The operating result is also shown by group, including analysis by revenue and expenditure type.

## DISCUSSION

- 4 Revenue was \$263.480 million for the period or \$5.155 million greater than budget. This was primarily due to unbudgeted government grants for Economic Development, as well as increased revenue for Aquatic Services, landfill revenue, and roading maintenance and capital expenditure subsidies.
- 5 These favourable variances were partially offset by lower than expected revenue from parking operations, water sales and water reform project subsidy revenue.
- 6 Expenditure was \$291.409 million for the period or \$24.506 million greater than budget. Operational expenditure was greater than expected due to additional roading maintenance expenditure (see revenue above), increased waste levy costs, along with costs associated with applying to extend the Green Island landfill consents and monies spent for government funded projects in Economic Development.
- 7 Depreciation expenditure was also higher than expected following asset revaluations as at 30 June 2022, impacting asset replacement cost (Three Waters and Transport). The level of uplift for Three Waters reflected a change in valuation methodology away from historical indexed costs to a fairer estimate of current replacement cost.
- 8 Depreciation for Three Waters in the current month was adjusted to reflect the final revaluation as at 30 June 2022. This saw a decrease in the depreciable replacement cost of the assets from circa. \$2.4 billion to \$1.6 billion. The original valuation included a multiplier to reflect the cost of replacing pipes in hilly terrain. A recent review identified the multiplier used for some parts of the city was too high compared to other similar local authorities. The final valuation included adjustments to this multiplier where appropriate.
- 9 These unfavourable variances were partially offset by savings in personnel costs and delays for some project expenditure.
- 10 The volatility of world markets continues to impact the performance of the Waipori Fund. Overall year to date international and NZ equities have increased in fair value, with the other portfolios (Australian and Property) recording minor decreases in value.



- 11 Capital expenditure was \$152.611 million for the period or 107.50% (Feb. 2023 109.5%) of the year-to-date budget (80.5% of the full year budget). 3 Waters renewals expenditure continues to track ahead of budget with a number of large water and sewer renewal projects underway. The level of spend in other areas of the organisation reflected delays for some projects.
- 12 The Council approved an increased level of debt for the 2022/2023 financial year at it's meeting held 6 April 2023. The approved level of debt increased \$35.0 million from \$445.0 million to \$480.0 million.
- 13 Attachment H has been provided with this month's financial report showing the historical debt trend (Group and DCC Parent) and includes forecasts based on the draft group statements of intent. It also incorporates the uplift in DCC borrowing discussed above. The final forecast numbers will be updated in June once all budgets for 2023/2024 have been completed.

### NEXT STEPS

- 14 Financial Result Reports continue be presented to future meetings of either the Finance and Council Controlled Organisation Committee or Council.

### Signatories

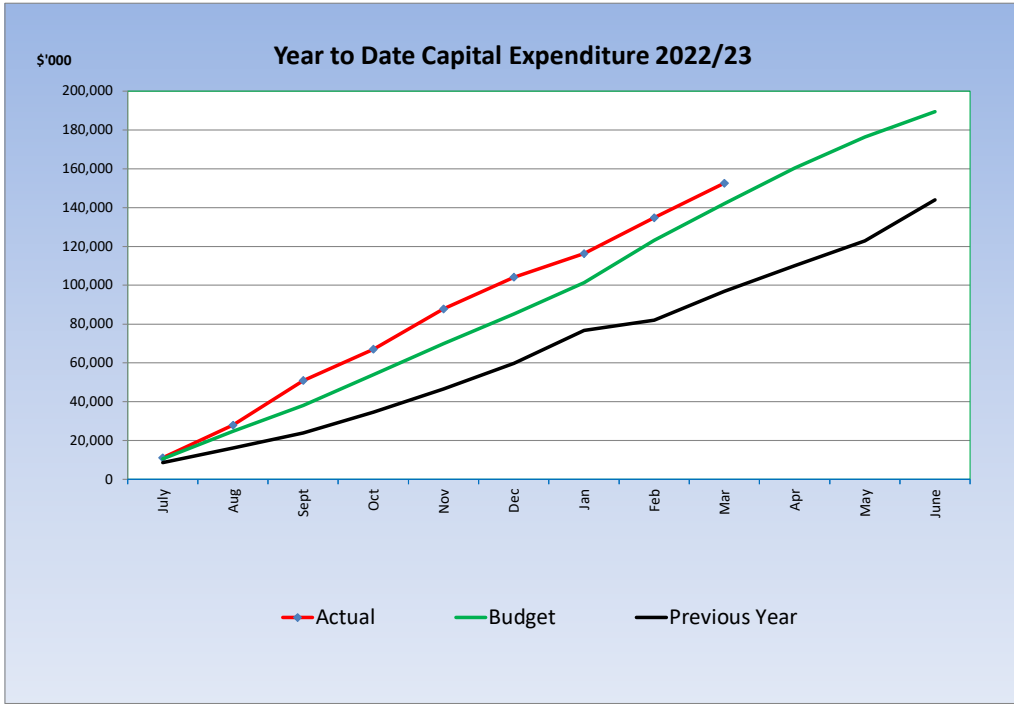
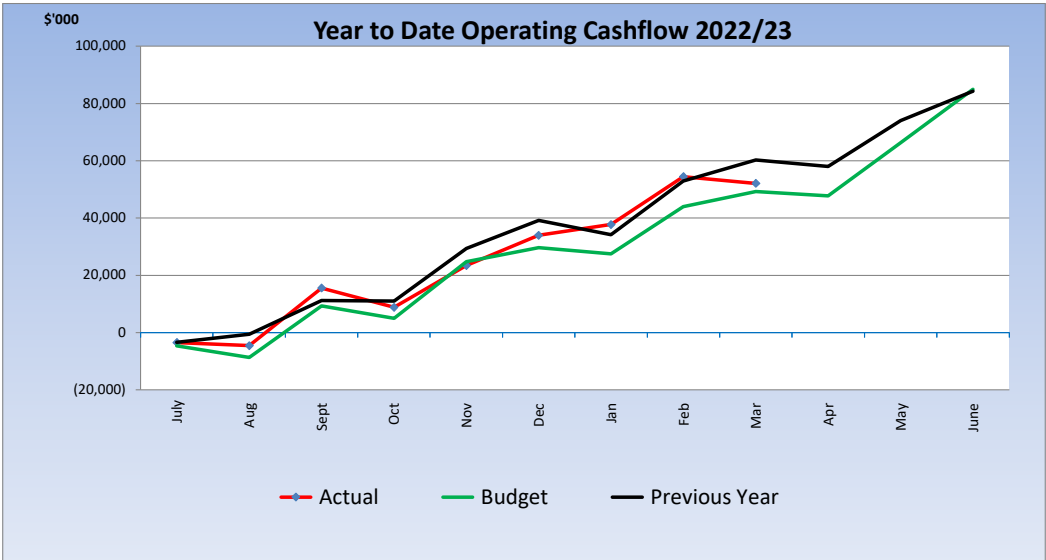
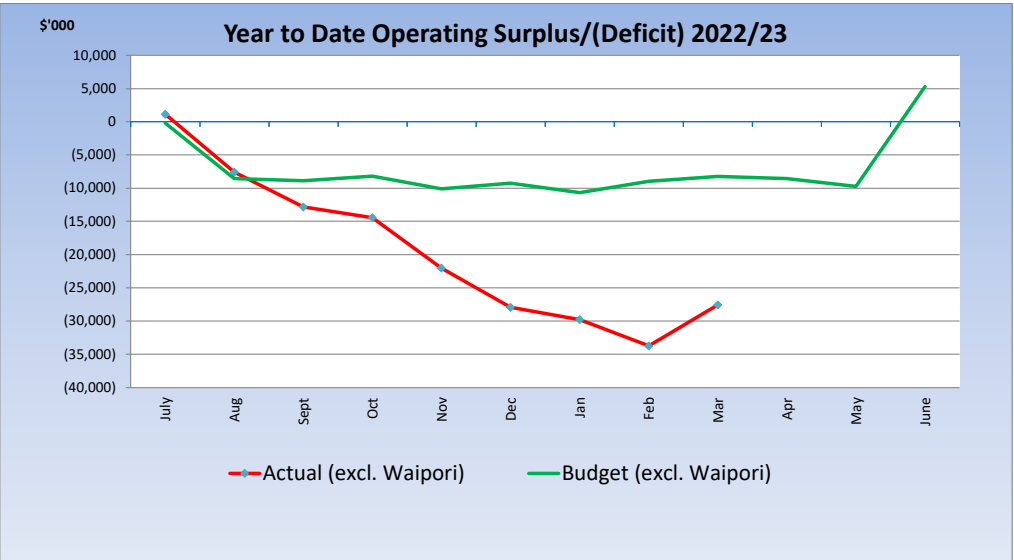
Authoriser:	Gavin Logie - Chief Financial Officer
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### Attachments

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**DUNEDIN CITY COUNCIL**  
**SUMMARY FINANCIAL INFORMATION AS AT 31 MARCH 2023**




Borrowing Metrics	Target		Actual	Budget
Interest as a % rates revenue	< 30%	*	7.9%	7.1%
Interest as a % total revenue	< 20%	*	4.8%	4.4%
Debt % annualised revenue	250.0% Max.		138.0%	130.7%

\* represents the ability to fund interest costs from revenue

DUNEDIN CITY COUNCIL							 <b>DUNEDIN</b>   kaunihera CITY COUNCIL   a-rohe o Ōtepoti			
Statement of Financial Performance										
For the Period Ending 31 March 2023										
Amount : \$'000										
Mth Actual	Mth Budget	Mth Variance		Year to Date Actual	Year to Date Budget	Year to Date Variance	LY YTD Actual	LY Full Year Actual	Full Year Budget	
15,489	15,489	-	REVENUE	144,299	144,302	3 U	134,343	179,556	190,767	
192	117	75 F	Rates Revenue	888	637	251 F	762	1,058	850	
6,560	5,929	631 F	Rates Penalties	55,412	54,896	516 F	50,066	82,618	79,413	
4,134	3,358	776 F	Other Operating Revenue	34,114	29,287	4,827 F	32,801	45,311	43,771	
299	315	16 U	Grants	1,816	2,838	1,022 U	1,531	10,471	6,784	
3,227	2,969	258 F	Contributions	27,311	26,725	586 F	26,419	35,264	35,633	
29,901	28,177	1,724 F	Internal Revenue	263,840	258,685	5,155 F	245,922	354,278	357,218	
			<b>TOTAL REVENUE</b>							
			EXPENDITURE							
6,752	6,761	9 F	Personnel Costs	55,667	57,639	1,972 F	50,790	68,287	76,816	
8,680	6,276	2,404 U	Operations & Maintenance	62,371	57,601	4,770 U	52,703	75,022	76,624	
1,066	1,150	84 F	Occupancy Costs	24,243	23,795	448 U	21,815	28,217	30,059	
2,151	1,911	240 U	Consumables & General	18,580	16,992	1,588 U	16,151	27,709	22,781	
35	67	32 F	Grants & Subsidies	10,107	9,751	356 U	10,318	11,731	10,710	
3,227	2,970	257 U	Internal Charges	27,311	26,725	586 U	26,419	35,264	35,633	
227	7,156	6,929 F	Depreciation	81,674	64,127	17,547 U	61,514	81,351	85,595	
1,588	1,142	446 U	Interest	11,456	10,273	1,183 U	6,440	8,630	13,697	
23,726	27,433	3,707 F	<b>TOTAL EXPENDITURE</b>	291,409	266,903	24,506 U	246,150	336,211	351,915	
			NET SURPLUS (DEFICIT)							
6,175	744	5,431 F	EXCLUDING WAIPORI	(27,569)	(8,218)	19,351 U	(228)	18,067	5,303	
			Add							
(70)	281	351 U	Waipori Fund Net Operating Result	3,351	2,527	824 F	(1,250)	(4,568)	3,369	
			NET SURPLUS (DEFICIT)							
6,105	1,025	5,080 F	INCLUDING WAIPORI	(24,218)	(5,691)	18,527 U	(1,478)	13,499	8,672	

DUNEDIN CITY COUNCIL			 <b>DUNEDIN</b> CITY COUNCIL		kaunihera a-rohe o Ōtepoti
Statement of Financial Position					
As at 31 March 2023					
Amount : \$'000					
As at 30-Jun-22		As at 31-Mar-23	Budget 31-Mar-23 \$000s	Budget 30-Jun-23	As at 31-Mar-22 \$000s
<b>Current Assets</b>					
11,986	Cash and Deposits	10,763	10,665	8,330	12,130
25,219	Sundry Debtors	24,183	24,127	25,230	21,138
7,999	Short Term Investments	3,676	10,539	10,539	11,552
-	Assets held for Resale	-	-	-	-
322	Inventories	608	472	472	448
45,526	<b>Total Current Assets</b>	39,230	45,803	44,571	45,268
<b>Non Current Assets</b>					
324,147	Investments	330,696	327,172	330,009	323,891
4,350,971	Fixed Assets	4,421,790	3,693,168	3,803,117	3,522,602
4,675,118	<b>Total Non Current Assets</b>	4,752,486	4,020,340	4,133,126	3,846,493
4,720,644	<b>TOTAL ASSETS</b>	4,791,716	4,066,143	4,177,697	3,891,761
<b>Current Liabilities</b>					
14,791	Sundry Creditors	7,691	12,000	12,000	12,982
46,406	Accrued Expenditure	47,734	35,807	33,008	37,555
-	Short Term Borrowings	101,000	86,000	-	43,300
20	Derivative Financial Instruments	-	-	-	296
61,217	<b>Total Current Liabilities</b>	156,425	133,807	45,008	94,133
<b>Non Current Liabilities</b>					
334,273	Term Loans	334,273	334,273	440,273	271,973
15,524	Other Non-Current Liabilities	15,584	15,232	15,232	14,232
349,797	<b>Total Non Current Liabilities</b>	349,857	349,505	455,505	286,205
411,014	<b>TOTAL LIABILITIES</b>	506,282	483,312	500,513	380,338
4,309,630	<b>COUNCIL EQUITY</b>	4,285,434	3,582,831	3,677,184	3,511,423
4,720,644		4,791,716	4,066,143	4,177,697	3,891,761
<b>Statement of Change in Equity</b>					
3,512,539	Opening Balance	4,309,630	3,588,491	3,588,491	3,512,539
13,499	Operating Surplus (Deficit)	(24,218)	(5,691)	8,672	(1,478)
782,956	Movements in Reserves	2	10	80,000	2
636	Adjustment Derivatives	20	21	21	360
4,309,630		4,285,434	3,582,831	3,677,184	3,511,423

<p><b>DUNEDIN CITY COUNCIL</b> <b>Statement of Cashflows</b> <b>For the Period Ending 31 March 2023</b> Amount : \$'000</p>				
	Year to Date Actual	Year to Date Budget	Full Year Budget	LY YTD Actual
<b>Cash Flow from Operating Activities</b>				
<i>Cash was provided from operating activities</i>				
Rates Received	143,919	143,457	190,481	135,013
Other Revenue	88,021	82,080	113,121	83,373
Interest Received	4,131	3,935	7,353	3,981
Dividend Received	987	922	6,754	962
Income Tax Refund	-	-	450	-
<i>Cash was applied to</i>				
Suppliers and Employees	(175,102)	(170,682)	(218,873)	(157,711)
Interest Paid	(9,858)	(10,469)	(14,349)	(5,426)
<b>Net Cash Inflow (Outflow) from Operations</b>	<b>52,098</b>	<b>49,243</b>	<b>84,937</b>	<b>60,192</b>
<b>Cash Flow from Investing Activities</b>				
<i>Cash was provided from investing activities:</i>				
Sale of Assets	161	-	120	3,659
Reduction in Investments	-	-	-	-
<i>Cash was applied to:</i>				
Increase in Investments	(634)	-	(2,550)	(1,518)
Capital Expenditure	(153,848)	(134,423)	(190,022)	(101,442)
<b>Net Cash Inflow (Outflow) from Investing Activity</b>	<b>(154,321)</b>	<b>(134,423)</b>	<b>(192,452)</b>	<b>(99,301)</b>
<b>Cash Flow from Financing Activities</b>				
<i>Cash was provided from financing activities:</i>				
Loans Raised	-	-	106,000	-
Increase in Short Term Borrowings	101,000	86,000	-	53,300
<i>Cash was applied to:</i>				
Loans Repaid	-	-	-	-
Decrease in Short Term Borrowings	-	-	-	(10,000)
<b>Net Cash Inflow (Outflow) from Financing Activity</b>	<b>101,000</b>	<b>86,000</b>	<b>106,000</b>	<b>43,300</b>
<b>Total Increase/(Decrease) in Cash</b>	<b>(1,223)</b>	<b>820</b>	<b>(1,515)</b>	<b>4,191</b>
<b>Opening Cash and Deposits</b>	<b>11,986</b>	<b>9,845</b>	<b>9,845</b>	<b>7,939</b>
<b>Closing Cash and Deposits</b>	<b>10,763</b>	<b>10,665</b>	<b>8,330</b>	<b>12,130</b>

<div> <div> <b>DUNEDIN CITY COUNCIL</b>            Capital Expenditure Summary by Activity            For the Period Ending 31 March 2023            Amount : \$'000         </div> <div>  <b>DUNEDIN</b>   kaunihera            CITY COUNCIL   a-rohe o            Ōtepoti         </div> </div>						
Description	Year to Date Actual	Year to Date Budget	Year to Date Variance	Over Under Spend	LY YTD Actual	Full Year Budget
Galleries, Libraries & Museums	1,460	1,975	515	U	1,177	2,429
City Development	45	95	50	U	26	250
Corporate Services	2,031	3,655	1,624	U	2,444	5,857
Property	12,343	17,778	5,435	U	11,847	28,082
Other	5	326	321	U	107	620
Parks and Recreation	18,499	25,316	6,817	U	6,995	32,068
Transport	43,987	41,538	2,449	O	27,454	51,840
Waste & Environmental	4,030	9,460	5,430	U	2,602	16,079
Three Waters	70,211	41,884	28,327	O	44,217	58,847
Timing Adjustment	-	-	-		-	(6,600)
	152,611	142,027	10,584	O	96,869	189,472

<p><b>DUNEDIN CITY COUNCIL</b> <b>Summary of Operating Variances</b> <b>For the Period Ending 31 March 2023</b></p> <p>Amount : \$'000</p> <p><b>DUNEDIN</b>   kaunihera CITY COUNCIL   a-rohe o Ōtepoti</p>											
Group	Year to Date Surplus(Deficit)			Year to Date Variance Favourable (Unfavourable)							
	Actual	Budget	Variance	Rates Revenue	Other Ext Revenue	Int Revenue	Staff	Ops & Other Exps	Internal Costs	Interest	Depr'n
Waipori Fund	3,351	2,527	824	-	867	-	-	(43)	-	-	-
Galleries, Libraries & Museums	877	(127)	1,004	-	876	(12)	75	27	-	-	38
Community Development	(168)	(531)	363	-	29	(14)	131	223	(5)	-	(1)
Corporate Services	2,435	348	2,087	-	212	(6)	967	1,186	6	-	(278)
Enterprise Dunedin	397	29	368	-	2,175	-	(27)	(1,806)	14	-	12
Property	(2,174)	(2,215)	41	-	74	-	176	(199)	6	-	(16)
Investment	(9,585)	(6,600)	(2,985)	(3)	572	-	(1,546)	(823)	(2)	(1,183)	-
Parking Services/Operations	103	756	(653)	-	(900)	(6)	142	32	1	-	78
Parks and Recreation	2,630	(26)	2,656	-	913	1	336	812	(11)	-	605
Regulatory & Planning	(329)	196	(525)	-	(620)	14	376	(299)	4	-	-
Transport	(2,570)	556	(3,126)	-	2,982	101	129	(4,547)	(101)	-	(1,690)
Waste & Environmental	1,551	(103)	1,654	-	1,709	508	241	(857)	12	-	41
Three Waters	(20,736)	(501)	(20,235)	-	(3,450)	-	972	(911)	(510)	-	(16,336)
<b>Total Council</b>	<b>(24,218)</b>	<b>(5,691)</b>	<b>(18,527)</b>	<b>(3)</b>	<b>5,439</b>	<b>586</b>	<b>1,972</b>	<b>(7,205)</b>	<b>(586)</b>	<b>(1,183)</b>	<b>(17,547)</b>

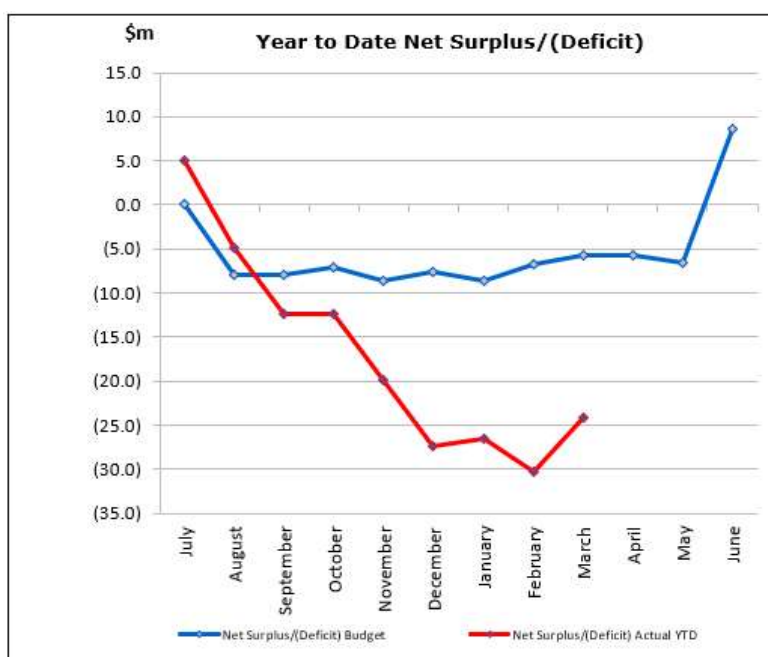


**FINANCIAL REVIEW**

**For the period ended 31 March 2023**

This report provides a detailed commentary on the Council's financial result for the period ended 31 March 2023 and the financial position at that date.

**NET SURPLUS/(DEFICIT) (INCLUDING WAIPORI)**



The net deficit (including Waipori) for the period ended 31 March 2023 was \$24.218 million or \$18.527 million greater than budget.

**REVENUE**

The total revenue for the period was \$263.840 million or \$5.155 million greater than budget.

The major variances were as follows:

**Other Operating Revenue**

*Actual \$55.412 million, Budget \$54.896 million, Favourable variance \$516k*

Waste and Environmental revenue was favourable \$763k mainly due to an increase in the volume of waste entering the Green Island landfill. Waste Strategy revenue was favourable due to the timing of waste levy revenue from the Ministry of the Environment.

Aquatic Services revenue was favourable \$259k due mainly to gym and learn to swim activities. Retail sales at Moana Pool were also favourable \$55k.

Property revenue was favourable \$203k. This included an unbudgeted insurance claim related to the Currie Street fire. There was also some unbudgeted rent revenue for the South Dunedin Community Complex building.

These favourable variances were partially offset by:

On-street and off-street parking revenue was unfavourable \$893k due to lower than expected activity. Parking continues to be impacted by changing habits with people continuing to work from home along with some lost revenue due to road closures.

Building Services revenue was \$512k unfavourable due to fewer inspections being undertaken.

Transport revenue was unfavourable \$189k due to lower than budgeted revenue from corridor access requests.

Three Waters revenue was unfavourable \$347k due mainly to lower water sales and less consultancy recoveries than expected.

**Grants Revenue**

*Actual \$34.114 million, Budget \$29.287 million, Favourable variance \$4.827 million*

Enterprise Dunedin revenue was favourable \$2.083 million due to the receipt of unbudgeted government funding for the Centre of Digital Excellence, Destination Marketing and the Regional Events Fund.

Transport revenue was favourable \$3.520 million reflecting the higher level of subsidised maintenance and capital expenditure.

These favourable revenue lines were partially offset by delayed timing of Three Waters reform projects funding \$2.709 million.

**EXPENDITURE**

The total expenditure for the period was \$291.409 million or \$24.506 million greater than budget.

The major variances were as follows:

**Personnel Costs**

*Actual \$55.667 million, Budget \$57.639 million, Favourable variance \$1.972 million*

This variance reflected a higher-than-expected level of position vacancies to date while recruitment activity continues.

**Operations and Maintenance Costs**

*Actual \$62.371 million, Budget \$57.601 million, Unfavourable variance \$4.770 million*

Transportation expenditure was unfavourable \$4.619 million due to greater subsidised roading maintenance including: drainage maintenance, emergency works and traffic services maintenance including road marking.

Enterprise Dunedin costs were \$895k higher than budget due to unbudgeted expenditure for the Centre of Digital Excellence, Destination Marketing and Regional Events Fund– see offsetting income note above.

These unfavourable variances were partially offset by:

Three Waters were favourable \$887k due to reform project costs incurred under consumables and general – see below.

Parks and Recreation were favourable \$450k mainly due to building and coastal planning maintenance being underspent.

Property costs were favourable \$239k due to reactive maintenance being overall less than budgeted.

**Consumable and General Costs**

*Actual \$18.580 million, Budget \$16.992 million, Unfavourable variance \$1.588 million*

Three Waters costs were \$1.279 million unfavourable due to reform project costs budgeted under operations and maintenance – see favourable variance above.

Waste and Environmental costs were unfavourable \$792k mainly due to consultancy costs associated with the planned extension of consents at the Green Island landfill, as well as increased Ministry for the Environment waste levy fees.

City Development costs were \$272k unfavourable due to legal fees relating to the 2<sup>nd</sup> Generation District Plan.

These unfavourable variances were partially offset by:

BIS \$421k favourable due mainly to savings in internet costs and delayed timing of aerial photography work.

Corporate Policy \$420k favourable due mainly to delayed project costs.

Council Communication and Marketing costs were favourable \$335k due to timing of advertising and software licensing costs as well as savings in media monitoring costs.

**Depreciation**

*Actual \$81.674 million, Budget \$64.127 million, Unfavourable variance \$17.547 million*

Depreciation expenditure was higher than expected following asset revaluations as at 30 June 2022, impacting asset replacement cost (Three Waters and Transport). The level of uplift for Three Waters reflected a change in valuation methodology away from historical indexed costs to a fairer estimate of current replacement cost.

Depreciation for Three Waters in the current month was adjusted to reflect the final revaluation as at 30 June 2022. This saw a decrease in the depreciable replacement cost of the assets from circa. \$2.4 billion to \$1.6 billion. The original valuation included a multiplier to reflect the cost of replacing pipes in hilly terrain. A recent review identified the multiplier used for some parts of the city was too high compared to other similar local authorities. The final valuation included adjustments to this multiplier where appropriate.

**WAIPORI FUND NET OPERATING RESULT**

*Actual \$3.351 million surplus, Budget \$2.527 million surplus, Favourable variance \$824k*

The volatility of world markets continues to impact the performance of the Waipori Fund. Overall year to date international and NZ equities have increased in fair value, with the other portfolios (Australian and Property) recording minor decreases in values.

**STATEMENT OF FINANCIAL POSITION**

A Statement of Financial Position is provided as Attachment C.

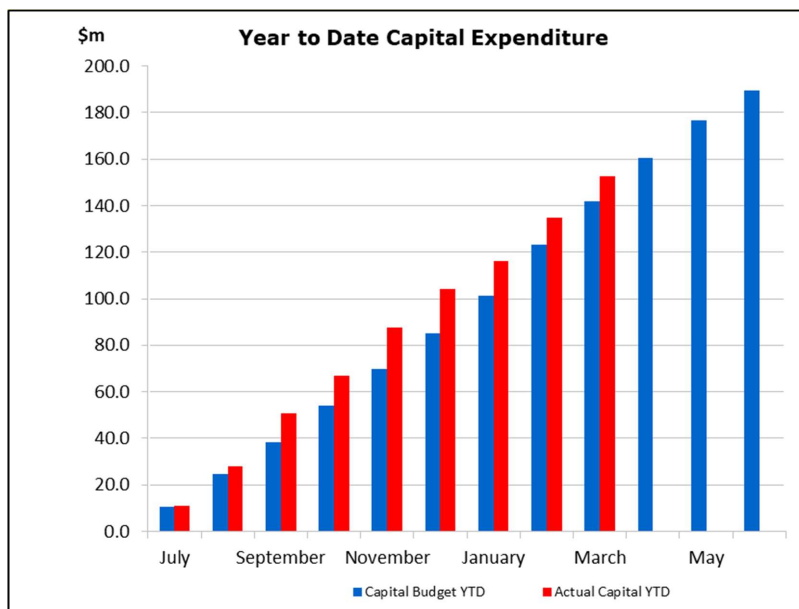
Short term investments of \$3.676 million relate to the Waipori Fund.

The level of fixed assets both 30 June 2022 and 31 March 2023 reflects the uplift in valuation of the Three Waters reticulation assets.

## CAPITAL EXPENDITURE

A summary of the capital expenditure programme by Activity is provided as Attachment E.

Total capital expenditure for the period was \$152.611 million or 107.5% of the year-to-date budget.



**Corporate Services** capital expenditure was \$1.624 million underspent

BIS capital was underspent \$2.101 million driven by lower-than-expected expenditure on IT related projects – Customer Self Service Portal, Aquatic Retail System, Online Services, Contract Management System and Mobility Solutions.

Fleet Operations capital was overspent \$477k due to the timing of the fleet vehicle replacement programme being brought forward due to the availability of vehicles and earlier than expected delivery of the new mobile library.

**Property** capital expenditure was \$5.435 million underspent

Renewals expenditure was underspent due to:

- The Civic Centre upgrade project was behind budget due to some scheduled work yet to begin such as the LED lighting component.
- The Healthy Homes project was behind schedule due to difficulties getting sufficient contractors to complete the work.

**Parks and Recreation** capital expenditure was \$6.817 million underspent

This underspend reflected delays across the various portfolios including Moana Pool and associated hydroslide replacement and general renewal and upgrades to recreation facilities.

**Transport** capital expenditure was \$2.449 million overspent

Transport's overall renewal spend was close to budget.

In terms of new capital delivery, the Central City project was running ahead of budget, partially offset by delays related to Shaping Future Dunedin projects and Urban Cycleways.

**Waste and Environmental** capital expenditure was \$5.430 million underspent

The variance was driven by delayed timing of expenditure for the new kerbside bins and various Waste Futures projects. The contracts for the new service have now been signed with initial planning for service rollout underway.

Partially offsetting this variance was expenditure on the Smooth Hill landfill project.

**Three Waters** capital expenditure was \$28.327 million overspent

Renewal's expenditure was ahead of budget \$21.441 million, including water and sewer renewals related to the Central City project as well as pipe renewals in Waikouaiti, Careys Bay and Sawyers Bay. Other renewals projects included the program to replace water tobys and meters.

New capital expenditure was ahead of budget \$6.887 million, including the property purchase associated with the Bath St project, and the new Tahuna sludge delivery project.

#### **COMMENTS FROM GROUP ACTIVITIES**

The Summary of Operating Variances, shows by Group Activity the overall net surplus or deficit variance for the period. It also shows the variances by revenue and expenditure type.

#### **Corporate Services - \$2.087 million Favourable**

Staff costs were favourable due to the level of position vacancies.

Operating expenditure was favourable due mainly to savings on software licence fees, savings in advertising and media monitoring costs for Council Communications and Marketing and delayed project costs in Corporate Policy.

**Parks and Recreation - \$2.656 million Favourable**

Overall revenue was favourable \$913k due to the early receipt of grants revenue and higher than expected levels of activity across the group – including Aquatics and Sportsgrounds.

Staff costs were favourable due partly to the number of vacancies within the group.

Operating costs were favourable mainly due to maintenance being overall less than budgeted.

Depreciation year to date was also favourable reflecting the underspend on capital expenditure noted above.

**Transport - \$3.126 million Unfavourable**

Operating costs were unfavourable \$4.547 million due to greater subsidised roading maintenance including: drainage maintenance, emergency works and traffic services maintenance including road marking.

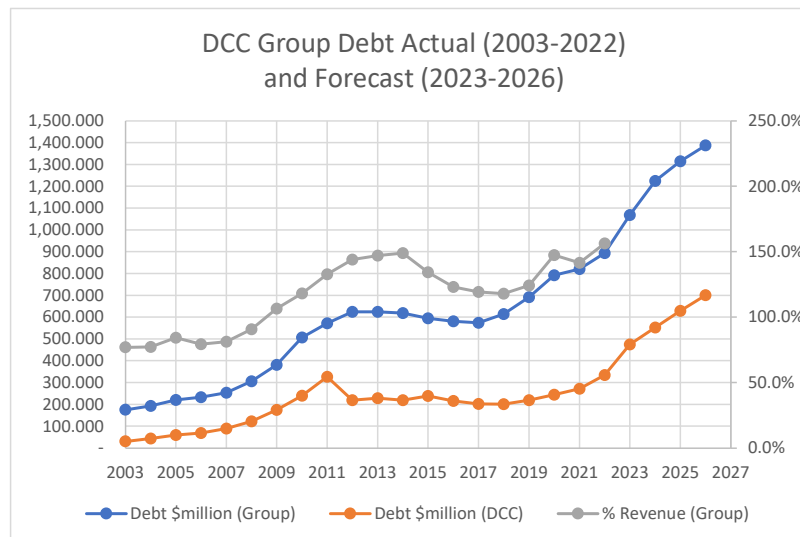
External revenue was \$2.982 million favourable primarily reflecting the increased level of subsidised maintenance and capital expenditure for the year to date.

**Three Waters - \$20.235 million Unfavourable**

Three Waters revenue was unfavourable \$3.450 million due to the delayed timing of Water Reform project funding from the Department of Internal Affairs and lower than anticipated water sales.

Depreciation was unfavourable \$16.336 million due to the new valuation effective 30 June 2022 discussed above.

Staff costs were favourable pending recruitment into the new positions funded from the project monies discussed above.





## WAIPORI FUND - QUARTER ENDING MARCH 2023

Department: Finance

### EXECUTIVE SUMMARY

- 1 The attached report from Dunedin City Treasury Limited provides information on the results of the Waipori Fund for the quarter ended 31 March 2023.
- 2 As this is an administrative report only, there are no options or Summary of Considerations.

### RECOMMENDATIONS

That the Committee:

- a) **Notes** the report from Dunedin City Treasury Limited on the Waipori Fund for the quarter ended 31 March 2023.

### BACKGROUND

- 3 Not applicable.

### DISCUSSION

- 4 Not applicable.

### OPTIONS

- 5 Not applicable.

### NEXT STEPS

- 6 Not applicable.

### Signatories

Author:	Richard Davey - Treasury Manager
Authoriser:	Gavin Logie - Chief Financial Officer

### Attachments

Title	Page
<a href="#">A</a> Waipori Fund quarterly report to 31 March 2023	43

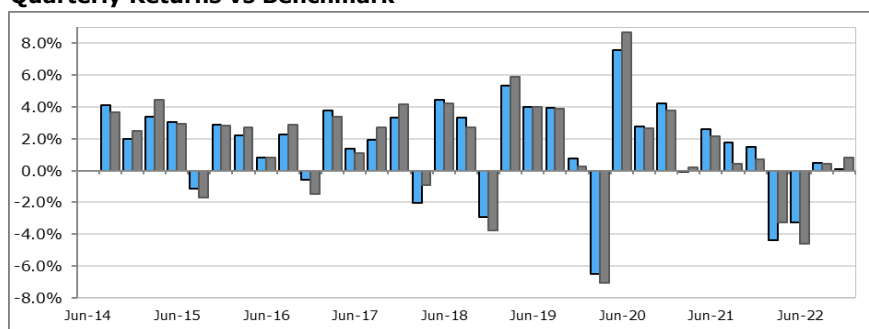


## Dunedin City Treasury Ltd

50 The Octagon  
PO Box 5045  
Dunedin 9058  
New Zealand  
Telephone (03) 474 3696  
Facsimile (03) 474 3594  
Email [dunedincitytreasury@dcc.govt.nz](mailto:dunedincitytreasury@dcc.govt.nz)

**TO:** Chief Executive, Dunedin City Council  
**FROM:** Dunedin City Treasury Limited  
**DATE:** 27 April 2023  
**SUBJECT:** **WAIPORI FUND - MARCH 2023 QUARTER**

### Quarterly Returns vs Benchmark



### March 2023 Quarter

The Fund made a positive return of 2.9% over the quarter, relative to the Benchmark return of 3.4%. NZ and International Equities had the strongest performance, returning 4.6% and 6.4% over the quarter respectively. Australian Equity returns were below Benchmark with the composition of Australian Equities being different to Benchmark. Globally, Equities tended to perform positively over the quarter but NZD denominated returns were enhanced by general New Zealand dollar weakness. Post 31 March 2023, the RBNZ continued its aggressive tightening cycle and surprised most commentators by raising the Official Cash Rate (OCR) from 4.75% to 5.25% on 5 April, compared to expectations of a 0.25% increase. This followed an increase of 0.50% from 4.25% to 4.75% as recently as 22 February 2023. The ongoing hawkish tone of the RBNZ now diverges somewhat to the more recent softer tone adopted by other global central banks in recent weeks. This follows the release of International Monetary Fund (IMF) cuts to global GDP forecasts where they cited weaker growth prospects from progress economies like China and South Korea. They also cited slower labour force growth, geopolitical fragmentation such as Brexit and Russia's invasion of Ukraine.

### Fund Returns

Period ended 31 March 2023	Waipori		Benchmark	
	Quarter %	FY %	Quarter %	FY %
NZ Equities (NZ50 Gross)	4.6	8.9	3.6	9.3
Australian Equities (Australian All Acc)	0.7	0.8	3.2	9.6
Int'l Equities (MSCI World Gross)	6.4	5.8	7.4	7.6
Property Equities (NZ Real Estate)	0.9	-7.2	1.8	-3.7
Short Term Interest (NZ 90 day bb)	2.1	2.5	1.1	2.8
Fixed Interest (NZ Corp Bond index)	2.3	2.9	2.4	1.6
<b>TOTAL</b>	<b>2.9</b>	<b>3.5</b>	<b>3.4</b>	<b>4.7</b>

Note: The Benchmarks used are the best available based on broad market indices and therefore their returns are not directly comparable with Waipori's returns. DCTL continues to review the appropriateness of the benchmark indices used and are comfortable that they are the best available at this time.

### Investment Profile

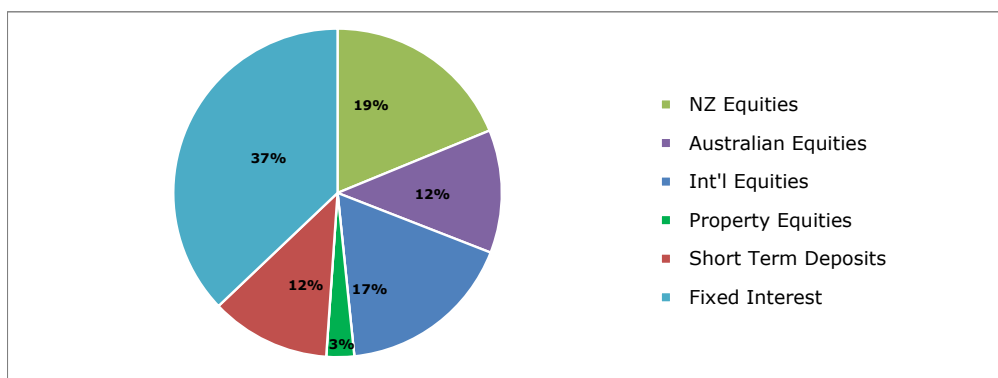
Waipori is diversified across asset classes with 51.1% invested in growth assets (equities and property) and 48.9% invested in income assets (fixed interest investments and short term deposits/cash).

The market value of the investment portfolio as at 31 March 2023 was \$98.6 million.

### Summary of Investments

As at 31 March 2023	Market Value	Percentage of Portfolio	Benchmark/ Exposure Range*
NZ Equities	18,543,396	18.8	16.0
Australian Equities	11,943,181	12.1	11.0
Int'l Equities	17,211,375	17.5	15.0
<b>Equities</b>	<b>47,697,952</b>	<b>48.4</b>	<b>20.0 - 60.0</b>
Property Equities	2,700,395	2.7	3.0
<b>Property</b>	<b>2,700,395</b>	<b>2.7</b>	<b>0.0 - 10.0</b>
Short Term Deposits	11,636,380	11.8	10.0
Fixed Interest	36,577,484	37.1	45.0
<b>Fixed Interest</b>	<b>48,213,864</b>	<b>48.9</b>	<b>40.0 - 70.0</b>
<b>TOTAL</b>	<b>98,612,211</b>	<b>100.0</b>	<b>100.0</b>

### Asset Allocation



### Outlook

Following the increase in the OCR on 5 April 2023, the RBNZ is now widely expected to increase the Official Cash Rate to a peak of 5.50% over the next two meetings. The New Zealand interest rate market is somewhat over optimistically pricing in cuts to the OCR in the latter stages of 2023. If the RBNZ delivers a 5.50% OCR by mid 2023, further action by our central bank will be data dependent thereafter.

The gross return of the equities component of the Fund was -0.70% over the 12 months to 23 March 2023, which reflects the significant decline in global equity markets over 2022. The return was below the long run expected return of the target portfolio of 5.1%-6.1% per annum. We consider this in context of the longer-term return, given the Waipori Fund's long-term focus. The longer term performance of the equity component of the Fund is well above the indicative expected return range provided above, at 10.26% since August 2013.

The Fund is positioned as a long-term investor and is diversified across regions and sectors with 51.1% growth assets (equities) and 48.9% income generating assets (fixed interest). The Fund holds equities of stable dividend paying companies that have traditionally continued paying dividends in times of market uncertainty.

However, with continuing strong New Zealand CPI in Q4 2022, of 7.2% y/y, the value of the Fund is being adversely impacted relative to the Inflation Adjusted Capital Base.

Keith Cooper  
**CHAIR**

Hannah Muldrew  
**ASSISTANT TREASURER**

Richard Davey  
**TREASURER**

## WAIPORI FUND PERFORMANCE VERSUS INVESTMENT OBJECTIVES

31 March 2023

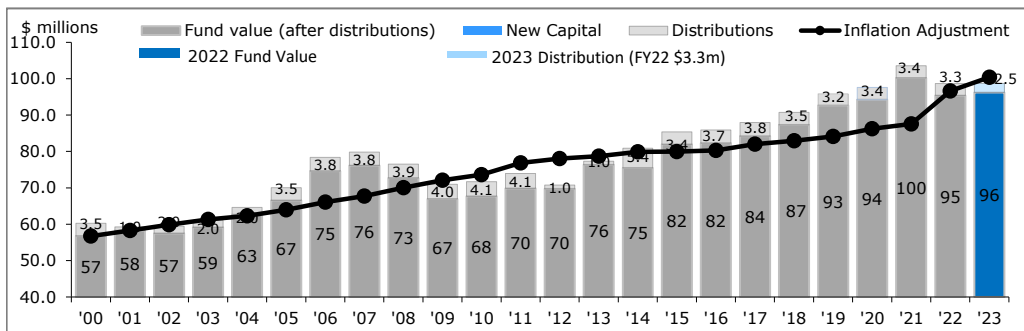
### 1. INCOME

Objective	2023 Est. Income	2023 Est. Yield	Average Yield	Period Years
The primary objective of the Fund will be to maximise its income, subject always to a proper consideration of investment risk.	\$2,890,678	3.0%	4.3%	23 3/4

### 2. CAPITAL GROWTH

Objective	Fund Value 31 Mar 2023	Revised Capital Base	Achieved
<b>FUND VALUE LESS ACCUMULATED DISTRIBUTION:</b> Subject to the income distribution needs of the Council and the provisions for capital protection, a key objective will be to grow the Fund's capital. Each calendar quarter, the Fund's capital base is to be adjusted by the movement in the CPI as follows: Revised capital base = previous capital base x (1 + quarterly CPI movement)	<b>\$96,209,422</b>	\$100,406,435	✗

# Fund value less distribution (\$2,502,101)

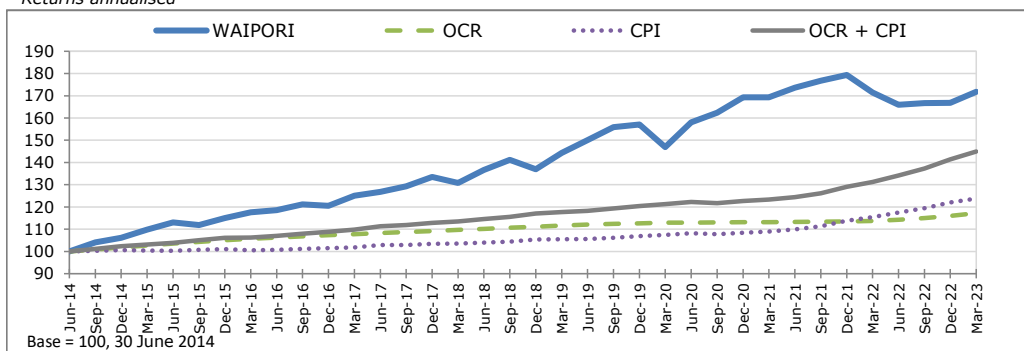


**Added Capital:** \$  
March 2022 3.05m

### 3. TOTAL RETURN (Period June 2014 - June 2022)

Objective	Waipori Return*	OCR*	CPI*	OCR + CPI	Achieved	Period Years
The Council envisages a minimum return over the medium to long-term, net of all fees and charges attributable to the Fund, equivalent to the weighted average Official Cash Rate (OCR) plus the movement in the "all groups" Consumer Price Index (CPI).	6.4%	1.8%	2.5%	4.3%	✓	8.75

\*Returns annualised



P 3

**WAIPORI FUND**
**Statement of Financial Performance for quarter ended 31 March 2023**

Quarter 31-Mar-22	Actual YTD 31-Mar-22		Actual	Quarter Target	Variance	Actual	Year to Date Target	Variance	Target Full Year
199,447	895,940	<b>Income</b>	242,635	284,453	(41,818)	962,801	1,037,154	(74,353)	1,558,379
318,069	966,340	Dividends	384,860	327,995	56,865	1,038,874	1,013,110	25,764	1,332,299
398,204	514,478	Interest	(60,829)	-	(60,829)	(27,217)	-	(27,217)	-
		Surplus on sale of Equities							
(3,943,034)	(783,765)	<b>Unrealised Gains/(Losses)</b>	1,496,672	n.a.	n.a.	1,966,601	n.a.	n.a.	n.a.
(354,446)	(205,143)	Equities	271,710	n.a.	n.a.	(559,498)	n.a.	n.a.	n.a.
(4,297,480)	(988,908)	Exchange Movements	1,768,382	407,430	1,360,952	1,407,103	1,222,289	184,814	1,629,718
(1,113,784)	(2,459,340)	Revaluation of Equities	537,703	-	537,703	212,778	-	212,778	-
16,465	17,317	Revaluation of Bonds	(6,000)	-	(6,000)	(54,130)	-	(54,130)	-
(4,479,079)	(1,054,173)	Revaluation of \$AUD Bank A/C							
		<b>Total Income</b>	2,866,751	1,019,878	1,846,873	3,540,209	3,272,553	267,656	4,520,396
-	-	<b>less Expenses</b>	-	48,146	(48,146)	-	144,438	(144,438)	192,585
61,342	196,119	Management Fees	62,048	15,530	46,518	189,400	46,590	142,810	62,120
32	104	Equity Management Advice	33	35	(2)	100	104	(4)	138
		Bank Fees							
61,374	196,223	<b>Total Expenses</b>	62,081	63,711	(1,630)	189,500	191,132	(1,632)	254,843
<b>(4,540,453)</b>	<b>(1,250,396)</b>	<b>Net Surplus/(Deficit)</b>	<b>2,804,670</b>	<b>956,167</b>	<b>1,848,503</b>	<b>3,350,709</b>	<b>3,081,421</b>	<b>269,288</b>	<b>4,265,553</b>

Targets are calculated based on assumptions of returns for each asset class at the beginning of the financial year by Craigs' Investment Partners and current yields.

**WAIPORI FUND**
**Statement of Movement in Principal of Fund**  
**For Period to 31 March 2023**

30-Jun-22		31-Mar-23
56,000,000	<b>Principal Opening</b>	59,050,000
3,050,000	Additional Capital	-
59,050,000	Closing Balance	59,050,000
	<b>Inflation Adjustment Reserve</b>	
32,151,614	Opening Balance	38,192,346
6,040,732	Transfer from Retained Earnings	3,768,865
38,192,346	Closing Balance	41,961,211
	<b>Retained Earnings</b>	
12,027,155	Opening Balance	(1,881,601)
(4,568,024)	Net Surplus/(Deficit)	3,350,709
(6,040,732)	Transfer to Inflation Adjustment Reserve	(3,768,865)
(3,300,000)	Distribution to Council	
(1,881,601)	Closing Balance	(2,299,757)
95,360,745	<b>Total Fund at End of the Period</b>	98,711,454

**Statement of Financial Position**  
**As at 31 March 2023**

30-Jun-22		31-Mar-23
3,429,031	<b>Current Assets</b>	6,760,299
270,212	Bank Account	409,234
11,398,581	Debtors/Prepayments	4,876,080
15,097,824	Short Term Investments	12,045,613
	<b>Total Current Assets</b>	
48,813,132	<b>Investments</b>	50,398,347
31,613,358	Equities	36,577,484
80,426,490	Term Financial Instruments	86,975,831
	<b>Total Investments</b>	
95,524,314	<b>Total Assets</b>	99,021,444
	<b>less</b>	
163,569	<b>Current Liabilities</b>	309,990
163,569	Accruals	309,990
	<b>Total Current Liabilities</b>	
95,360,745	<b>Total Value of Fund</b>	98,711,454

## FEEDBACK FOR DRAFT STATEMENTS OF INTENT

Department: Civic

### EXECUTIVE SUMMARY

- 1 The draft 2023/24 Statements of Intent (draft Statements) of the Dunedin City Holdings Ltd (DCHL) Group companies were presented to the 23 March 2023 meeting of the Finance and Council Controlled Organisations Committee (the Committee) meeting.
- 2 At that meeting, Councillors were invited to provide feedback on the draft Statements.
- 3 This report provides a summary of elected member feedback for consideration, as shown in Attachment A. The approved feedback will be provided to DCHL for its consideration in preparing the final Statements of Intent.

### RECOMMENDATIONS

That the Committee:

- a) **Considers** the feedback received and staff comments on the draft Statements of Intent at Attachment A.

### BACKGROUND

- 4 Draft Statements were presented to the Committee at its meeting on 23 March 2023. Councillors were invited to provide feedback on the draft Statements.

### DISCUSSION

- 5 The feedback received by elected members on the draft Statements is presented in the table at Attachment A.
- 6 The initial feedback received from elected members was informally provided to DCHL, to meet a statutory deadline, and on the understanding that the feedback was to be reviewed and considered at this meeting. An initial response to the feedback was received from DCHL. Staff have reviewed the feedback from both Councillors and DCHL and have made comments on proposed changes. These are detailed in the table in Attachment A.
- 7 Staff recommend that the following feedback is provided to DCHL for inclusion in its draft Statement:
  - People and Culture, Diversity, Equity and Engagement strategies are put in place for all companies by 30 June 2024.

- All companies to report on emissions over time against baseline data by 30 June 2024.
  - DCHL to develop a consistent approach to benchmark reporting across all companies.
- 8 Following consideration of proposed changes and approval by the Committee, formal feedback will be provided to DCHL. Final Statements will be presented to the 27 June Council meeting for approval.

### OPTIONS

- 9 There are no options.

### NEXT STEPS

- 10 Feedback approved by the Committee will be provided to DCHL.
- 11 Final Statements of Intent will be presented to the 27 June Council meeting.

### Signatories

Author:	Sharon Bodeker - Manager Governance
Authoriser:	Sandy Graham - Chief Executive Officer

### Attachments

	<b>Title</b>	<b>Page</b>
<a href="#">↓A</a>	Summary of feedback and staff comments	51



## SUMMARY OF CONSIDERATIONS

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

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

### ***Fit with strategic framework***

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

All draft SOIs take Council's Strategic Framework, and the themes of Council's Letter of Expectation to DCHL into account.

### ***Māori Impact Statement***

There has been no engagement with Māori.

### ***Sustainability***

Feedback received from Councillors gives consideration to sustainability matters including waste reduction and reduction of carbon emissions.

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

The financial forecasts in the DCHL draft Statement shows annual levels of interest (\$5.9m) and dividend (\$11.0m) payable to DCC that are consistent with the DCC Draft Annual Plan.

### ***Financial considerations***

As above. Financial projections in the draft Statements will be updated prior to their finalisation.

### ***Significance***

This decision is considered to be low in terms of the Council's Significance and Engagement Policy.

### ***Engagement – external***

There has been no external engagement outside of the DCHL Group.

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

Feedback provided by Councillors is the subject of this report.

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

There are no identified risks.

**SUMMARY OF CONSIDERATIONS**

***Conflict of Interest***

There are no known conflicts of interest.

***Community Boards***

There are no known implications for Community Boards.

**Attachment A**
**Draft Statement of Intent Feedback and Comment**

	<b>Elected Member Feedback</b>	<b>Staff Comment</b>
	<b>All Companies</b>	
1	Free all companies from Council decision to be Zero Carbon by 2030 and having to monitor CO2 emissions.	This is a Council policy decision.
2	Each company to have a People and Culture Strategy, and a Diversity, Equity and Engagement Strategy, noting Delta already has these.	Ask that strategies are in place by 30 June 2024.
3	Publish Carbon Emissions Strategy on DCC's DCHL webpage by 30 July 2023	Following discussion, DCHL can commit to publishing a group roadmap by 30 July 2023.
4	Publish Waste Reduction Strategy on DCC's DCHL webpage by 30 July 2023.	
5	Include targets for carbon / waste reduction, and track these from the first year they have been reported on.	Target for carbon is 2030 Net Zero. Ask companies to report on emissions over time against baseline.
6	More holistic approach to sponsorship, with all sponsorship contributing to the strategic direction of the city.	Ask DCHL to do an overview exercise looking at alignment.
	<b>Aurora Energy Ltd</b>	
7	Add in "Keep the Shareholder informed of all substantive Matters" supplemented with 'all shareholder requests for information will at minimum be treated as if Aurora was bound by the LGOIMA, even though legally exempt'.	Staff consider that this is covered by "the company will work to build a culture of accountability".
8	Add in "the Company strategy will be to maximise consistent long-term annual dividend returns with an expectation of commercial levels of ROI."	This will be addressed in the DCC's Investment Plan work.
9	TRIFR (Total Recordable Injury Frequency Rate) changed to 4 from 3.	Health and Safety metrics should remain responsibility of company boards.
10	Include industry benchmarking for contractors and employee safety and wellbeing, outages etc.	Ask DCHL to work with companies on benchmark reporting against a range of industry measures.

	<b>Elected Member Feedback</b>	<b>Staff Comment</b>
	<b>City Forests Ltd</b>	
11	Remove “the Company has a strategy of continuing to build shareholder wealth through incremental land and forest acquisition to increase future prosperity and to expand the social and environmental values under management.”  Replace with “the Company strategy will be to maximise consistent long-term annual dividend returns from existing forestry areas with an expectation of commercial levels of ROI”.	This will be addressed in the DCC’s Investment Plan work.
12	Change target for Lost time injury rate to 11. Benchmark lost time injuries.	Health and Safety metrics should remain responsibility of company boards.
	<b>Delta Utility Services Ltd</b>	
13	Include “the Company strategy will be to maximise consistent long-term annual dividend returns with an expectation of commercial levels of ROI”.	This will be addressed in the DCC’s Investment Plan work.
14	Benchmark TFIFR and LTIFR against industry	Ask DCHL to work with companies on benchmark reporting.
	<b>Dunedin International Airport Ltd</b>	
15	KPI’s have changed from 48 to 29 measures. The previous KPIs to be put back in.	Recommend no change. DIAL reviewed and consolidated the number of KPI’s following feedback from DHCL, and from Audit, which encouraged more focussed KPI’s geared to performance rather than compliance. The Crown is also comfortable with this.
16	To include sustainability goals, e.g., Increase the diversion rate of waste from landfill.	
17	Add back Objective “Maintain high quality dairy farming practices”, and Measure “Remain compliant with Fonterra dairy farm inspections”.	
18	Add back Commercial goals e.g., EBITDA earnings ratio, equity ratio, comply with company’s Dividend and Treasury Policy, Generate x% return on shareholders’ funds, generate x% return on shareholders capital investment etc.	
19	Add back Business Development goals, e.g., Achieve x number passengers, generate operating surplus from Momona garage, increase residential housing profit, maintain total milk solids production. Instead of Implement Air Cargo and Farm Strategy, put targets/goals from strategy to be achieved as KPIs.	

	<b>Elected Member Feedback</b>	<b>Staff Comment</b>
20	Add back – not accept sponsorship or give naming rights to companies involved in activities deemed to be inconsistent with DCC ethical positions.	Request, but note would require agreement from the Crown.
<b>Dunedin Venues Management Ltd</b>		
21	Add back in targets for LTIFR etc rather than “report to board”.	Recommend no change. DVML reviewed and consolidated the number of KPI’s following feedback from DHCL, and from Audit, which encouraged more focussed KPI’s geared to performance rather than compliance.
22	Add back ‘no critical non-compliances for safety and wellness programme	
23	Add back Achieve minimum 80% satisfaction rating through surveys of all major events (>1000) pax)	
24	Add back (under increase economic benefit goal) 60% of attendees of all major events >10,000pax to come from outside Dunedin city	
25	Add back achieve an 80% % retention rate of Commercial Partner renewals by contract value.	
26	Add back in conjunction with DCC submit high quality bids.	This is not a Statement of Intent matter. All grants will be reviewed as part of the 10 year plan.
27	How the Community Access Grant is distributed, and other issues associated with community groups accessing council venues needs addressing.	

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## **ITEMS FOR CONSIDERATION BY THE CHAIR**

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Any items for consideration by the Chair