Finance and Performance Committee

MINUTES

Minutes of an ordinary meeting of the Finance and Performance Committee held in the Council Chamber, Level 2, Dunedin Public Art Gallery, The Octagon, Dunedin on Thursday 27 August 2026, commencing at 9:00 a.m.

PRESENT

Co-Chairpersons	Cr Cherry Lucas	Cr Lee Vandervis
Members	Mayor Sophie Barker	Mr Jeffrey Broughton
	Cr John Chambers	Cr Jo Galer
	Cr Christine Garey	Cr Doug Hall
	Mr Hoani Langsbury	Cr Marie Laufiso
		Cr Mandy Mayhem
	Cr Andrew Simms	Cr Mickey Treadwell
	Cr Steve Walker	Cr Brent Weatherall

IN ATTENDANCE Sandy Graham (CEO); Hayden McAuliffe (Financial Services Manager), Scott MacLean (General Manager City Services); Paul Henderson (General Manager Corporate and Regulatory Services); Nicola Morand Manahautū – General Manager Community and Strategy); Mike Costelloe (General Manager Arts, Culture and Economic Development); John McAndrew (Acting General Manager – 3Waters); Tim Loan (Chair DCHL Group), Peter Hocking (General Manager DCHL); Greg Anderson (Director DCHL Group), Chris Milne (Director DCHL Group), Richard Davey (Treasurer, Dunedin City Treasury Ltd); Janet Fraser (Corporate Planner); Rula Abu-Safieh Talahma (Senior Policy Analyst); Hayley Knight (Assurance Manager); Simon Smith (Acting Transport Manager), Anna Nilsen (Group Manager Property);

Governance Support Officer Lauren Riddle

Cr Cherry Lucas acknowledged the passing of Carolyn Allan's (Chief Financial Officer) mother and extended the Committee's sympathy and condolences to Carolyn and her family.

1 PUBLIC FORUM

There was no Public Forum held.

2 APOLOGIES

Moved (Cr Cherry Lucas/Cr Lee Vandervis):

That the Committee:

Accept the apologies from Mayor Sophie and Cr Mandy Mayhem for early departure.

Motion carried (FAPCC/2026/003)

3 CONFIRMATION OF AGENDA

Moved (Cr Cherry Lucas/Cr Lee Vandervis):

That the Committee:

Confirms the agenda with the following alterations:

The order of business be amended so that Item 8 – Waipori Fund SIPO Review is considered first, followed by Item 7 - Investment Framework, and then Item 6 – Dunedin City Holdings Limited Group Update – Quarter Ending 30 June 2026.

Motion carried.

4 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.

No updates were advised.

Moved (Cr Cherry Lucas/Chairperson Lee Vandervis):

That the Committee:

a) **Notes** the Elected Members' Interest Register; and

b) **Confirms** the proposed management plan for Elected Members' Interests.

c) **Notes** the proposed management plan for the Executive Leadership Team's Interests.

Motion carried (FAPCC/2026/004)

5 CONFIRMATION OF MINUTES

FINANCE AND PERFORMANCE COMMITTEE MEETING - 21 MAY 2026

Moved (Cr Cherry Lucas/Chairperson Lee Vandervis):

That the Committee:

Confirms the minutes of the Finance and Performance Committee meeting held on 21 May 2026 as a correct record.

Motion carried (FAPCC/2026/005)

PART A REPORTS

8 WAIPORI FUND STATEMENT OF INVESTMENT POLICY AND OBJECTIVES (SIPO) REVIEW

The report detailed the review of the Waipori Fund (the Fund) Statement of Investment Policy and Objectives (SIPO) which sets out the framework for governing the investment of the Fund.

Messrs Tim Loan (Chairperson DCHL Group), Greg Anderson (Deputy Chair DCHL Group), Chris Milne (DCHL Director), and Richard Davey (Treasurer, Dunedin City Treasury Ltd) spoke to the report and responded to questions.

Jeffrey Broughton left the meeting at 9:42a.m. and returned at 9:43 a.m.

Moved (Cr Lee Vandervis/Cr Cherry Lucas):

That the Committee:

Adjourn the meeting for five minutes

Motion carried.

The meeting adjourned at 9:46 a.m. and reconvened at 10:03 a.m.

Moved (Cr Lee Vandervis/Cr Cherry Lucas):

That the Committee:

a) **Notes** the Waipori Fund SIPO Review.

b) **Approves** an option for updating the Waipori Fund Statement of Investment Policy Objectives.

c) **Approves** the draft Governance Agreement between DCC and DCHL.

Cr Mickey Treadwell proposed an amendment to the motion.

That the Committee:

Retains the existing Responsible Investment Settings as set in the current SIPO.

Cr Mandy Mayhem left the meeting at 10:15 a.m.
Jeffrey Broughton left room at 10:24 a.m. and returned at 10:26 a.m.

Following discussion the amendment was taken.

Moved (Cr Mickey Treadwell/Cr Steve Walker):

That the Committee:

Retains the existing Responsible Investment Settings as set in the current SIPO.

Division

The Council voted by division

For: Crs Mayor Sophie Barker, John Chambers, Christine Garey, Doug Hall, Marie Laufiso, Mickey Treadwell, Steve Walker and Hoani Langsbury (8).
Against: Crs Andrew Simms, Brent Weatherall, Cherry Lucas, Lee Vandervis and Jo Galer (5).

Abstained: Mr Jeffrey Broughton (1).

The division was declared CARRIED by 8 votes to 5

Motion carried (FAPCC/2026/006)

The substantive motion was then put.

Moved (Cr Lee Vandervis/Cr Cherry Lucas):

That the Committee:

a) **Notes** the Waipori Fund SIPO Review.

b) **Approves** the Waipori Fund Statement of Investment Policy Objectives prepared by DCHL which moves to a growth-orientated portfolio comprising 80% growth assets and 20% income assets with the following amendment:

i) **Retention** of the existing Responsible Investment Settings as set in the current SIPO.

c) **Approves** the draft Governance Agreement between DCC and DCHL.

Motion carried (FAPCC/2026/007)

Division

The Council voted by division

For:	Crs Mayor Sophie Barker, John Chambers, Christine Garey, Doug Hall, Marie Laufiso, Andrew Simms, Mickey Treadwell, Steve Walker, Brent Weatherall, Cherry Lucas, Lee Vandervis, Jeffrey Broughton, Hoani Langsbury and Jo Galer (14).
Against:	Nil
Abstained:	Nil

The division was declared CARRIED by 14 votes to 0

Cr Cherry Lucas (as Chairperson) thanked retiring Aurora Energy Ltd Chairperson, Mr Steve Thompson and acknowledged his strong and clear direction provided for Aurora during his tenure and

Cr Cherry Lucas also welcomed Janice Fredric to the role as Aurora Energy Ltd Chairperson.

Moved (Cr Cherry Lucas/Cr Jo Galer):

That the Committee:

Adjourn the meeting for 10 minutes.

Motion carried

The meeting adjourned at 10:59 a.m. and resumed at 11:10 a.m.

7 INVESTMENT FRAMEWORK

The report outlined a draft Investment Framework prepared by Dunedin City Holdings Limited (DCHL) for the consideration of the Committee.

Messrs Tim Loan (Chairperson DCHL Group), Greg Anderson (Deputy Chairperson DCHL Group) and Peter Hocking (General Manager DCHL) spoke to the report and responded to questions.

Mayor Sophie Barker left the meeting at 11:33 a.m.

Moved (Cr Lee Vandervis/Cr Cherry Lucas):

That the Committee:

a) **Adopts** the Investment Framework.

Division

The Council voted by division

For:	Crs John Chambers, Christine Garey, Doug Hall, Marie Laufiso, Andrew Simms, Mickey Treadwell, Steve Walker, Brent Weatherall, Cherry Lucas, Lee Vandervis, Jeffrey Broughton, Hoani Langsbury and Jo Galer (13).
Against:	Nil
Abstained:	Nil

The division was declared CARRIED by 13 votes to 0

Motion carried (FAPCC/2026/008)

6 DUNEDIN CITY HOLDINGS LIMITED GROUP UPDATE - QUARTER ENDING 30 JUNE 2026

The report provided the quarterly update for the period ended 30 June 2026 for the Dunedin City Holdings Limited (DCHL) Group.

Mr Tim Loan (Chairperson DCH Group), Mr Peter Hocking (General Manager DCHL) and Mr Greg Anderson (Deputy Chairperson DCHL Group) spoke to the report and responded to questions.

Cr Steve Walker left the meeting at 11:58 a.m. and returned at 11:59 a.m.
Cr Doug Hall left the meeting at 12:10 p.m. and returned at 12:15 p.m.

Moved (Cr Andrew Simms/Cr Lee Vandervis):

That the Committee:

a) **Notes** the Dunedin City Holdings Limited Group Quarterly Update for the period ended 30 June 2026.

b) **Directs** that the 2027/28 Letter of Expectation for DCHL includes the following expanded financial reporting requirement for each subsidiary company from quarter 1 of the financial year 2027 onwards as follows:

   i. High level revenue (by source), expenses and trading results, compared with budget and compared with previous year.
   ii. High level balance sheet

Motion carried (FAPCC/2026/009)

9 WAIPORI FUND - QUARTER ENDING 30 JUNE 2026

The report from Dunedin City Treasury Limited provided information on the results of the Waipori Fund for the quarter ended 30 June 2026.

Mr Hayden McAuliffe (Acting Chief Financial Officer) spoke to the report and responded to questions.

Cr Jo Galer left the room at 12:24 p.m. and returned at 12:27 p.m.

Moved (Cr Lee Vandervis/Cr Cherry Lucas):

That the Committee:

a) **Notes** the report from Dunedin City Treasury Limited on the Waipori Fund for the quarter ended 30 June 2026.

Motion carried (FAPCC/2026/010)

10 SIGNIFICANT FORECASTING ASSUMPTIONS - 10 YEAR PLAN AND WATER SERVICES STRATEGY 2027-37

The report provided the draft Significant Forecasting Assumptions to be used in development of the 10 Year Plan 2027-37 (10 Year Plan) and the Water Services Strategy 2027-37 (Water Services Strategy).

Mr Hayden McAuliffe (Acting Chief Financial Officer) Janet Fraser (Corporate Planner); Rula Abu-Safieh Talahma (Senior Policy Analyst) spoke to the report and responded to questions.

Mr Jeffrey Broughton left the meeting at 12:35p.m. and returned at 12:37p.m.

Moved (Cr Cherry Lucas/Cr Lee Vandervis):

That the Committee:

a) **Approves** the draft significant forecasting assumptions at Attachment A for the purposes of developing the 10-Year Plan 2027-37 and consulting with the community.

b) **Notes** that the information and data supporting these assumptions is interim and that Council will be updated if further information or updated data becomes available.

c) **Authorises** the Chief Executive Officer to make minor editorial changes to the Significant Forecasting Assumptions for the 10 Year Plan and Water Services Strategy 2027-37.

Motion carried (FAPCC/2026/011)

11 RATING METHOD AND FINANCIAL POLICIES REVIEW - 10 YEAR PLAN 2027-37

The report provided options on rating treatments (following a Rating and Financial Policy Review workshop on 15 July 2026).

The report also set out affordability measures for inclusion in the Financial Strategy, rates remission and postponement policy, review of revenue and financing policy.

Mr Hayden McAuliffe (Acting Chief Financial Officer), Janet Fraser (Corporate Planner) and Hayley Knight (Assurance Manager) spoke to the report and responded to questions.

Mayor Sophie Barker returned to the meeting at 12:51 p.m.
Cr John Chambers left the meeting at 01:06 p.m. and returned at 01:09 p.m.

Moved (Cr Andrew Simms/Cr Lee Vandervis):

That the Committee:

a) **Notes** the Rating and Financial Policy Review report.

b) **Investigates** and reports back to Council on the below rating matters as part of the development of the 10 Year Plan 2027-37:

i) Rating treatment of Forsyth Barr Stadium.

ii) Funding and rating treatment of the Tertiary Area.

iii) Rating options for heritage buildings.

iv) Rating options for vacant buildings and/or abandoned land.

v) Development of affordability measures for inclusion in the Financial Strategy of the 10 Year Plan 2027-37.

vi) Review of rates remission and postponement policy.

vii) Review the general rate differential for the commercial category

c) **Requests** advice on possible rating changes to educational institutions including consideration of the meaning of "used primarily for educational purposes."

d) **Notes** that the Revenue and Financing Policy will be reviewed as part of the development of the 10 Year Plan 2027-37.

Motion carried (FAPCC/2026/012)

12 FINANCIAL REPORT - PERIOD ENDED 30 JUNE 2026

The report provided the provisional financial results for the period ended 30 June 2026 and the financial position as at that date.

Mr Hayden McAuliffe (Acting Chief Financial Officer) spoke to the report and responded to questions.

Moved (Cr Lee Vandervis/Cr Cherry Lucas):

That the Committee:

a) **Notes** the Financial Performance for the period ended 30 June 2026 and the Financial Position as at that date.

b) **Notes** the 30 June 2026 result is subject to final adjustments and external audit, by the Audit Office.

Motion carried (FAPCC/2026/013)

13 ITEMS FOR CONSIDERATION BY THE CHAIR

There were no items for consideration by the Chair.

RESOLUTION TO EXCLUDE THE PUBLIC

Moved (Cr Cherry Lucas/Cr Lee Vandervis):

That the Committee:

Pursuant to the provisions of the Local Government Official Information and Meetings Act 1987, exclude the public from the following part of the proceedings of this meeting namely:

General subject of the matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution	Reason for Confidentiality
C Finance and Performance Committee meeting - 21 May 2026 - Public Excluded	S7(2)(b)(ii) The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.	.	

C Directors Remuneration - Dunedin City Holdings Limited	S7(2)(a) The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.	S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	The information in this report remains confidential until Council has determined the level of fees and advised Dunedin City Holdings Limited of the outcome, at which time the information can be made public..
C Director Vacancy in Dunedin City Holdings Limited	S7(2)(a) The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.	S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	
C Investment Property Portfolio - Quarter ending 30 June 2026	S7(2)(b)(ii) The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.	S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987, and the particular interest or interests protected by Section 6 or Section 7 of that Act, or Section 6 or Section 7 or Section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above after each item.

Motion carried (FAPCC/2026/014)

The meeting moved into non-public at 1:31p.m.

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CO-CHAIRPERSON
Cr Cherry Lucas