

Notice of Meeting:

I hereby give notice that an ordinary meeting of the Audit, Risk and Assurance Committee will be held on:

Date: Thursday 10 September 2026
Time: 10:00 a.m.
Venue: Council Chamber, Dunedin Public Art Gallery, The Octagon, Dunedin

Sandy Graham
Chief Executive Officer

Audit, Risk and Assurance Committee
PUBLIC AGENDA

MEMBERSHIP

Chairperson	Mr Bruce Robertson	
Deputy Chairperson	Ms Rachael Dean	
Members	Mayor Sophie Barker	Cr John Chambers
	Cr Cherry Lucas	Cr Andrew Simms
	Cr Lee Vandervis	
Senior Officer	Carolyn Allan, Chief Financial Officer	
Governance Support Officer	Jean Cockram	

Jean Cockram
Governance Support Officer

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

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1 APOLOGIES

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

2 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

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 or independent member and any private or other external interest they might have.
2. Elected and independent 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 or Independent Members' Interest Register attached as Attachment A; and
- b) **Confirms/Amends** the proposed management plan for Elected or Independent Members' Interests.

Attachments

	Title	Page
↓A	Audit, Risk & Assurance Committee Register of Interests - September 2026	6

Audit, Risk and Assurance Committee - Register of Interest - current as at 10 September 2026				
Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
Bruce Robertson	Shareholder and Director	R Bruce Robertson Ltd (governance and advisory services)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chair	Thames Coromandel Local Authority Audit and Risk Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chair	Taupo Local Authority Audit and Risk Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Deputy Chair	Bay of Plenty Local Authority Audit and Risk Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chair	Gisborne Local Authority Audit and Risk Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chair	Napier Local Authority Audit and Risk Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chair	South Wairapa Local Authority Audit and Risk Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chair	Timaru Local Authority Audit and Risk Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chair	Central Otago Local Authority Audit and Risk Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chair	Southland Local Authority Audit and Risk Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chair	Christchurch Local Authority Audit and Risk Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chair	New Plymouth Local Authority Audit and Risk Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chair	Kaipara Local Authority Audit and Risk Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chair	Kapiti Coast Local Authority Audit and Risk Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chair	Ministry of Primary Industries Audit and Risk Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Independent Board Chair	Regional Software Holdings Ltd (RSHL)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Family member	National Manager Advanced Technology, Earth Sciences New Zealand (formerly NIWA)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Family member	Employee, The Treasury (Budget team)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Family member	Employee, Ministry of Business, Innovation and Employment (Building consent determinations)	May be engaged in matters associated with Dunedin City Council	Withdraw from discussion and leave the table. If the meeting is in public excluded leave the room. Seek advice prior to the meeting.
Rachael Dean	Independent Chair	South Waikato District Council Audit, Risk and Improvement Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Independent Chair	Buller District Council Risk and Assurance Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Independent Member	Hamilton City Council Finance and Assurance Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Independent Member	Wellington City Council Audit and Risk Committee	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
	Board Member and Chair of Audit and Risk Committee	Real Estate Authority (SOE)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Committee Member	Regional Lottery Community Committee (Wellington & Wairarapa)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Chartered Accountants Australia & New Zealand	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Certified Internal Auditor	Institute of Internal Auditors	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Certified Fraud Examiner	Association of Certified Fraud Examiners	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	ECE Services and Staff Limited (operates in the Waikato)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Partner	GWW Services Limited (entity under which DCC governance work is done, no other activity within DCC jurisdiction)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Spouse	Director, ECE Services and Staff Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Spouse	Partner, GWW Services Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Mayor Sophie Barker	Shareholder	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	Dunedin Vegetable Growers Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Alexander McMillan Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Patron	New Zealand International Science Festival	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Patron	Dunedin Horticultural Society	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Family Member	Family Member employed at Wilkinson Rogers	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.
	Chairperson	Dunedin Heritage Fund (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	Heritage Advisory Group (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) (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
	Co-Chair	Ōtepoti Dunedin Destination Management Plan Advisory Panel (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	Dunedin Chinese Garden Advisory Group (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Cr John Chambers	Owner	Residential Property	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Owner	Rental Property	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otakau Golf Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Opera Otago	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	Okia Reserve Management Committee (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.
Cr Cherry Lucas	Trustee	Otago Farmers Market	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Partner	Southway Enterprises	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	Dunedin Shanghai Association (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) (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Tūhura Otago Museum Trust Board (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Ōtepoti Dunedin Destination Management Plan Advisory Panel (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Taieri Airport Trust (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.
	Deputy Lead	Infrastructure Portfolio (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Te Poāri a Pukekura (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.
Cr Andrew Simms	Director	Landseer Motor Investments Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Landseer Motor Investments Auckland Limited t/a Andrew Simms - Motor vehicle retail	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Director	Stephen Duff Motors Limited t/a Andrew Simms Dunedin - Motor vehicle retail	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Three Diamond Automotive t/a Ralliart NZ - Race car preparation	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Cambridge Finance Limited - Financial Services	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	The Landseer Group Limited - Investments	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Otago Motorhome Centre Limited - Motor vehicle retail	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Landseer Motor Investments Henderson Limited - Motor vehicle retail	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Landseer Motor Investments Moorhouse Limited - Motor vehicle retail	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Minaret Property Investments Limited - Property Investment	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	The Newfoundland Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	The Moturata Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Taieri Trails Group	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Taieri Cricket Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Mosgiel AFC	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	Commercial Property. Andersons Bay Road, Dunedin	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	Heritage Advisory Group (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Tūhura Otago Museum Trust Board (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Taieri Airport Trust (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Cr 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 and Lifestyle Farm Property Ownership - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Owner	Various publicly 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	Dunedin Heritage Fund (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.
Staff				
Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
Sandy Graham	Owner	Residential property Dunedin	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	St Clair Golf Club	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Family member	Family member works for the DCC	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Carolyn Allan	Owner	Residential property	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Owner	Residential rental property	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Mountain Bike Otago	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

CONFIRMATION OF MINUTES

AUDIT, RISK AND ASSURANCE COMMITTEE MEETING - 30 JUNE 2026

RECOMMENDATIONS

That the Committee:

- a) **Confirms** the public part of the minutes of the Audit, Risk and Assurance Committee meeting held on 30 June 2026 as a correct record.

Attachments

	Title	Page
↓A	Minutes of Audit, Risk and Assurance Committee meeting held on 30 June 2026	12

Audit, Risk and Assurance Committee

MINUTES

Minutes of an ordinary meeting of the Audit, Risk and Assurance Committee held in the Council Chamber, Dunedin Public Art Gallery, The Octagon, Dunedin on Tuesday 30 June 2026, commencing at 10:00 a.m.

PRESENT

Deputy Chairperson **Members**

Ms Rachael Dean	
Mayor Sophie Barker	Cr John Chambers
Cr Cherry Lucas	Cr Andrew Simms
Cr Lee Vandervis	

IN ATTENDANCE

Sandy Graham (Chief Executive), Carolyn Allan (Chief Financial Officer) and Hayley Knight (Assurance Manager), Paul Henderson (General Manager Corporate and Regulatory Services), Jane Pearce (Health and Safety Manager), Richard Davey (Treasury Manager), Janet Fraser (Corporate Planner), Lauren Mead (Senior Financial Accountant), Cr Doug Hall, Cr Jo Galer, and Cr Mickey Treadwell (via Zoom).

Governance Support Officer

Jean Cockram

Ms Rachael Dean assumed the Chair in the absence of Mr Bruce Robertson.

1 APOLOGIES

Moved (Cr Cherry Lucas/Mayor Sophie Barker):

That the Committee:

Accepts the apology from Mr Robertson for lateness.

Motion carried (ARAAC/2026/017)

2 CONFIRMATION OF AGENDA

A change to the order of the agenda was proposed to accommodate the availability of external representatives to speak to reports.

Moved (Ms Rachael Dean/Cr Cherry Lucas):

That the Committee:

Confirms the agenda with the following alteration, that Item C8 be taken at 11.30am, Item C9 at 12.15pm and Item C10 at 1pm.

Motion carried (ARAAC/2026/018)

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.

Ms Rachael Dean informed the Committee that she is now an independent member of the Wellington City Council Audit and Risk Committee.

Moved (Ms Rachael Dean/Mayor Sophie Barker):

That the Committee:

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

Motion carried (ARAAC/2026/019)

4 CONFIRMATION OF MINUTES

AUDIT, RISK AND ASSURANCE COMMITTEE MEETING - 27 MARCH 2026

Moved (Cr Cherry Lucas/Cr Lee Vandervis):

That the Committee:

Confirms the public part of the minutes of the Audit, Risk and Assurance Committee meeting held on 27 March 2026 as a correct record.

Motion carried (ARAAC/2026/020)

PART A REPORTS**5 WORKPLAN AND GENERAL MATTERS UPDATE REPORT - JUNE 2026**

A report from Finance and Civic provided the Audit, Risk and Assurance Committee Workplan and updates on the progress of various matters that have been noted by the Committee.

The Chief Financial Officer (Carolyn Allan), Corporate Planner (Janet Fraser) and Senior Financial Accountant (Lauren Mead) spoke to the report and responded to questions.

Moved (Cr Cherry Lucas/Mayor Sophie Barker):

That the Committee:

- a) **Notes** the Workplan and General Matters Update Report – June 2026;
- b) **Notes** the Audit, Risk and Assurance Committee Workplan.

Motion carried (ARAAC/2026/021)

6 HEALTH, SAFETY AND WELLBEING MONTHLY REPORT FOR APRIL 2026

A report from Health and Safety provided the monthly Health, Safety and Wellbeing update for April 2026 for the Committee's information.

General Manager Corporate and Regulatory Services (Paul Henderson) and Health and Safety Manager (Jane Pearce) spoke to the report and responded to questions.

Moved (Cr Cherry Lucas/Mayor Sophie Barker):

That the Committee:

Notes the monthly Health, Safety and Wellbeing report for April 2026.

Motion carried (ARAAC/2026/022)

7 FINANCIAL REPORT - PERIOD ENDED 30 APRIL 2026

A report from Finance provided the financial results for the period ended 30 April 2026 and the financial position as at that date. The report had been presented to Council on 25 June 2026.

The Chief Financial Officer (Carolyn Allan) spoke to the report and responded to questions.

Moved (Cr Lee Vandervis/Cr Cherry Lucas):

That the Committee:

Notes the Financial Performance for the period ended 30 April 2026 and the financial position as at that date.

Motion carried (ARAAC/2026/023)

8 WAIPORI FUND - QUARTER ENDING 31 MARCH 2026

A report from Dunedin City Treasury provided information on the results of the Waipori Fund for the quarter ended 31 March 2026.

The Treasury Manager (Richard Davey) spoke to the report and responded to questions.

Moved (Cr Lee Vandervis/Cr John Chambers):

That the Committee:

Notes the report from Dunedin City Treasury Limited on the Waipori Fund for the quarter ended 31 March 2026.

Motion carried (ARAAC/2026/024)

9 DCC POLICY UPDATE REPORT

A report from Finance and Business Information Services provided an update on DCC policies identified in the Audit, Risk and Assurance Committee Workplan.

General Manager Corporate and Regulatory Services (Paul Henderson) and Assurance Manager (Hayley Knight) spoke to the report and responded to questions.

Ms Knight informed Members that the DCC website had been updated to provide three contact points for staff wishing to make a protected disclosure and that options were being explored for establishing an anonymous protected disclosure hotline.

Mayor Sophie Barker left meeting at 11.03am.

Moved (Cr Lee Vandervis/Cr Cherry Lucas):

That the Committee:

- a) **Notes** the Policy Update Report – June 2026.
- b) **Notes** the Information Management Policy
- c) **Approves** the updated Purchase Card Policy.

Motion carried (ARAAC/2026/025)

RESOLUTION TO EXCLUDE THE PUBLIC

Moved (Ms Rachael Dean/Cr Cherry Lucas):

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
C1 Audit, Risk and Assurance Committee meeting - 27 March 2026 - Public Excluded	S7(2)(i) The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). S7(2)(h) The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. 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. S7(2)(b)(i) The withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret. S7(2)(c)(i)	.	

The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied.

S7(2)(a)

The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.

S7(2)(g)

The withholding of the information is necessary to maintain legal professional privilege.

C2 Treasury Risk
Management
Compliance Report

S7(2)(h)

The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.

S48(1)(a)

The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

C3 Dunedin City
Holdings Ltd - Update
on Audit and Risk
Activity

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

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

	prejudice the commercial position of the person who supplied or who is the subject of the information.	for withholding exists under section 7.	
C4 Risk Management Update and Deep Dive	S7(2)(h) The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	
C5 Risk Assurance: Cybersecurity Update	S7(2)(h) The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	
C6 Underwriting Policy	S7(2)(g) The withholding of the information is necessary to maintain legal professional privilege.	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.	
C7 Assurance Dashboard	S7(2)(h) The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	The information in this report is commercially sensitive..
C8 Insurance Update Report - June 2026	S7(2)(h) The withholding of the information is necessary to enable the local authority to carry out, without prejudice or	S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of	

	disadvantage, commercial activities.	information for which good reason for withholding exists under section 7.
C9 Internal Audit: Workplan Update	S7(2)(b)(i) The withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret. S7(2)(c)(i) The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied. S7(2)(h) The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
C10 Audit New Zealand Update	S7(2)(i) The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including	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

C11 External Audit: Recommendations and Actions Update	commercial and industrial negotiations). S7(2)(c)(i) The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied.	for withholding exists under section 7. 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.
C12 Legal Matters	S7(2)(g) The withholding of the information is necessary to maintain legal professional privilege.	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.
C13 Protected Disclosure and Investigation Register - June 2026	S7(2)(a) The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person. S7(2)(c)(i) The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where	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 making available of
the information would
be likely to prejudice
the supply of similar
information or
information from the
same source and it is in
the public interest that
such information should
continue to be supplied.

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 (ARAAC/2026/026)

Moved (Ms Rachael Dean/Cr Cherry Lucas):

That the Committee:

Adjourn for 10 minutes.

Motion carried (ARAAC/2026/027)

The meeting adjourned at 10.54 am and reconvened in non-public at 11.09 am.

.....
CHAIRPERSON

PART A REPORTS

WORKPLAN AND GENERAL MATTERS UPDATE REPORT - SEPTEMBER 2026

Department: Finance and Civic

EXECUTIVE SUMMARY

- 1 This report provides the workplan and updates on the progress of various matters for the Audit, Risk and Assurance Committee.

RECOMMENDATIONS

That the Committee:

- a) **Notes** the Workplan and General Matters Update Report – September 2026;
- b) **Notes** the Audit, Risk and Assurance Committee Workplan (Attachment A).

DISCUSSION

Audit, Risk and Assurance Committee Workplan

- 2 This report provides a copy of the Audit, Risk and Assurance Committee Workplan September 2026 which has been aligned to work programme scheduling and decision making (Attachment A).
- 3 Please note that the items without ticks shown have not been scheduled for action.

2026/27 Annual Plan

- 4 Council formally adopted the Annual Plan 2026/27 at its 25 June 2026 meeting. This was within the legislative deadline of 30 June 2026, as required by the Local Government Act 2002.
- 5 The Annual Plan 2026/27 was made publicly available on the DCC website within one month of adoption. Physical copies of the Plan have been sent to DCC libraries and service centres.

10 Year Plan 2027-37

- 6 Work on the development of the 10 year plan 2027-37 (the 10 year plan) continues.
- 7 A project plan has been developed, and a high level summary was presented to Council on 22 July 2026.
- 8 A Council workshop was held on 20 July 2026, and started a discussion with Councillors on the review of the rating method and financial policies for the 10 year plan. Items of discussion included:
 - a) Potential areas of investigation regarding how DCC rates, as part of the rating review requested by Council;
 - b) Affordability considerations for ratepayers;
 - c) Rates Remission and Postponement Policy review; and
 - d) Revenue and Financing Policy review.
- 9 Further workshops will be scheduled with Councillors to discuss a range of topics that pertain to the 10 year plan.
- 10 Budget options reports will be incrementally presented to Councillors, with decisions built into the draft 10 year plan budgets, and then presented as a whole for consideration at the Council meeting on 7-10 December 2026.
- 11 Implementation of a budgeting system is underway, with implementation estimated within the next month. Having this system in place will improve the budgeting process for the upcoming 10 year plan as it will allow the finance team to move away from spreadsheet based budgeting.

Water Services Strategy

- 12 Under the Local Government (Water Services) Act 2025 (LGWSA), Council is required to adopt a water services strategy every three years.
- 13 Previously, water services information was included as part of a council's Long Term Plan (i.e., a 10 year plan or 9 year plan), where relevant. However, from 1 July 2027, detailed water services information must not be included in the 10 year plan but must instead be covered in a Water Services Strategy document.
- 14 Council's inaugural Water Services Strategy 2027-37 is being developed in parallel with the 10 Year Plan. It is legislatively required to be adopted by Council by 30 June 2027.

Water Services Delivery Plan

- 15 The Water Services Delivery Plan - Implementation Plan has progressed with several tasks completed or underway.

- 16 The Project Control Group (PCG) is meeting monthly, the PCG will be responsible for ensuring the programme of work is on track. The largest impacts from this work will be on the 3 Waters and Finance departments.
- 17 Reporting on implementation plan progress is now provided to the newly formed Ministry for Cities, Environment, Regions, and Transport (MCERT). The latest report sent covered the period 1 April to 30 June 2026 (Attachment B). Next quarterly report is due end of October to cover the period 1 July to 30 September 2026.
- 18 Key dates:
 - a) 1 July 2027 in-house business unit to be fully operational;
 - b) 30 June 2028 demonstrate long-term financial sustainability.

OPTIONS

- 19 This is a noting report so there are no options.

Signatories

Author:	Hayley Knight - Assurance Manager Janet Fraser - Corporate Planner
Authoriser:	Hayden McAuliffe - Financial Services Manager

Attachments

	Title	Page
A	Audit, Risk and Assurance Committee Workplan	27
B	Water Services Delivery Plan - MCERT Quarterly Monitoring Report 1 April - 30 June 2026	29

SUMMARY OF CONSIDERATIONS
Fit with purpose of Local Government

This report provides an update on various audit, risk and assurance related matters.

Fit with strategic framework

	Contributes	Detracts	Not applicable
Social Wellbeing Strategy	✓	☐	☐
Economic Development Strategy	✓	☐	☐
Environment Strategy	✓	☐	☐
Arts and Culture Strategy	✓	☐	☐
3 Waters Strategy	✓	☐	☐
Future Development Strategy	✓	☐	☐
Integrated Transport Strategy	✓	☐	☐
Parks and Recreation Strategy	✓	☐	☐
Other strategic projects/policies/plans	☐	☐	✓

This report provides an update on the progress made by Council to deliver upon the activities identified by the Audit, Risk and Assurance Committee, which is a regulatory function and considered good quality and cost effective.

Māori Impact Statement

There are no known impacts for mana whenua.

Sustainability

There are no implications for sustainability.

Zero carbon

There are no implications for zero carbon.

LTP/Annual Plan / Financial Strategy /Infrastructure Strategy

There are no implications.

Financial considerations

No financial implications have been identified.

Significance

This report is rated low under the Council's Significance and Engagement Policy.

Engagement – external

No external engagement has been undertaken.

Engagement - internal

Activities noted herein include cross Council engagement and collaboration.

Risks: Legal / Health and Safety etc.

No risks have been identified.

SUMMARY OF CONSIDERATIONS
<i>Conflict of Interest</i> There are no conflicts of interest identified.
<i>Community Boards</i> No implications for Community Boards have been identified.

Audit, Risk and Assurance Committee WorkPlan - 2026/2027							
September 2026							
	Responsible	September	November	March	June	September	Frequency
PUBLIC REPORTS							
Terms of Reference/Delegations	Governance		✓				Once per trienium
Workplan and General Matters Update	Governance	✓	✓	✓	✓	✓	Quarterly
Health, Safety and Wellbeing Report	H&S	✓	✓	✓	✓	✓	Quarterly
Finance Management Report	Finance	✓	✓	✓	✓	✓	Quartely
Waipori Fund Report	Finance	✓	✓	✓	✓	✓	Quartely
Climate Related Risk Management	Sustainability		✓		✓		6 monthly
POLICY REVIEWS/UPDATES							
Asset Management Policy <i>November 2020</i>	Infrastructure		✓				
Asset Disposal and Write-Off Policy <i>June 2021</i>	Finance		✓				
Digital (ICT) Acceptable Use Policy <i>September 2023</i>	BIS						
Artificial Intelligence Policy <i>New Policy</i>	BIS	✓	✓				
Staff Code of Conduct (Employee Values and Practices)	People and Capability		✓				
Protected Disclosure (WhistleBlower) Policy <i>February 2026</i>	Finance	✓					
Risk Management Policy <i>September 2026</i>	Risk			✓			
Health, Safety and Wellbeing Policy <i>November 2026</i>	H&S		✓				
Treasury Risk Management Policy <i>December 2026</i>	Treasury	✓					
Staff Conflict of Interest Policy <i>May 2027</i>	Corporate and Quality			✓			
Legal Compliance Policy <i>May 2027</i>	Legal			✓			
Internal Audit Policy <i>July 2027</i>	Assurance				✓		
Child Protection Policy <i>July 2027</i>	People and Capability				✓		
Koha Policy <i>September 2027</i>	Māori Partnerships					✓	
Fraud Bribery & Corruption Prevention Policy <i>November 2027</i>	Assurance					✓	
Gifts and Hospitality Policy <i>November 2027</i>	Corporate and Quality					✓	
Procurement and Contracts Management Policy <i>June 2028</i>	Procurement and Contracts						
Leave Management Policy <i>August 2028</i>	People and Capability						

Purchase Card Policy <i>August 2028</i>	Finance						
Sensitive Expenditure Policy <i>August 2028</i>	Finance						
Information Management Policy <i>December 2028</i>	BIS						
NON-PUBLIC REPORTING							
Management Reporting - Audit New Zealand	Finance		✓				Annually
Treasury Compliance	Treasury	✓	✓	✓	✓	✓	Quarterly
DCHL Audit Update	DCHL	✓	✓	✓	✓	✓	Quarterly
Internal Audit Workplan Update	Assurance	✓	✓	✓	✓	✓	Quarterly
Internal Audit Recommendations and Actions Update	Assurance	✓		✓		✓	6 monthly
External Audit Recommendations and Actions Update	Assurance		✓		✓		6 monthly
Risk Management Update	Risk	✓	✓	✓	✓	✓	Quarterly
Risk Assurance: Cybersecurity Update	BIS	✓	✓	✓	✓	✓	Quarterly
Assurance Dashboard	Assurance	✓	✓	✓	✓	✓	Quarterly
Legal Update (Major Litigation)	Legal	✓	✓	✓	✓	✓	Quarterly
Protected Disclosures and Investigation Register	Finance	✓	✓	✓	✓	✓	Quarterly
RISK OVERVIEW (DEEP DIVE)							
Deep Dive Work Programme	Risk	✓					Annually
Insurance	Risk	✓					As scheduled
Procurement and Contract Management	Risk		✓				As scheduled
<i>Topics to be confirmed by ARAC</i>							As scheduled

Sensitivity: General

Quarterly monitoring report - water services delivery plan

In-House Business Unit

Dunedin City Council

[Date submitted, 1 April – 30 June 2026]

Page 1 of 5

Sensitivity: General

Council plans that are retaining water service delivery (In-house Business Unit)

Part A: Progress updates

Guidance on completing this table

The purpose of this section is to:

- Identify each of the key activities, deliverables and milestones involved in implementing the arrangements in an accepted water services delivery plan;
- Identify the expected date for completing each of the identified activities, deliverable and milestone
- State whether the activity, deliverable and milestone is on track or off track, and if off track provide commentary for why.
- Describe any significant issues and risks associated with achieving each activity, deliverable and milestones – and the mitigations in place to overcome these issues and risks
- Identify activity expected in the next quarter towards completion of milestones or deliverables

Some examples of activities, deliverables and milestones that might be included

- Complete any required service level agreement and operational handover from council
- Financial and treasury arrangements finalised (including LGFA access if amendments are required)
- Address financial separation / ringfencing requirements

Note that even if your implementation plan did not cover these activities, any progress made in the last quarter should be reported here.

Sensitivity: General

Quarterly reporting period: [e.g. 1 April to 30 June 2026]

Activity / milestone / deliverable	Expected completion date	On track to meet timeframe? (Yes/No)	Issues, risks and mitigations (if any)
Service Level Objectives/Agreement development	Q3 2026	Yes	First draft of SLA being refined, interactions between departments being defined.
Changes to financial systems	Q4 2026	Yes	In progress. Implementation of new business unit codes, purchase orders, bank accounts and separate General Ledger.
Upgrade asset management system	Q3 2027	Yes	Initial EAM deployment scheduled.
Asset risk and regulatory compliance	Q3 2027	Yes	Enhanced asset risk monitoring, regulatory compliance, and forward planning is being progressed through updates to key strategies, plans, and assurance activities.
Operating model implementation		Yes	This is being actively implemented through the 3 Waters Team.
Confirm annual plan budgets	Q2 2026	Yes	Annual plan budget confirmed.
Ongoing optimisation	Ongoing	Yes	Ongoing optimisation of processes, operations, and maintenance will continue. Comparison of costs across year initiated.
3W Committee formation	Q1 2027	Yes	Consideration of governance arrangements continuing.
Engagement with Christchurch City Council		Yes	Targeted, outcome-focused engagement with Christchurch City Council remains ongoing.

Page 3 of 5

Sensitivity: General

Expected activity in next quarter

Milestone / deliverable	Expected activity
Operating model implementation	This is being actively implemented through the 3 Waters Team.
Service Level Objectives/Agreements development	In-house service level agreement being developed, informed in consultation with other councils delivering water services through in-house business units, with a focus on clarifying connections between 3W and other departments.
Review of competency and capacity	A review will be undertaken to identify any capability or capacity gaps and determine how they will be addressed.
Further review of procurement processes	Further work considering indicators used to monitor and assess performance under significant contracts (section 24(2) of the Local Government (Water Services) Act 2025)
Consideration of further updates to DCC's Significance and Engagement Policy	Further consideration of other potential impacts on DCC's Significance and Engagement Policy as a result of the Local Government (Water Services) Act 2025 and reflecting DCC's role as a water service provider e.g. joint water service provider arrangements, changes to levels of service, decisions regarding land and water, and amendments to the Water Services Strategy
Changes to financial systems	Further work, implementation, and review of financial system will continue next quarter.
Upgrade asset management system	Staggered deployment of EAM deployment scheduled to begin this quarter.
Asset risk and regulatory compliance	Ongoing work will continue next quarter to strengthen asset risk monitoring and forward planning. This will include targeted focus on identifying and addressing regulatory non-compliance and looking at the 9-year plan.

Sensitivity: General

Part B: Additional monitoring information – items noted in letters of acceptance

Guidance on completing this table
The purpose of this section is to: - Identify each of the items noted in the letter of acceptance for a water services delivery plan – where the Secretary indicated the Department would be monitoring these items; - Describe progress with addressing the item(s) raised – including any significant issues and risks

Items noted in letters of acceptance	Progress update
The delivery of projects required to achieve regulatory compliance	Some of these projects have been completed, others are ongoing or yet to commence (WSDP, Table 2, pg36). Projects/actions that are complete or near complete include: - Backflow Protection Performance – DWQAR D3 (WSDP, Table 2, Row 9) - initiated development of backflow programme improvement plan. - Additional DWQAR non-compliances (not identified in Table 2) - Sampling stations improvement actions – initiated. - Bylaws regarding tradewaste will be next to go to council with public consultation expected later in the year. Further actions/projects required to achieve regulatory compliance are being achieved through BAU, incorporated in other projects, or are being planned.

HEALTH, SAFETY AND WELLBEING MONTHLY REPORT FOR JULY 2026

Department: Health and Safety

EXECUTIVE SUMMARY

- 1 The monthly Health, Safety and Wellbeing report for July 2026 is attached for consideration.

RECOMMENDATIONS

That the Committee:

- a) **Notes** the monthly Health, Safety and Wellbeing report for July 2026.

Signatories

Author:	Jane Pearce - Health and Safety Manager
Authoriser:	Mike Costelloe - General Manager, Arts, Culture & Economic Development

Attachments

	Title	Page
⬇️A	HSW monthly report for July 2026	35

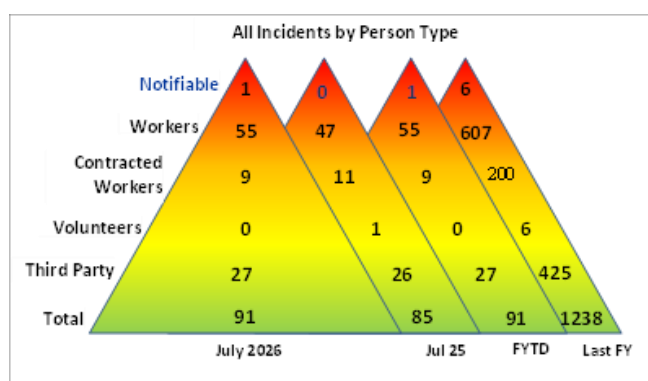
Health, Safety and Wellbeing Reporting for 1 July to 31 July 2026 and FYTD (1 July 2026 – 30 June 2027)

ORGANISATION OVERVIEW

1. Total Events Recorded FYTD: 91

Note: Event refers to all accidents, incidents that cause damage or harm, or have the potential to cause damage or harm (near miss) and hazards.

Event Type	July 2026	FYTD
Incident	47	47
Injury	26	26
Injury – Lost time Work		
Near Miss / Hazard	17	17
Notifiable Events	1	1



Note: The notifiable events are included in the person type

2. Notifiable Event - #17057 3 Waters

WorkSafe was notified following an incident in which an employee was exposed to a hazardous atmosphere while undertaking water sampling activities at a Taieri pumping station.

Prior to entering the work environment, the following controls were implemented:

- The doors were opened, and ventilation fan was switched on for 2 minutes, as per procedure.
- A gas monitor was placed inside the entrance, and no alarms were activated.
- The worker re-entered and moved gas monitor further inside. The monitor alarmed within 20 seconds.
- The gas monitor was taken outside to clear for 5 minutes while ventilation in the area continued.
- The gas monitor was then returned to the same location and no alarms activated after a minute.
- The gas monitor was moved into the basement area, where a strong chemical odour was detected, and the monitor alarmed.

Key:  = Lead Indicator
 = Lag Indicator

Page 1 of 19

- The worker immediately exited the building and contacted their manager.
- The worker experienced nausea and attended A&E for medical assessment before being discharged.

Worker has since made a full recovery. A full investigation is underway to determine the source and nature of the hazardous atmosphere within the pumping station. **September 2026**

3. Critical Risks

The top 10 critical risks identified by the Board are listed below and are due for review.

The table below details the audits carried out by critical risk for July 2026.

Critical Risk	Notes	Critical Risk Symbol	No. of Audits
Confined Space (CR01)	Underway long term review.		4
Working at Height (CR02)			7
Hot Work (CR03)			
Excavation and/or Trenching Work (CR04) <i>Contractor Only</i>			5
Working on/near Roads (CR05)			23
Hazardous Substances (CR06)			10
Hazardous Energy Sources (CR07)			4
Aggression or Violence (CR08)	Review completed Dec' 2025		
Impairment (CR09)	Under review		
Lone/Remote Working (CR10)	Review completed August 2025		

** Some audits look at more than one critical risk*

4. Improvements

Highly Pathogenic Avian Influenza (Bird Flu)

Still only two known cases in New Zealand. No further changes required to the current procedures on Connect.

5. Contract Overview Status

Events, inspections and audits for July 2026 for contracts with critical risks and *where there is active site work*.

Contract	No. of Events	Audits	Comments
Property			
Moana Pool Redevelopment (9567)		1	No issues
Town Hall Restoration (5066)		1	No issues
130 Great King Street Lift Refurb		1	No issues
Gasworks Chimney		1	No issues
Olveston Electrical upgrade		1	Very good site
Edgar Centre Roof Remediation		1	Fully compliant site
Parks & Recreation			
Playground Renewals			
Maint Contract (Delta 9389)		7	
Security Services (10351)		3	Spot checks of body cams required
Transport			
Maintenance Contract (8515)		2	
Streetlights (7794)			
Signals (7886)			
Bridge structure (11781)			
Retaining walls (11796)			
Albany St Connection (10588)			
Kerb & Channel (11893)			
3 Waters			
Infra Rnwl and Upgrades with McConnell Dowell (9490)		4	
Maint and Minor Cap Works – Action Engineering (9221)		2	
Provide grounds maint – Delta (9411)			
Critical Pipeline CCA – WSP (11541)			
Maint Contract for WS, WW, Stormwater – City Care (3651)		11	
Civil Pipeline Rnwl – Downer (9459)		1	
Electrical maint serv - Downer (9813)			
Civil Pipeline Rnwl – FH (9228)			
Water Pump Rnwl – Downer (11014)		1	
WW Pump Station Renewals - FH (10541)			
Waste and Environmental Solutions			
GI Resource Recovery Park Construction (10545)		1	No issues

Note: This table is a work in progress as data gathering is refined.

6. Events of Note for July 2026

	Incident Type	Team	Description	Actual Risk	Potential Risk	Related to Critical/ Common Risk	Underlying Cause	Corrective Action	Status
	 Near Miss / Hazard (#17007)	3 Waters	Step screen handrail not high enough	L4	E20	Unsafe assets or infrastructure	Equipment/Design	Contractor engaged to install railing higher	Underway
	 Incident (#17066)	3 Waters	Sun obscured reversing camera, hit parked vehicle	M6	H12	Mobile Plant (on-road vehicles)	People/Application	Manager spoke to driver	Completed
	 Incident (#17102)	3 Waters	Minor chlorine leak due to operator error during changeover	M6	H12	Hazardous Substances		Review SOP.	Underway
	 Incident (#17110)	Lan Yuan	Painters ground sheet caught fire on halogen light	L4	E16	Contractors	People/Application	1. Consider if fire extinguisher training 2. Debrief all persons involved 3. Ensure all contractors are inducted to site 4. Visitor Hosts understand the evac plan 5. Conduct training on evacuate procedure 6. Replace used extinguisher 7. Review the Evacuation Plan to ensure it is fit for purpose/use.	Underway
	 Incident (#17056)	Parking Services	Driver reversed vehicle toward officer.	L3	H12	Aggression/ Violence	External/Third party behaviour	Officer should always ensure that they stand in a safe place, not in the parking space.	Completed
	 Near Miss / Hazard (#17024)	Resource Consents	Hazardous substances call out	H12	E16	Hazardous Substances		Details below:	Underway
	 Incident (#17057) Notifiable	3 Waters	Hazardous substance caused detector to alarm and worker to feel nauseous, visited A&E then released.	H12		Hazardous substances	Organisation/ Safety systems	Full Investigation	Underway

 Worker Lost Time Injury  Worker Events  Third Party Events  Contractor Events  Volunteer Events

*** Incidents have been included which, upon reading the description, we believe the potential risk will be high, and we will be ensuring that these items are being raised to the appropriate level.*

Key:  = Lead Indicator
 = Lag Indicator

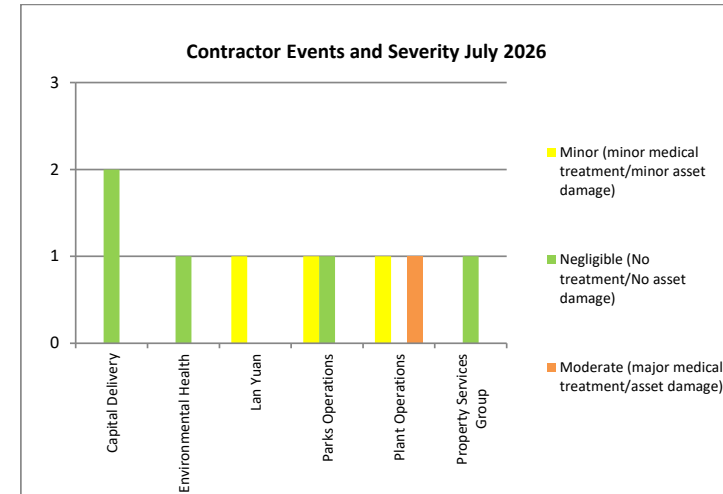
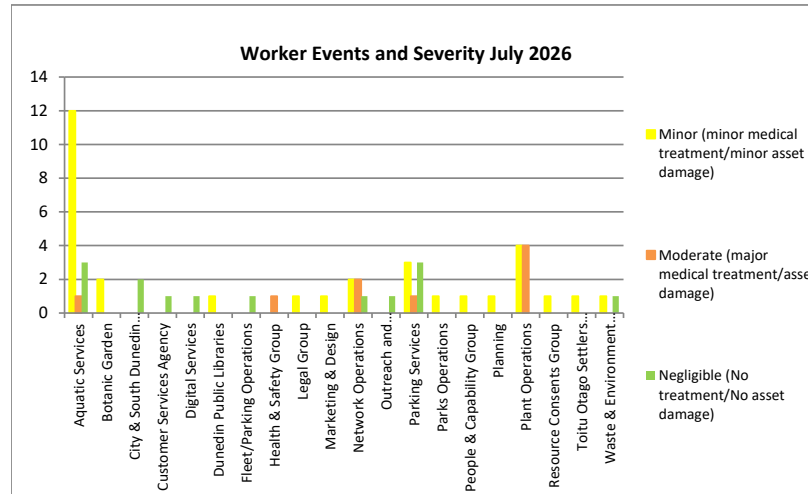
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Resource Consents - Hazardous Substance Callout - Warrington Beach #17024

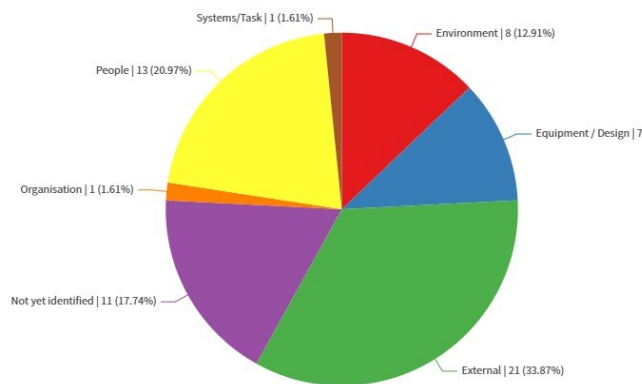
An unidentified gas cylinder was reported at Warrington Beach. Response efforts were delayed due to difficulties contacting Council, uncertainty regarding agency responsibilities, and limited information about the item. FENZ attended but were unable to confirm the cylinder's contents and requested Council assistance. Upon attendance, the cylinder was found to be significantly larger than initially described and required manual handling to recover. The response highlighted several operational gaps, including the absence of appropriate PPE, exclusion zone signage, and vehicle restraint equipment to safely secure and transport the cylinder. The cylinder was removed from site and delivered to the hazardous substances area at Green Island Landfill for disposal. Corrective actions include:

- Review CSA Communication Arrangements
- Clarify FENZ Communication Pathways
- Improve On-Call Response Kit Arrangements
- Confirm After-Hours Vehicle Access
- Confirm Dangerous Goods Disposal Processes
- Assess Contractor Support for After-Hours HSNO Incidents
- Develop a Hazardous Substances Response Procedure.

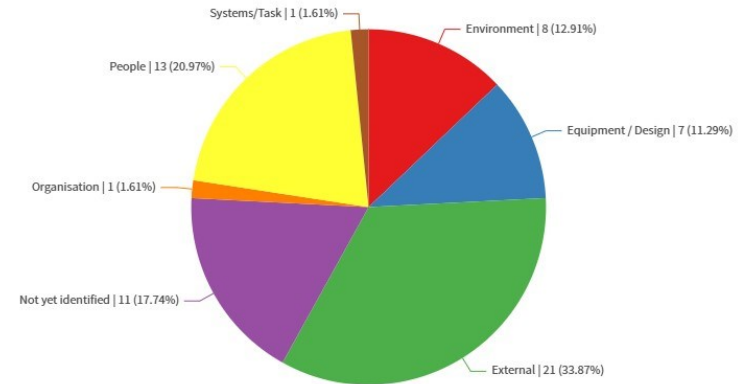




Worker Event Causation July

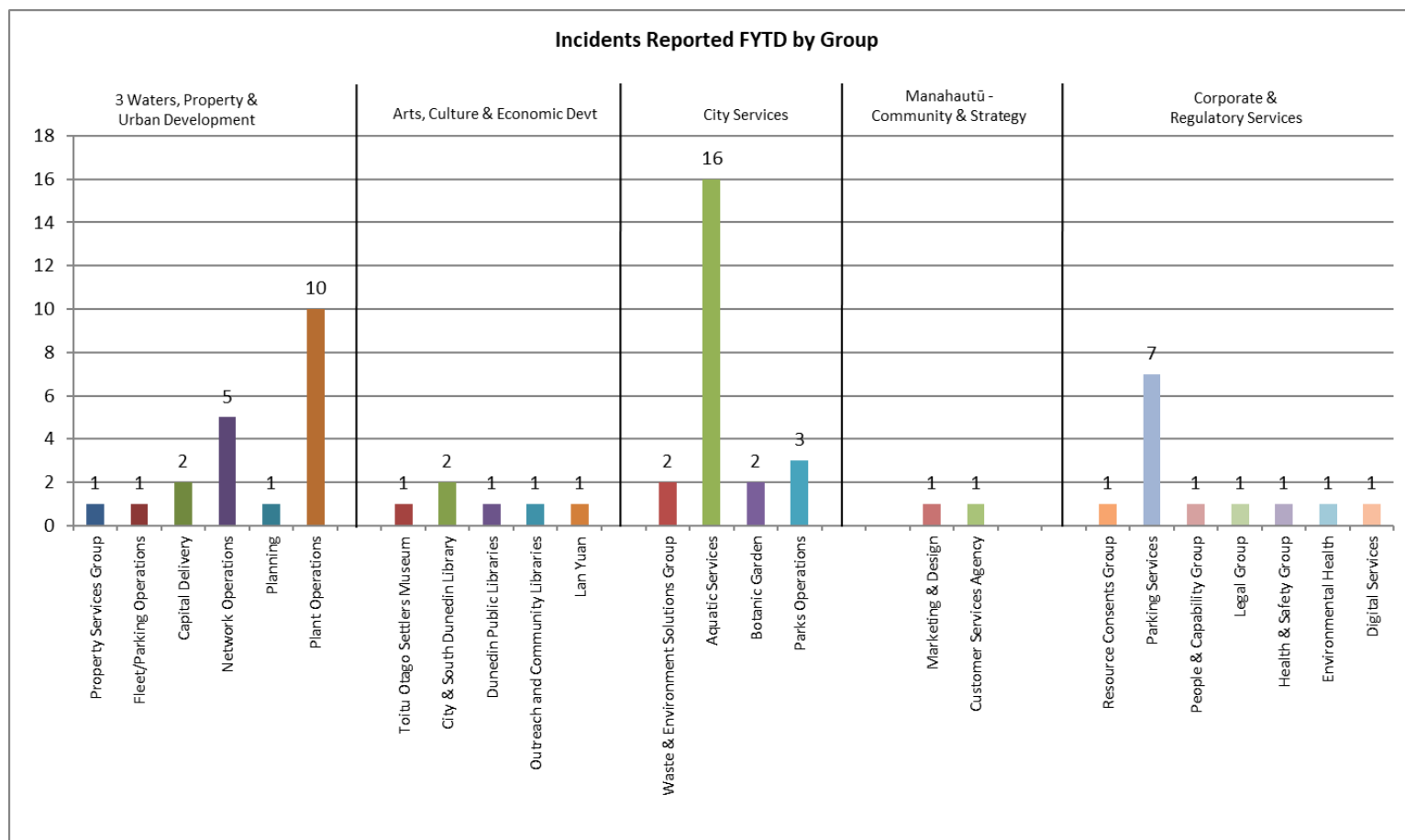


Worker Event Causation FYTD



Key:
 = Lag Indicator

7. Total events recorded for employees and contractors YTD: 64



8. Overdue work event investigations for employees and contractors

Department	Event ID	Potential Risk	Critical Risk	Event Date	Status	Investigation due date	Days' overdue	Description
Climate Adaptation	16967			16/6/2026	Not started	26/6/2026	48	Negative comments re communications/ engagement approach
	16970	H12		16/6/2026	Underway	29/6/2026	45	Staff anxiety and distress following confrontation public meeting
Property	15785			5/9/2025	Underway	30/6/2026	44	Asbestos identified at Olveston
Transport	16661			8/4/2026	Underway	30/6/2026	44	Truck carrying digger hit median barrier
	16688			5/2/2026	Not started	30/6/2026	44	Complaint re driveway access blocked
3 Waters	16684			3/4/2026	Not started	21/4/2026	114	Contractor on-site in jandals
	16836	L3	Hot Work	14/5/2026	Underway	29/5/2026	76	Contractor performed work without PTW
	16879	H15	Hazardous energy	26/5/2026	Underway	3/6/2026	71	UPS relocated without plant shutdown
	16923			6/6/2026	Underway	17/6/2026	57	Call out to restart blower/water cooling system of incinerator after shutdown
	16950			15/6/2026	Underway	13/7/2026	31	Diesel transfer pump left isolated
	16981	M6		24/6/2026	Not started	3/7/2026	41	Open pit in UV electrical service tunnel

9. Active Corrective Actions

The table below shows the status of the corrective actions for Vault Check, Incidents, Injury, Near Miss/Hazard and Site Inspections.

Not started	Underway	Overdue
23	23	46

10. Ongoing event outcomes for employees and contractors

South Dunedin Future:

Negative comments over projects (#16967 & 16970 – 16/6/2026)

A pre-engagement meeting was held prior to reports becoming public, the discussion became confrontational and inappropriate comments directly affected staff. **June 2026**

Transport:

Truck carrying digger hit median barrier, digger fell off (#16661 – 8/4/2026)

Awaiting investigation outcomes from contractor. **September 2026**

Parking Services:

Threatening behaviour towards officer (#16537 – 6/3/2026)

Discussion around safety improvements. **September 2026**

Property:

Cut Hand on Battery Chainsaw While Assisting Co-worker (#14677- 7/11/2024): Notifiable

Property have implemented improvements inclusive of written SOP's, final actions:

- Identify training/competencies required.
- Introduce pre-start safety planning for non-routine work.
- Review to position description ensuring clarity on role scope and expectations.
- Ensure a good induction process is in place for new or temporary workers. **August 2026**

3 Waters:

Unguarded, unlit open pit at GI WWTP (#16981 – 24/6/2026)

Worker noted open pit in the UV electrical service tunnel. Area has no lighting and pit is unguarded. **June 2026**

Uninterrupted power supply (UPS) relocated by Contractor (#16879 – 26/5/2026)

Investigating how the UPS was relocated without a planned shutdown of the plant and identify gaps to ensure there is not a reoccurrence. **June 2026**

Auto door mechanically disconnected but was still live (#16679 – 9/4/2026)

- Review a selection of Permits in progress to ensure work is being done as expected – **November 2026**
- Undertake audits of similar equipment to identify any other isolation gaps - **January 2027**

Mosgiel Filter Bearings (#15858 – 16/9/25)

The trickling filter bearings have a mercury seal close to the bearings which are due for replacement. To action still underway:

- Maintenance SOP to be implemented
- Remove mercury seal during filter replacement
- Dispose of contaminated rags **October 2026**

Key:  = Lead Indicator
 = Lag Indicator

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Network Operations – Corroded Access Platform (#15847 -16/9/2025)

A corroded access platform was identified at a catchment facility and the contractor to start replacement mid **June 2026**.

Winch Lift Capacity (#12725 – 29/5/2023):

The replacement of the hiab unit has been selected. Training for all hiab operators to be arranged. **August 2026**

HEALTH AND SAFETY COLLABORATIVE PROJECTS

11. Lock Out Tag Out Procedure (LOTO)

The LOTO procedure has now been successfully implemented across all 3 Waters sites. Over the next 6 months further assurance audits will be undertaken by an external auditor.

12. Permit to Work (PTW) Review

A Permit to Work (PTW) Working Group to be established to review and improve our PTW system. Led by 3 Waters and Property, the review will align with the Safe Systems of Work framework, critical risks, critical controls, and Lockout Tagout (LOTO) system. The group will address identified gaps and develop practical, consistent approach to managing high-risk work, with wider departmental consultation planned before finalisation.

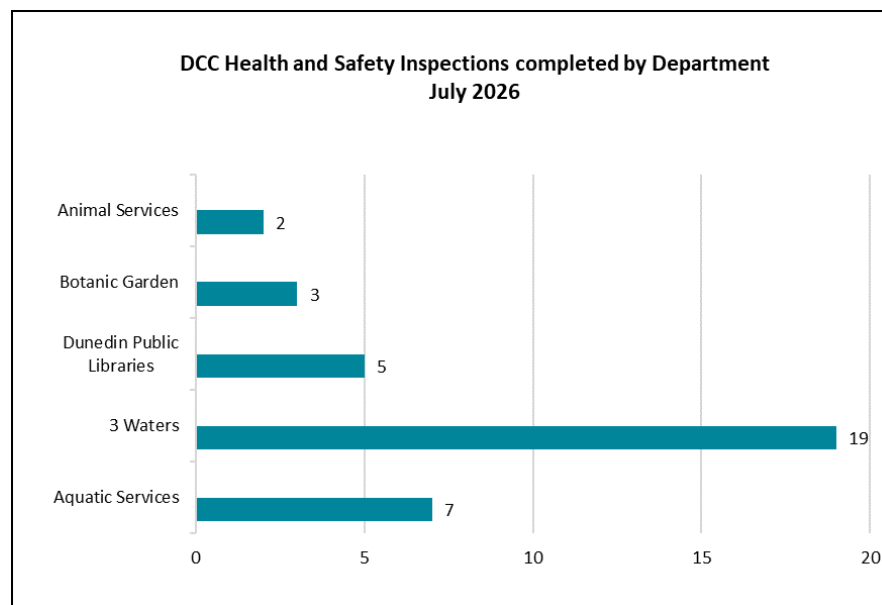
13. Leadership Observations

No leadership observations were carried out in July 2026.

14. Positive Observations

No positive observations were carried out in July 2026.

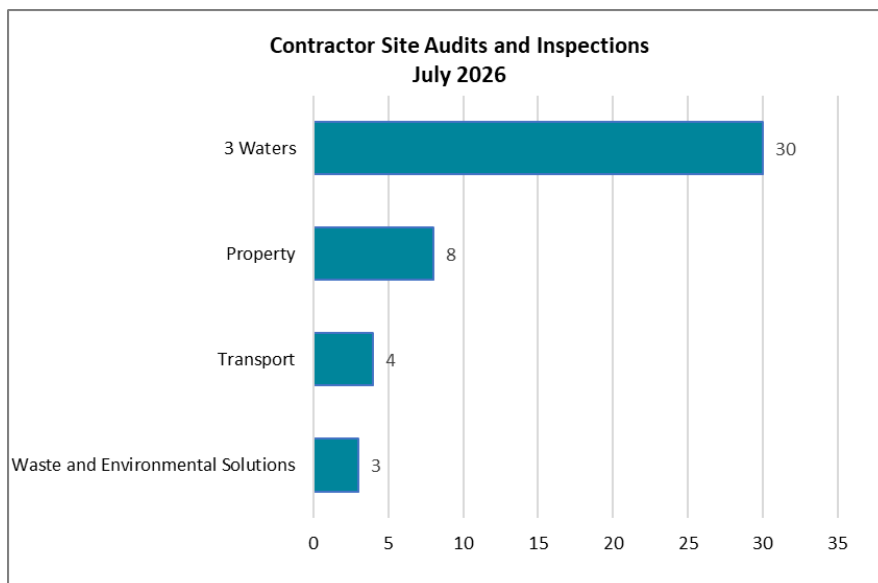
15. DCC Health & Safety Inspections completed for July 2026



Key:  = Lead Indicator
 = Lag Indicator

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16. Contractor Site Audits Completed for July 2026



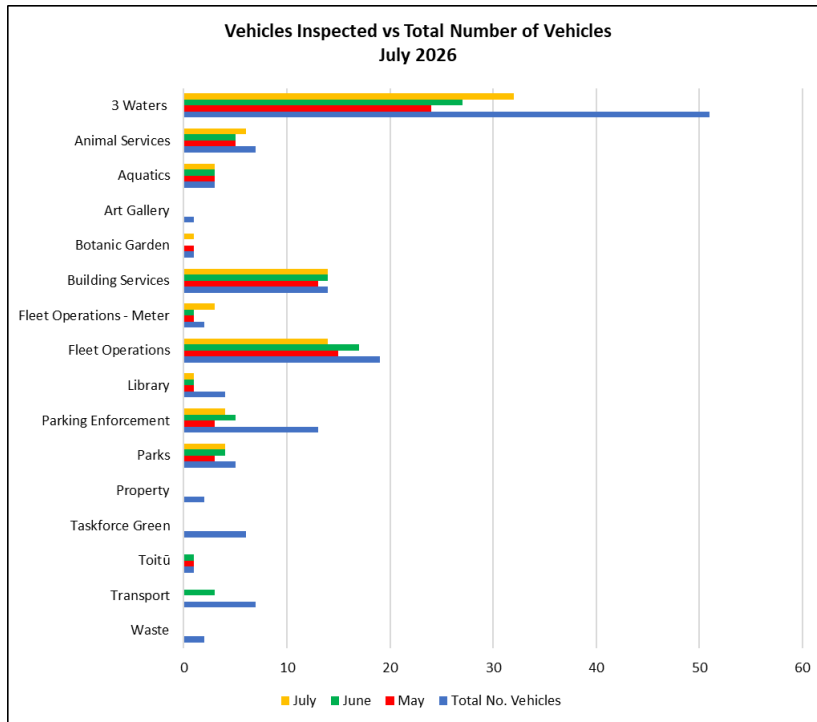
Compliance ID (Metric)	Dept	Date	Contractor	Potential Risk	Activity	Findings	Status
12854	3 Waters	31/7/26	McConnell Dowell	H15	Renewals Chapman Stage 3	Confined space staff qualifications not sited.	Completed

Key:  = Lead Indicator
 = Lag Indicator

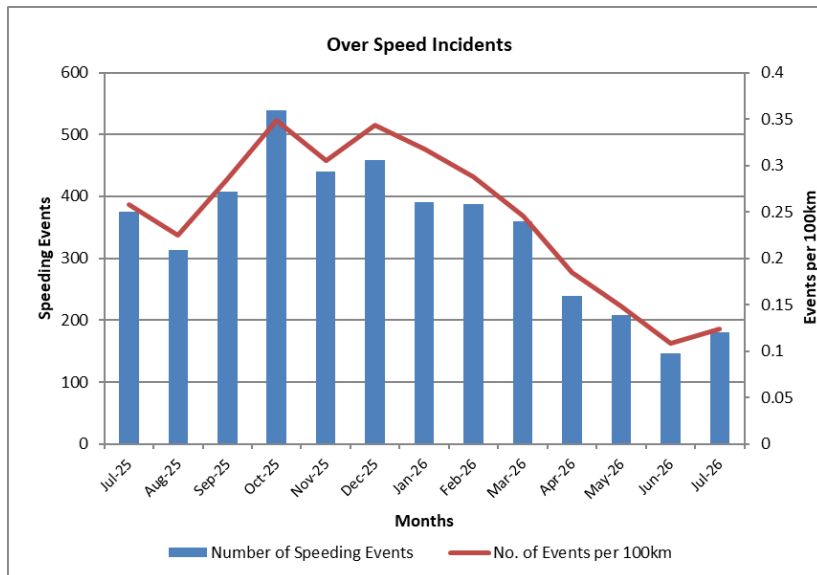
Page 11 of 19

TRENDS AND OBSERVATIONS

17. Vehicles Inspected in July 2026



18. Over Speed Incidents

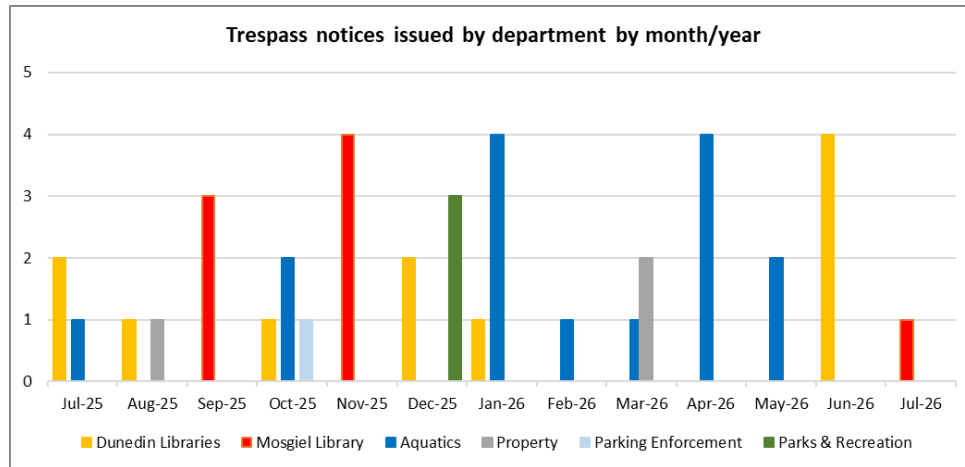


For the month of July 2026, there was an **increase of 22.45%** when compared to June 2026 and a **reduction of 52%** compared to July 2025.

Key:  = Lead Indicator
 = Lag Indicator

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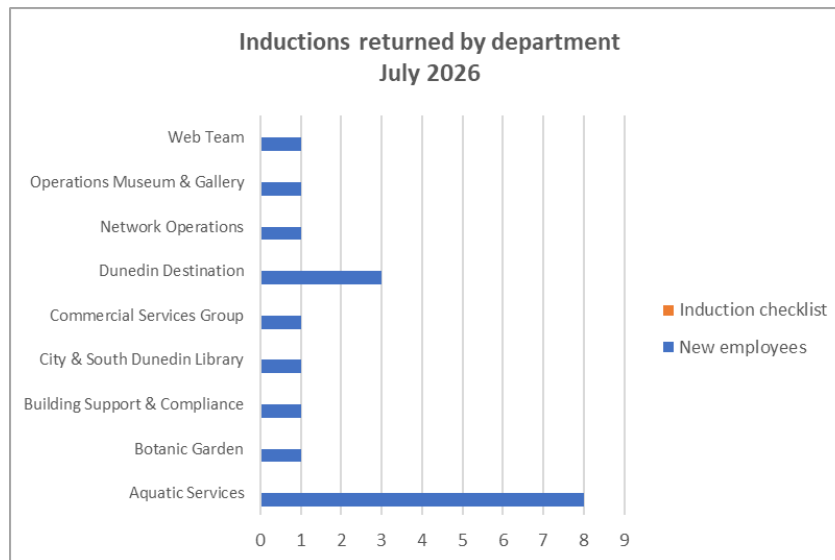
19. Trespass Notices



There are 57 current Trespass Notices. One trespass notice for Mosgiel Library was issued in July 2026.

EMPLOYEE INFORMATION AND PROCESSES

20. New Employee Inductions



Of the 18 new starts for July, no induction checklists have been returned.

The new Health and Safety induction checklist is updated on Connect and will be included in the package for managers/team leaders with new starters from 1 August 2026.

21. Workstation Assessments FYTD

One workstation assessment has been provided to a new staff in this financial year.

Key:  = Lead Indicator
 = Lag Indicator

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22. Training Courses completed - New Format

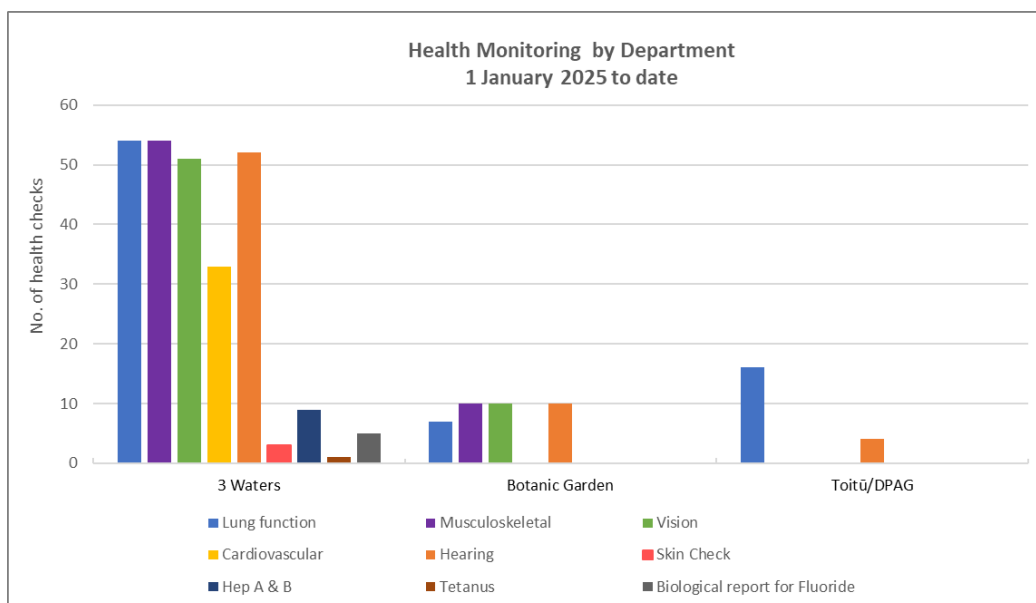
Course Name	How many staff require training	Staff trained July 2026	Staff currently trained
Aquatics AED & Oxygen Training	179	15	133
Confined Space & Gas Detection (2 yr expiry)	17	2	42
Fire & Emergency Warden Training (2 yr expiry)		8	71
First Aid Training (2 yr expiry)		40	410
Hazard and Risk Management		3	22
Height Safety	28	2	44
In-house Contractor Management			30
In-house Hazard and Risk Management		7	79
LOTO Authorised Worker – Application of LOTO		16	54
Mental Health First Aid Course	15	7	19
Mobile Elevated Work Platform	8	1	8
Pool Lifeguard Training	145	5	111

23. Health Monitoring

3 Waters - Mt Grand fluoride exposure monitoring

An event investigation identified a possible gap in our fluoride controls at Mt Grand WTP. In response, a scope has been developed for a qualified occupational hygienist to assess fluoride handling and process areas, potential exposure pathways, existing controls, and PPE requirements. The outcomes of the assessment will be used to validate current controls, identify any improvement opportunities, and ensure future exposure management and health monitoring requirements are based on evidence and industry best practice. The assessment will also help assure staff that potential health risks are being proactively identified and managed. **July 2026.**

Five Water Treatment staff completed fluoride testing in July 2026.



Key:  = Lead Indicator
 = Lag Indicator

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24. Wellbeing

The next initiative is being booked for 17 September and will offer free blood glucose and cholesterol checks for staff.

25. Health and Safety Framework and Reviews

Fit For Work Policy/Safety Sensitive Positions:

Safety Sensitive Positions: Workshops with several departments have been completed with great feedback and agreement on the matrix for identifying safety sensitive roles. Next step is to brief WLT on the process.

Alcohol and Other Drugs Policy: The Draft Alcohol and Other Drug Policy will be sent for expert guidance and review to ensure that all aspects have been covered before presenting to the Board for approval to engage on. **September 2026**

HSWA Amendment Bill:

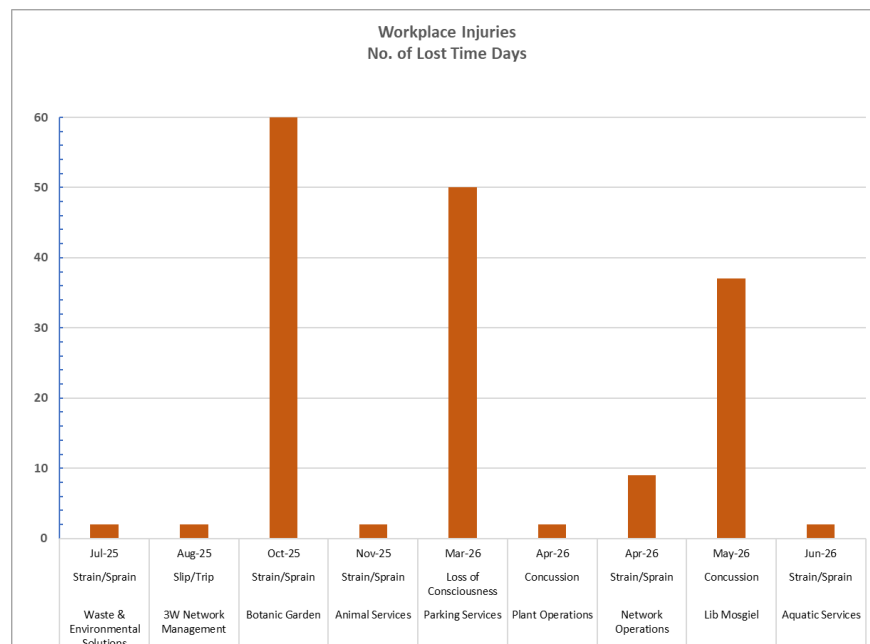
WorkSafe has developed a new fact sheet that explains the updated purpose of the Health and Safety at Work Amendment Act 2026. WorkSafe are working with MBIE to finalise new guidance which they expect to publish throughout September and October 2026.

26. Annual Department Health and Safety Improvement Plans

The new improvement plan template for 2026/27 has been distributed and departments have started developing their plans. These are to be in place by Friday 28 August 2026.

A request for the completion of the 2025/26 plans was sent out mid July 2026 and departments have until the Friday 14 August to complete their Q4 results.

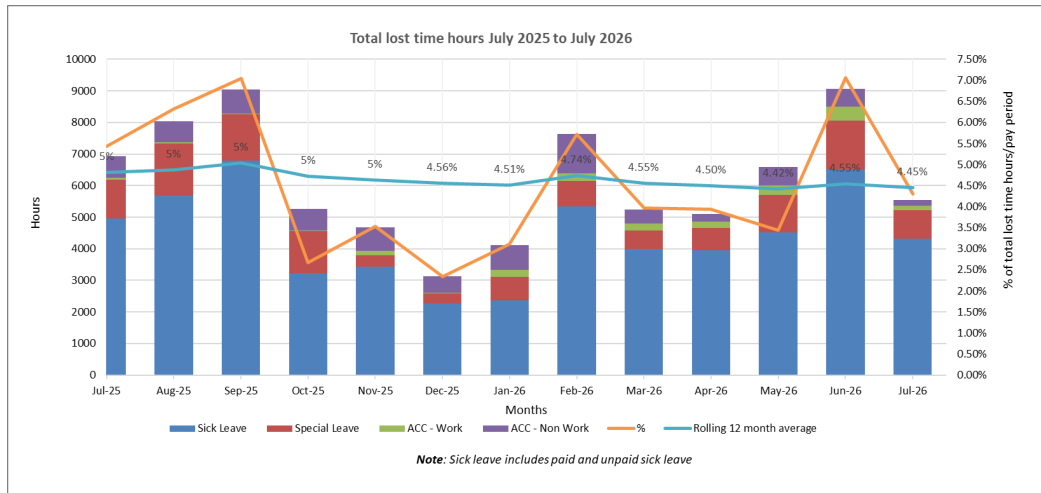
27. Lost Time Workplace Injuries



Key:  = Lead Indicator
 = Lag Indicator

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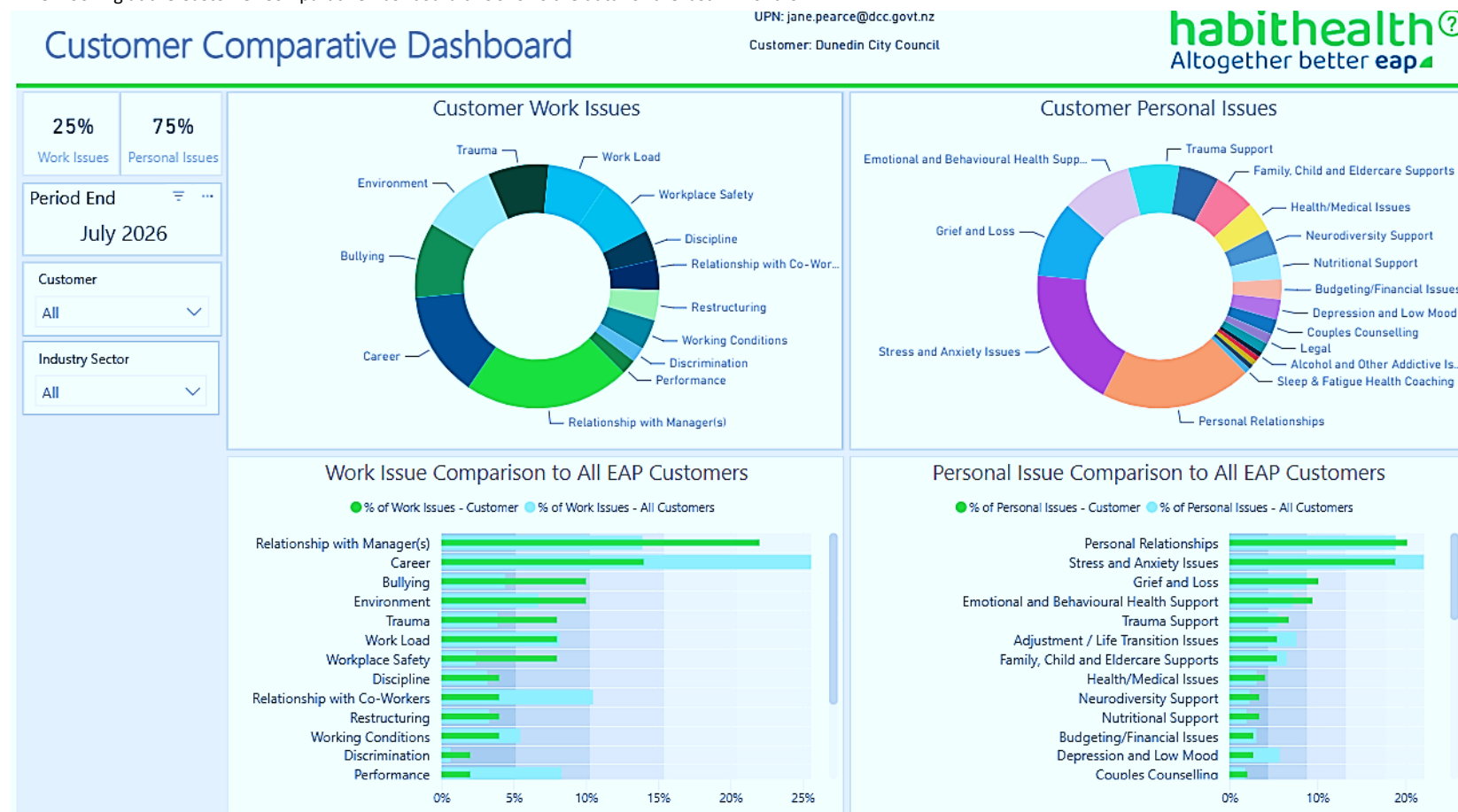
28. Lost Time July 2025 to July 2026



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 = Lag Indicator

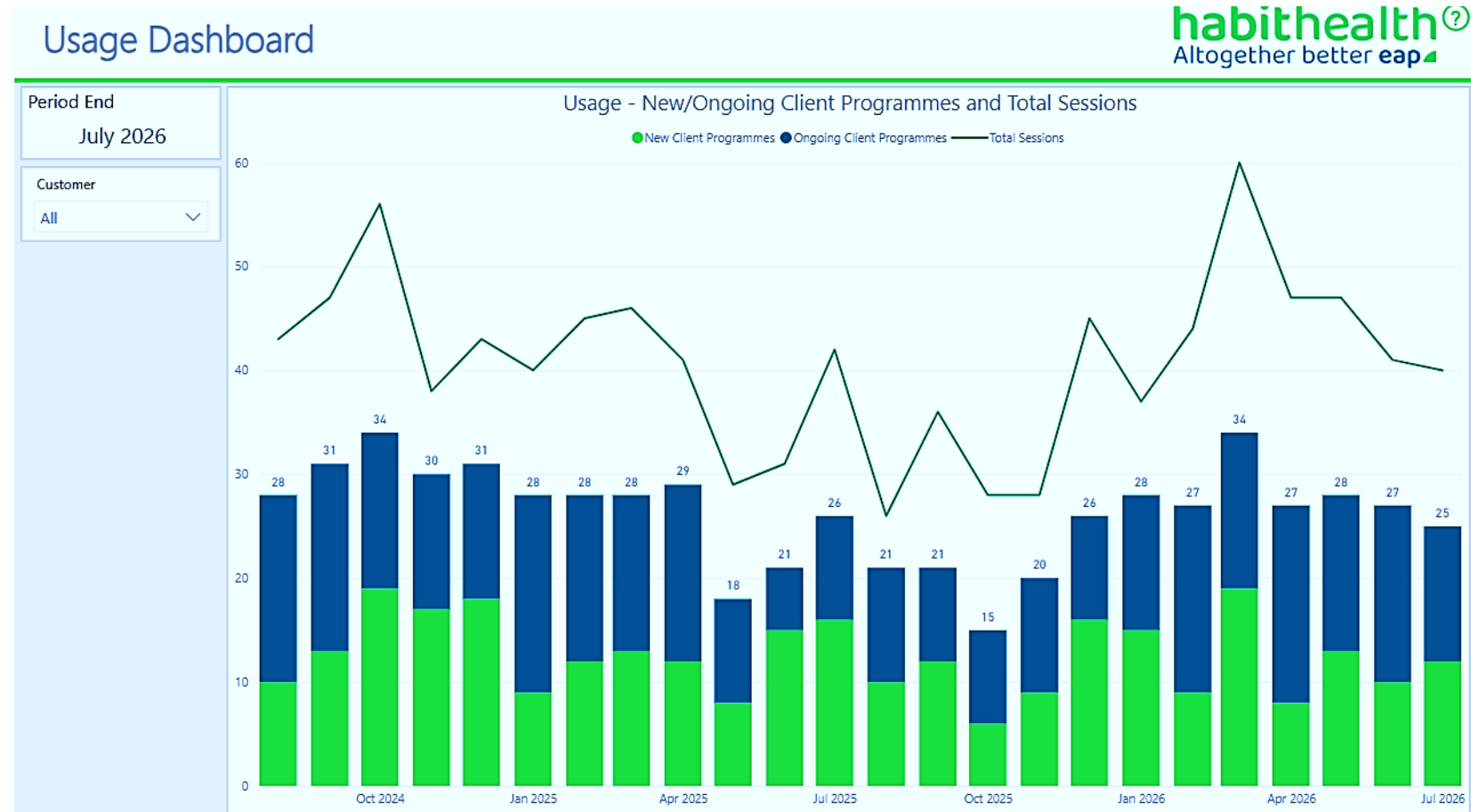
Habit Health EAP – Reporting July 2026

When looking at the Customer Comparative Dashboard this shows the data for the last 12months.



Key: = Lead Indicator
 = Lag Indicator

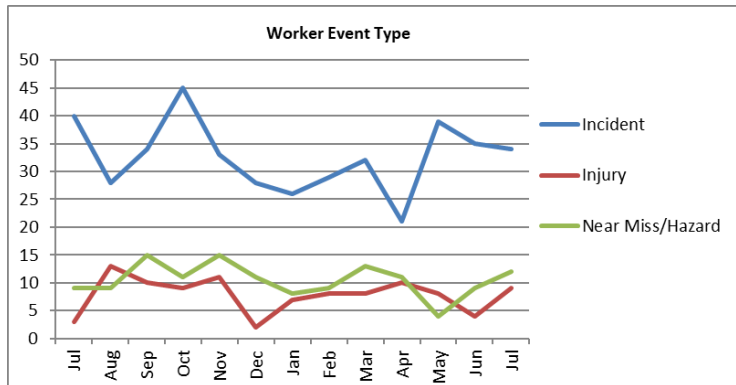
Page 17 of 19



Key: = Lead Indicator
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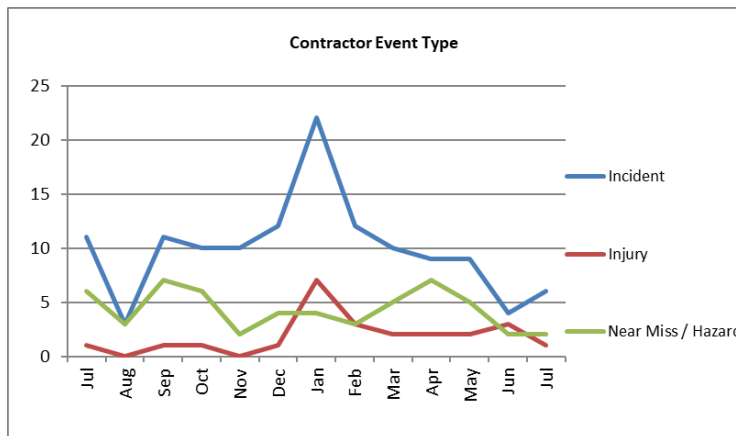
Page 18 of 19

29. Worker Event Reporting by type



Total Worker
Workplace Events
July 2026
55

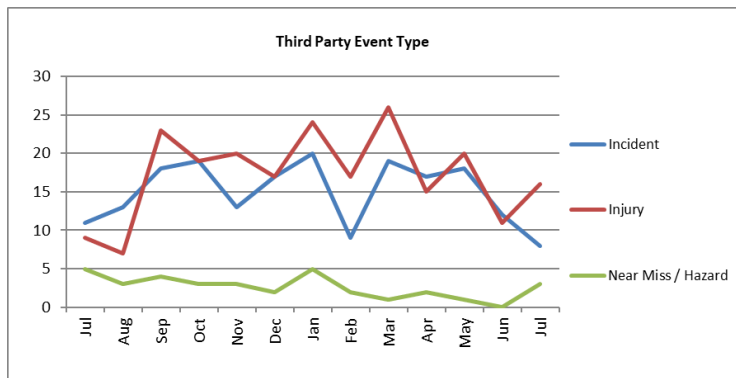
30. Contractor Event Reporting by type



Contractors pre-approved
to date
571

Total Contractor Events
July 2026
9

31. Third Party Event Reporting by type



Total Third Party Events
July 2026
27

32. Volunteer Event Reporting by type

There were no volunteer events for July 2026.

Key: = Lead Indicator
 = Lag Indicator

DCC POLICY UPDATE REPORT

Department: Finance and Business Information Services

EXECUTIVE SUMMARY

- 1 This report provides an update on DCC policies identified in the Audit, Risk and Assurance Committee (ARAC) Workplan.

RECOMMENDATIONS

That the Committee:

- a) **Notes** the Policy Update Report – September 2026.
- b) **Approves** the updated Protected Disclosures’ – Protection of Whistleblowers Policy (Attachment A clean, Attachment B track changes).
- c) **Approves** the Artificial Intelligence (AI) Policy (Attachment C).

DISCUSSION

- 2 The following policies are undergoing review:

- a) **Asset Management Policy:** The asset management champions group are reviewing this policy. The aim is to provide a high-level policy to support asset management activities across the DCC. Departments will still be responsible for their own specific asset management plans.
- b) **Asset Disposal and Write-Off Policy:** This policy has undergone review by asset managers and is now in final review with the Finance department.
- c) **ICT Acceptable Use Policy:** This Policy is undergoing a final review and is now called the ‘Digital Acceptable Use Policy’. This is expected to come to ARAC at the November meeting.
- d) **Leave Management Policy:** The Employment Leave Act 2026 has now received Royal Assent and will come into force in August 2028. The current Leave Management Policy is compliant with current requirements so the review date will now be pushed to August 2028 when the new rules come into effect.
- e) **Staff Code of Conduct:** This is undergoing final review and estimated to be brought to the November ARAC meeting.
- f) **Risk Management Policy:** The review of this policy is on-hold until the new Risk Lead is in place.

- 3 After the review process, updated copies of DCC policies will be provided to ARAC for feedback or approval.

Protected Disclosures – Protection of Whistleblowers Policy

- 4 A review on the Protected Disclosures – Protection of Whistleblowers Policy has been carried out by the Assurance Manager, Corporate Policy, In-house Legal, People and Capability and the Fraud Control Officer. The following changes are recommended:
 - a) Update responsible officer and department to Chief Financial Officer and Finance to align to roles and responsibilities.
 - b) Section 1.5: Incorporation of DCC’s organisational values (this is good practice for policies to refer to the organisations values).
 - c) Section 3.3: Update the definition term to “Internal Receiver” to provide clarity for when staff are involved, versus external authorities.
 - d) Section 5: Add roles and responsibilities to add clarity to staff on the different levels of responsibility.
 - e) Section 6.4: Add guidance that once a disclosure has been made the responsibility for investigation transfers. This is to provide assurance to staff that there is no further action required unless requested.
 - f) Section 8.5: This is stated in the Act and wasn’t previously captured.
 - g) Section 9.1: DCC’s commitment to provide training to investigators.
 - h) Section 9.2: This is stated in the Act and wasn’t previously captured.
 - i) Section 12.2: DCC’s commitment to provide training to all staff.
 - j) Section 12.5: Standard line in DCC policies.
 - k) Section 13: Contact details have been provided for the Internal Receivers. This section can be updated at any stage to provide the correct contact details without needing to come back to ELT and ARAC for review.

Artificial Intelligence (AI) Policy

- 5 Artificial Intelligence (AI) use is rapidly increasing across the public sector. Within DCC, AI tools are already being used by staff for content generation, data analysis, and operational support. However, current usage lacks coordination, visibility, and consistent governance.
- 6 The AI Policy (Attachment C) has been developed to provide clear expectations for AI use across Council and applies to all staff, contractors, elected officials, and third parties.

NEXT STEPS

- 7 Any policies that are approved will be presented to staff alongside supporting materials e.g., guidance, procedures, and FAQs.

Signatories

Author:	Hayley Knight - Assurance Manager Graeme Riley - Chief Information Officer
Authoriser:	Hayden McAuliffe - Financial Services Manager

Attachments

	Title	Page
↓A	Protected Disclosure Whistleblower Policy - clean Aug 2026	59
↓B	Protected Disclosure Whistleblower Policy - track changes Aug 2026	69
↓C	Artificial Intelligence Policy August 2026	80

SUMMARY OF CONSIDERATIONS
Fit with purpose of Local Government

This report provides an update on Council Policy documents as identified by the Audit Risk and Assurance Committee Workplan, which is a regulatory function considered good quality and cost effective.

Fit with strategic framework

	Contributes	Detracts	Not applicable
Social Wellbeing Strategy	✓	☐	☐
Economic Development Strategy	✓	☐	☐
Environment Strategy	✓	☐	☐
Arts and Culture Strategy	✓	☐	☐
3 Waters Strategy	✓	☐	☐
Spatial Plan	✓	☐	☐
Integrated Transport Strategy	✓	☐	☐
Parks and Recreation Strategy	✓	☐	☐
Other strategic projects/policies/plans	✓	☐	☐

The Audit Risk and Assurance Committee monitors and provides assurance for the effective review and management of core Council Policies – thereby supporting business controls and delivery, governance and the realisation of strategic objectives.

Māori Impact Statement

There are no known impacts for mana whenua.

Sustainability

There are no implications for sustainability.

LTP/Annual Plan / Financial Strategy /Infrastructure Strategy

There are no known implications.

Financial considerations

No financial implications have been identified.

Significance

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

Engagement – external

No external engagement required as this is an internal operating policy.

Engagement - internal

For the review of the Protected Disclosures policy Assurance Manager, Corporate Policy, In-house Legal, People and Capability and the Fraud Control Officer were engaged.
The Artificial Intelligence Policy was developed by the CIO and with feedback from the ELT.

Risks: Legal / Health and Safety etc.

A failure to maintain effective and appropriate Policy framework across core Council functions exposes the DCC to a range of operational and strategic risks, including financial, business and service performance, community, business and sector confidence, as well as potential fraud and litigation.

SUMMARY OF CONSIDERATIONS

Conflict of Interest

No conflicts of interest have been identified.

Community Boards

There are no known implications for Community Boards.

PROTECTED DISCLOSURES – PROTECTION OF WHISTLEBLOWERS POLICY 			
Approved by:	Council		
Sponsor:	Chief Financial Officer		
Department Responsible:	Finance		
Date approved:	26 May 2015	Last Updated:	August 2026
Next review date:	August 2029	DOC ID:	

1 PURPOSE

- 1.1 The "Protected Disclosures' – Protection of Whistleblowers" Policy (**Policy**) sets out how disclosers, may report serious wrongdoing such as corrupt, unlawful, or irregular activities, and what protections are provided in those circumstances.
- 1.2 This Policy aims to:
 - a) provide guidance and encourage the disclosure and investigation of serious wrongdoing and to ensure protection for those who make disclosures in accordance with the Protected Disclosures (Protection of Whistleblowers) Act 2022 (**Act**)
 - b) ensure allegations of serious wrongdoing are investigated appropriately in a timely, fair, equitable and consistent manner.
- 1.3 This Policy and any associated procedures do not authorise a person to disclose information protected by legal professional privilege or operation of law.
- 1.4 This Policy does not cover activities after any review and/or investigations have been completed.
- 1.5 This policy is grounded in the organisational values; they guide how DCC policies are put into practice so that decisions and actions reflect and uphold these values.



2 SCOPE

- 2.1 This Policy applies to all current and former:
 - a) employees, contractors (including employees of contractors),

- b) secondees,
- c) volunteers,
- d) elected members, and
- e) any person involved in the Council's operations
- f) every business, service, or activity of the DCC

3 DEFINITIONS

For the purposes of this Policy all definitions have the same meaning as the Protected Disclosures (Protection of Whistleblowers) Act 2022 unless the context requires otherwise.

- 3.1 **"Appropriate Authority"** (as defined in the Act) is an approved role outside of the DCC to which a protected disclosure may be made to in accordance with this policy (see appendix for a list of appropriate external authorities).
- 3.2 **"Discloser" (or "Whistleblower")** is any person to whom this policy applies (at clause 2) who makes or supports a protected disclosure.
- 3.3 **"Internal Receiver"** are identified roles at the DCC to whom a protected disclosure may be made to in accordance with this policy. This includes:
 - a) the Fraud Control Officer (FCO),
 - b) the Chief Executive Officer (CEO), or
 - c) the independent Chair of the DCC Audit, Risk and Assurance Committee.
- 3.4 **"Protected Disclosure" (or "disclosures")** is a disclosure of information where a discloser:
 - a) believes on reasonable grounds that there is, or has been, serious wrongdoing in or by the DCC,
 - b) discloses information about that in accordance with the Act,
 - c) does not disclose it in bad faith, and
 - d) wishes their disclosure to be protected.
- 3.5 **"Serious wrongdoing"** has the same meaning as in section 10 of the Act, is behavior that is:
 - e) an offence,
 - f) a serious risk to public health, or public safety, or the health or safety of any individual, or the environment,
 - g) a serious risk to the maintenance of the law including the prevention, investigation, and detection of offences, or the right to a fair trial,
 - h) an unlawful, a corrupt, or an irregular use of public funds or public resources, or

- i) oppressive, unlawfully discriminatory, or grossly negligent, or that is gross mismanagement by an employee or a person performing a function, duty, or exercising power on behalf of the DCC.

4 POLICY

- 4.1. The DCC is committed to promoting high standards of ethical and accountable conduct and will not tolerate any form of wrongdoing.
- 4.2. A discloser is recognised as a part of promoting the integrity, accountability, and good management at the DCC.
- 4.3. A discloser has all the protections set out in the Act and this Policy.
- 4.4. A discloser will have their confidentiality protected, except in specific circumstances as set out in the Act and this Policy.
- 4.5. All disclosures will be actioned in accordance with the Act, Policy, and associated procedures. Response to and/or subsequent investigations will be carried out promptly, appropriately and in a fair, equitable and consistent manner.
- 4.6. If a discloser is making a disclosure that they know to be false or makes any disclosure in bad faith, they will not be protected by the Act or by section 66(1) of the Human Rights Act 1993 and may also be subject to disciplinary action if they are a current employee.

5 Roles and Responsibilities

- 5.1. Employees are to act honestly, safeguard assets, and encouraged to report suspected wrongdoing promptly as per the policy below.
- 5.2. Managers are to maintain controls, monitor risks, encourage reporting, and ensure compliance.
- 5.3. Internal Receivers are to handle disclosures in line with the Act and this policy, keep records and report to governance.
- 5.4. The Audit, Risk and Assurance Committee and Council are to provide governance oversight on the DCC's fraud and corruption prevention and awareness activities and protected disclosure procedures to ensure compliance with this Policy and the Act.

6 Disclosure to an Internal Receiver or Appropriate Authority

- 6.1 Should a discloser suspect that a DCC employee is or was involved in serious wrongdoing, they are encouraged to disclose this information without delay to an Internal Receiver.
- 6.2 A discloser can go to an Appropriate Authority in the following instances:
 - a) where a discloser reasonably believes that the CEO is or may be involved in the serious wrongdoing,

- b) if they reasonably believe that the disclosure is a matter of urgency or for other exceptional circumstances, or
- c) after 20 working days a discloser has not received confirmation that their disclosure is being actioned in accordance with the Act

- 6.3 As a last resort a discloser may be made to a Minister of the Crown where they reasonably believe that no satisfactory and timely investigation or action has been carried out by an appropriate authority.
- 6.4 Once a disclosure to an internal receiver or appropriate authority has been made, the responsibility for assessing, managing, and responding to the disclosure transfers to the recipient. No further action is required from the discloser unless they choose to provide additional information.
- 6.5 Disclosures to the media are not protected under the Act and could actively undermine the integrity of any resulting investigation.

7 Confidentiality

- 7.1 The Internal Receiver must use their best endeavors not to disclose information that might identify a discloser, unless:
- a) the discloser consents to the release of the identifying information, or
 - b) the receiver of the protected disclosure reasonably believes that disclosure of identifying information is essential:
 - i. for the effective investigation of the allegations in the protected disclosure
 - ii. to prevent serious risk to public health or public safety or the environment
 - iii. having regard to the principles of natural justice
 - iv. to an investigation by a law enforcement or regulatory agency for law enforcement
- 7.2 Disclosures may be made anonymously. All disclosers' retain their rights under the Act and this Policy regardless of whether they identify themselves at the time of disclosure or make an anonymous disclosure.
- 7.3 A request for information under the Local Government Official Information and Meetings Act 1987 (other than one made by a member of a law enforcement or regulatory agency for the purposes of investigating an offence) must be refused, as contrary to the Act, if it might identify a discloser.

8 Protection for Disclosers under the Act

- 8.1 Disclosers are entitled to protection in accordance with the Act.
- 8.2 No actual, or threat of, civil, criminal, or disciplinary proceedings can be taken against a discloser for making a protected disclosure, or for referring one to an Appropriate Authority.
- 8.3 The DCC must not retaliate or threaten to retaliate against a discloser who intends to or has made a protected disclosure⁵. Where the disclosure is an employee the DCC must not do or

organise to do any of the following:

- a) dismiss them,
- b) refuse or not offer or give them the same employment terms, work conditions, fringe benefits, or opportunities for training, promotion, and transfer available to other employees with the same (or substantially similar) qualifications, experience, or skills employed in the same (or substantially similar) circumstances,
- c) subject them to detriment or disadvantage (including any effect on their employment, job performance, or job satisfaction) when other employees in work of that description are not or would not be subjected to that detriment or disadvantage, or
- d) retire them (or require or cause them to retire or resign).

8.4 A discloser must not be treated, or threatened to be treated, in any way, this includes being subjected to harassment, discrimination, or victimisation for exercising their rights under the Act and this Policy.

8.5 The DCC cannot waiver or contract out the protections stated in this policy and the Act.

8.6 In the first instance, if a discloser is concerned about anything relating to the protected disclosure they have made, they should talk to the Internal Receiver to whom they made the protected disclosure.

8.7 If there are still concerns a discloser can talk to an alternative Internal Receiver or an Appropriate Authority.

9 Responsibility for Internal Receivers or Appropriate Authorities to Act

9.1 Internal Receivers will be provided with training to ensure understanding of the following obligations.

9.2 Internal Receivers will provide details of additional support available to disclosures at the time of disclosure (if the disclosure is not anonymous). Additional support can include, but is not limited to, EAP services, People and Capability advisors, or an appropriate union.

9.3 The receiver of the disclosure must promptly take the steps set out in section 13 of the Act:

- a) acknowledge receipt of the disclosure in writing to the disclosing party (unless the disclosure was made anonymously),
- b) immediately notify the FCO for the purposes of formally recording it on the “Protected Disclosure Register”,
- c) consider the disclosure is a protected disclosure under the Act. This can be done in consultation with the FCO or an Alternative Authority,
- d) deal with the matter by carrying out one of more of the following:
 - i. Investigating the disclosure,
 - ii. Addressing any serious wrongdoing by acting or recommending action,
 - iii. Referring the disclosure, and/or

- iv. Deciding that no action is required.
- e) inform the discloser (with reasons) on:
 - i. what the receiver has or is doing to deal with the matter,
 - ii. if there are going to be delays beyond the 20 working days since the disclosure, due to it being impracticable, inform the discloser how long the receiver expects to take to deal with the matter,
 - iii. update the discloser about progress, or
 - iv. if an investigation will not take place.
- 9.4 All investigations will be conducted with impartiality and in a fair and equitable manner, in line with the principles of natural justice, and this Policy.
- 9.5 Should it be considered that the disclosure may be more appropriately investigated by another party, the disclosure may be referred to an Appropriate Authority only after consulting with the discloser.
 - a) a referred disclosure continues to be protected under the Act and this Policy, and
 - b) the organisation or authority that has received the referral becomes the responsible for the disclosure and the Act and this Policy apply accordingly.

10 Failure of an Internal Receiver to Act

- 10.1 Where reasonably practicable all protected disclosures must be actioned within 20 working days.
- 10.2 Any failure to act within the timeframe specified in this Policy should be raised by the discloser with the CEO or an Appropriate Authority.
- 10.3 A discloser is entitled to disclose further to an Appropriate Authority (including a Minister of the Crown or the Ombudsman), if a discloser believes on reasonable grounds that the receiver to whom the disclosure was made:
 - a) has not acted as they should under section 13 of the Act, or
 - b) has not dealt with the matter to address the serious wrongdoing.
- 10.4 Any disclosure may be made to the Ombudsman only if it has not already been made to the Ombudsman.

11 False allegations by a Discloser

- 11.1 If a discloser believes on reasonable grounds that the information they disclose is about a serious wrongdoing, but the belief is found to be mistaken, a discloser remains entitled to the protections conferred by the Act and this Policy.

- 11.2 The protections conferred by the Act and this Policy do not apply where a discloser makes an allegation disclosure knowing it to be false or to be in bad faith.

12 Information and Guidance for Employees

- 12.1 The DCC shall ensure this Policy is published and understood by all DCC employees.
- 12.2 The DCC provides fraud awareness and prevention training to staff including information on how to make a protected disclosure.
- 12.3 DCC employees may approach the People and Capability department, Assurance Manager, or Fraud Control Officer at any time for questions about the interpretation or application of the Policy.
- 12.4 External information and guidance may also be sought at any time from the Office of the Ombudsman. The Office of the Ombudsman is available on 0800 802 602 or at www.ombudsman.parliament.nz
- 12.5 A failure to comply with the Policy and any associated procedures may result in disciplinary procedures.

Relevant Legislation:	Protected Disclosures (Protection of Whistleblowers) Act 2022 Human Rights Act 1993 Privacy Act (2020)
Associated Documents:	Asset Disposal and Write-Off Policy and Procedures Bullying Harassment and Discrimination Policy Code of Conduct Conflict of Interest Policy Fraud, Bribery and Corruption Prevention Policy Fraud, Bribery and Corruption Investigation Procedures Fraud Prevention Toolbox and Guidance Gifts and Hospitality Policy and Procedures Procurement and Contract Management Policy and Procedures Sensitive Expenditure Policy and Procedures

13 APPENDIX
INTERNAL RECEIVER CONTACT DETAILS

Internal Receiver	Contact Details
Fraud Control Officer	Carolyn Allan (Chief Financial Officer) fraudofficer@dcc.govt.nz (03) 474 3885 021 936 494
Chief Executive Officer	Sandy Graham sandy.graham@dcc.govt.nz (03) 474 3429 021 286 6070
Independent Chair of the Audit, Risk and Assurance Committee	Bruce Robertson bruce.robertson@rbrl.co.nz

APPROPRIATE AUTHORITIES

Nature of concerns	Appropriate External Authority
Anticompetitive conduct	Commerce Commission
Banks (registered banks)	Reserve Bank of New Zealand
Bullying or harassment, including sexual harassment	WorkSafe New Zealand (where work-related)
	Human Rights Commission
Charities	Department of Internal Affairs
	Solicitor-General
Child welfare and child protection	Oranga Tamariki—Ministry for Children
	Ombudsman
Consumer protection	Commerce Commission
Crime	Commissioner of Police
	Director of the Serious Fraud Office
Defence information	Inspector-General of Defence only (see section 27A)
Discrimination	Human Rights Commission
Education service	Ministry of Education

	Education Review Office
Energy safety	WorkSafe New Zealand (where work-related)
Environment	Ministry for the Environment
	Department of Conservation
Financial reporting (private sector–issuers and large companies)	Financial Markets Authority
Financial reporting (public sector)	Controller and Auditor-General
Financial service providers’ conduct	Financial Markets Authority
Health	Ministry of Health
	Health and Disability Commissioner
Health and safety (work-related)	Ministry of Business, Innovation, and Employment
	WorkSafe New Zealand
Housing	Ministry of Housing and Urban Development
	Ombudsman
Insurers (licensed insurers)	Reserve Bank of New Zealand
Intelligence and security or classified information	Inspector-General of Intelligence and Security only (see section 27)
International relations	Ombudsman only (see section 28)
Local Government	Ombudsman
	Controller and Auditor-General
	Department of Internal Affairs
Police	Commissioner of Police
	Independent Police Conduct Authority
Privacy of individuals or security of personal information	Privacy Commissioner
Professional or trade conduct	Ministry of Business, Innovation, and Employment
Prosecutions	Solicitor-General
Public sector	Ombudsman
	Controller and Auditor-General

Public service	Public Service Commission
Racism	Human Rights Commission
Sector regulation	Commerce Commission
Social support or benefits	Ombudsman
Sport and recreation	Integrity Sport and Recreation Commission
State services	Public Service Commission
	The Treasury (for State-owned enterprises, Crown companies, and organisations named or described in Schedule 4 of the Public Finance Act 1989)
Transport and transport safety issues	Ministry of Transport
Whistleblowing and protected disclosures	Ombudsman

PROTECTED DISCLOSURES – PROTECTION OF WHISTLEBLOWERS POLICY 			
Approved by:	Council		
Sponsor:	General Manager Corporate and Quality Chief Financial Officer		
Department Responsible:	Corporate and Quality Finance		
Date approved:	26 May 2015	Last Updated:	February-August 2026 3
Next review date:	February-August 2029 6	DOC ID:	

1 PURPOSE

1.1 The "Protected Disclosures' – Protection of Whistleblowers" Policy (**Policy**) sets out how disclosers, may report serious wrongdoing such as corrupt, unlawful, or irregular activities, and what protections are provided in those circumstances.

1.2 This Policy aims to:

- a) provide guidance and encourage the disclosure and investigation of serious wrongdoing and to ensure protection for those who make disclosures in accordance with the Protected Disclosures (Protection of Whistleblowers) Act 2022 (**Act**)
- b) ensure allegations of serious wrongdoing are investigated appropriately in a timely, fair, equitable and consistent manner.

1.3 This Policy and any associated procedures do not authorise a person to disclose information protected by legal professional privilege or operation of law.

1.4 This Policy does not cover activities after any review and/or investigations have been completed.

1.5 This policy is grounded in the organisational values; they guide how DCC policies are put into practice so that decisions and actions reflect and uphold these values.



2 SCOPE

2.1 This Policy applies to all current and former:

- a) employees, contractors (including employees of contractors),

- b) secondees,
- c) volunteers,
- d) elected members, and
- e) any person involved in the Council's operations
- f) every business, service, or activity of the DCC

3 DEFINITIONS

For the purposes of this Policy all definitions have the same meaning as the Protected Disclosures (Protection of Whistleblowers) Act 2022 unless the context requires otherwise.

- 3.1 **"Appropriate Authority"** (as defined in the Act) is an approved role outside of the DCC to which a protected disclosure may be made in accordance with this policy (see appendix for a list of appropriate external authorities).
- 3.2 **"Discloser" (or "Whistleblower")** is any person to whom this policy applies (at clause 2) who makes or supports a protected disclosure.
- 3.3 **"Internal Receiver"** are identified roles at the DCC to whom a protected disclosure may be made to in accordance with this policy. This includes:
 - a) the Fraud Control Officer (FCO),
 - b) the Chief Executive Officer (CEO), or
 - c) the independent Chair of the DCC Audit, Risk and Assurance Committee.
- 3.4 **"Protected Disclosure" (or "disclosures")** is a disclosure of information where a discloser:
 - a) believes on reasonable grounds that there is, or has been, serious wrongdoing in or by the DCC,
 - b) discloses information about that in accordance with the Act,
 - c) does not disclose it in bad faith, and
 - d) wishes their disclosure to be protected.
- 3.5 **"Serious wrongdoing"** ~~has the same meaning as in section 10 of the Act, is behavior that includes any act, omission, or course of conduct that is:~~
 - e) an offence,
 - f) a serious risk to public health, or public safety, or the health or safety of any individual, or the environment,
 - g) a serious risk to the maintenance of the law including the prevention, investigation, and detection of offences, or the right to a fair trial,

- h) an unlawful, a corrupt, or an irregular use of public funds or public resources, or
- i) oppressive, unlawfully discriminatory, or grossly negligent, or that is gross mismanagement by an employee or a person performing a function, duty, or exercising power on behalf of the DCC.

4 POLICY

- 4.1. The DCC is committed to promoting high standards of ethical and accountable conduct and will not tolerate any form of wrongdoing.
- 4.2. A discloser is recognised as a part of promoting the integrity, accountability, and good management at the DCC.
- 4.3. A discloser has all the protections set out in the Act and this Policy.
- 4.4. A discloser will have their confidentiality protected, except in specific circumstances as set out in the Act and this Policy.
- 4.5. All disclosures will be actioned in accordance with the Act, Policy, and associated procedures. Response to and/or subsequent investigations will be carried out promptly, appropriately and in a fair, equitable and consistent manner.
- 4.6. If a discloser is making a disclosure that they know to be false or makes any disclosure in bad faith, they will not be protected by the Act or by section 66(1) of the Human Rights Act 1993 and may also be subject to disciplinary action if they are a current employee.

5 Roles and Responsibilities

- 5.1. Employees are to act honestly, safeguard assets, and encouraged to report suspected wrongdoing promptly as per the policy below.
- 5.2. Managers are to maintain controls, monitor risks, encourage reporting, and ensure compliance.
- 5.3. Internal Receivers are to handle disclosures in line with the Act and this policy, keep records and report to governance.
- 5.4. The Audit, Risk and Assurance Committee and Council are to provide governance oversight on the DCC's fraud and corruption prevention and awareness activities and protected disclosure procedures to ensure compliance with this Policy and the Act.

~~5.6~~ Disclosure to an ~~Appropriate Authority~~ Internal Receiver or Appropriate Authority

- ~~5.16.1~~ Should a discloser suspect that a DCC employee is or was involved in serious wrongdoing, they are encouraged to disclose this information without delay to an ~~Appropriate Authority~~ Internal Receiver.

~~5.26.2~~ A discloser can go to an Appropriate Authority in the following instances:

- a) where a discloser reasonably believes that the CEO is or may be involved in the serious wrongdoing,

- b) if they reasonably believe that the disclosure is a matter of urgency or for other exceptional circumstances, or
- c) after 20 working days a discloser has not received confirmation that their disclosure is being actioned in accordance with the Act

6.3 As a last resort a discloser may be made to a Minister of the Crown where they reasonably believe that no satisfactory and timely investigation or action has been carried out by an appropriate authority.

5-36.4 Once a disclosure to an internal receiver or appropriate authority has been made, the responsibility for assessing, managing, and responding to the disclosure transfers to the recipient. No further action is required from the discloser unless they choose to provide additional information.

5-46.5 Disclosures to the media are not protected under the Act and could actively undermine the integrity of any resulting investigation.

67 Confidentiality

6-17.1 7.1 The ~~Internal Receiver~~ receiver of the protected disclosure must use their best endeavors not to disclose information that might identify a discloser, unless:

- a) the discloser consents to the release of the identifying information, or
- b) the receiver of the protected disclosure reasonably believes that disclosure of identifying information is essential:
 - i. for the effective investigation of the allegations in the protected disclosure
 - ii. to prevent serious risk to public health or public safety or the environment
 - iii. having regard to the principles of natural justice
 - iv. to an investigation by a law enforcement or regulatory agency for law enforcement

6-27.2 Disclosures may be made anonymously. All disclosers' retain their rights under the Act and this Policy regardless of whether they identify themselves at the time of disclosure or make an anonymous disclosure.

6-37.3 A request for information under the Local Government Official Information and Meetings Act 1987 (other than one made by a member of a law enforcement or regulatory agency for the purposes of investigating an offence) must be refused, as contrary to the Act, if it might identify a discloser.

78 Protection for Disclosers under the Act

8.1 Disclosers are entitled to protection in accordance with the Act.

7-18.2 No actual, or threat of, civil, criminal, or disciplinary proceedings can be taken against a discloser for making a protected disclosure, or for referring one to an Appropriate ~~External~~ Authority.

~~7-28.3~~ The DCC must not retaliate or threaten to retaliate against a discloser who intends to or has made a protected disclosure⁵. Where the disclosure is an employee the DCC must not do or organise to do any of the following:

- a) dismiss them~~.~~
- b) refuse or not offer or give them the same employment terms, work conditions, fringe benefits, or opportunities for training, promotion, and transfer available to other employees with the same (or substantially similar) qualifications, experience, or skills employed in the same (or substantially similar) circumstances~~.~~
- c) subject them to detriment or disadvantage (including any effect on their employment, job performance, or job satisfaction) when other employees in work of that description are not or would not be subjected to that detriment or disadvantage~~.~~or
- d) retire them (or require or cause them to retire or resign)~~.~~

~~7-38.4~~ A discloser must not be treated, or threatened to be treated, in any way, this includes being subjected to harassment, discrimination, or victimisation for exercising their rights under the Act⁶ and this Policy.

~~7-48.5~~ The DCC cannot waiver or contract out the protections stated in this policy and the Act.

~~7-58.6~~ In the first instance, if a discloser is concerned about anything relating to the protected disclosure they have made, they should talk to the ~~person~~Internal Receiver to whom they made the protected disclosure.

~~7-68.7~~ If there are still concerns a discloser can talk to an alternative Internal Receiver~~Appropriate Authority~~ or ~~and~~ ~~Appropriate~~External Authority.

89 Responsibility for Internal Receivers or Appropriate Authorities to Act

9.1 Internal Receivers will be provided with training to ensure understanding of the following obligations.

8-19.2 Internal Receivers will provide details of additional support available to disclosures at the time of disclosure (if the disclosure is not anonymous). Additional support can include, but is not limited to, EAP services, People and Capability advisors, or an appropriate union.

~~8-29.3~~ The receiver of the disclosure must promptly take the steps set out in section 13 of the Act:

- a) acknowledge receipt of the disclosure in writing to the disclosing party (unless the disclosure was made anonymously)~~.~~
- b) immediately notify the FCO for the purposes of formally recording it on the “Protected Disclosure Register”~~.~~
- c) consider the disclosure is a protected disclosure under the Act. This can be done in consultation with the FCO or an Alternative ~~External~~Authority~~.~~
- d) deal with the matter by carrying out one of more of the following:
 - i. Investigating the disclosure,
 - ii. Addressing any serious wrongdoing by acting or recommending action,

- iii. Referring the disclosure, and/or
- iv. Deciding that no action is required.
- e) inform the discloser (with reasons) on:
 - i. what the receiver has or is doing to deal with the matter,
 - ii. if there are going to be delays beyond the 20 working days since the disclosure, due to it being impracticable, inform the discloser how long the receiver expects to take to deal with the matter,
 - iii. update the discloser about progress, or
 - iv. if an investigation will not take place.

9.4 All investigations will be conducted with impartiality and in a fair and equitable manner, in line with the principles of natural justice, and this Policy.

~~8.39.5~~ Should it be considered that the disclosure may be more appropriately investigated by another party, the disclosure may be referred to an Appropriate Authority only after consulting with the discloser.

- a) a referred disclosure continues to be protected under the Act and this Policy, and
- b) the organisation or authority that has received the referral becomes the responsible for the disclosure and the Act and this Policy apply accordingly.

9.10 Failure of an Internal Receiver to Act

9.110.1 Where reasonably practicable all protected disclosures must be actioned within 20 working days.

9.210.2 Any failure to act within the timeframe specified in this Policy should be raised by the discloser with the CEO or an Appropriate Authority.

9.310.3 A discloser is entitled to disclose further to an Appropriate ~~External~~ Authority (including a Minister of the Crown or the Ombudsman), if a discloser believes on reasonable grounds that the receiver to whom the disclosure was made:

- a) has not acted as they should under section 13 of the Act, or
- b) has not dealt with the matter to address the serious wrongdoing.

9.410.4 Any disclosure may be made to the Ombudsman only if it has not already been made to ~~the~~ an Ombudsman ~~under section 4.2 above.~~

10.11 False allegations by a Discloser

10.111.1 If a discloser believes on reasonable grounds that the information they disclose is about a serious wrongdoing, but the belief is found to be mistaken, a discloser remains

entitled to the protections conferred by the Act and this Policy.

~~10.211.2~~ The protections conferred by the Act and this Policy do not apply where a discloser makes an allegation disclosure knowing it to be false or to be in bad faith.

11.12 Employees Information and Guidance for Employees

12.1 The DCC shall ensure this Policy is published and understood by all DCC employees.

11.12.2 The DCC provides fraud awareness and prevention training to staff including information on how to make a protected disclosure.

11.12.3 DCC employees may approach the ~~Human Resources~~ **People and Capability** department, **Assurance Manager, or Fraud Control Officer** at any time for questions about the interpretation or application of the Policy.

12.4 External information and guidance may also be sought at any time from the Office of the Ombudsman. The Office of the Ombudsman is available on 0800 802 602 or at www.ombudsman.parliament.nz

11.12.5 A failure to comply with the Policy and any associated procedures may result in disciplinary procedures.

Relevant Legislation:	Protected Disclosures (Protection of Whistleblowers) Act 2022 Human Rights Act 1993 Privacy Act (2020)
Associated Documents:	Asset Disposal and Write-Off Policy and Procedures Bullying Harassment and Discrimination Policy Code of Conduct Conflict of Interest Policy Fraud, Bribery and Corruption Prevention Policy Fraud, Bribery and Corruption Prevention Policy Investigation Procedures Fraud Prevention Toolbox and Guidance Gifts and Hospitality Policy and Procedures HR Manual Procurement and Contract Management Policy and Procedures Sensitive Expenditure Policy and Procedures Staff Code of Conduct

13 APPENDIX

INTERNAL RECEIVER CONTACT DETAILS

Internal Receiver	Contact Details
Fraud Control Officer	Carolyn Allan (Chief Financial Officer) fraudofficer@dcc.govt.nz (03) 474 3885 021 936 494
Chief Executive Officer	Sandy Graham sandy.graham@dcc.govt.nz (03) 474 3429 021 286 6070
Independent Chair of the Audit, Risk and Assurance Committee	Bruce Robertson bruce.robertson@rbrl.co.nz

APPROPRIATE AUTHORITIES

Nature of concerns	Appropriate External Authority
Anticompetitive conduct	Commerce Commission
Banks (registered banks)	Reserve Bank of New Zealand
Bullying or harassment, including sexual harassment	WorkSafe New Zealand (where work-related)
	Human Rights Commission
Charities	Department of Internal Affairs
	Solicitor-General
Child welfare and child protection	Oranga Tamariki—Ministry for Children
	Ombudsman
Consumer protection	Commerce Commission
Crime	Commissioner of Police
	Director of the Serious Fraud Office
Defence information	Inspector-General of Defence only (see section 27A)
Discrimination	Human Rights Commission
Education service	Ministry of Education

	Education Review Office
Energy safety	WorkSafe New Zealand (where work-related)
Environment	Ministry for the Environment
	Department of Conservation
Financial reporting (private sector–issuers and large companies)	Financial Markets Authority
Financial reporting (public sector)	Controller and Auditor-General
Financial service providers’ conduct	Financial Markets Authority
Health	Ministry of Health
	Health and Disability Commissioner
Health and safety (work-related)	Ministry of Business, Innovation, and Employment
	WorkSafe New Zealand
Housing	Ministry of Housing and Urban Development
	Ombudsman
Insurers (licensed insurers)	Reserve Bank of New Zealand
Intelligence and security or classified information	Inspector-General of Intelligence and Security only (see section 27)
International relations	Ombudsman only (see section 28)
Local Government	Ombudsman
	Controller and Auditor-General
	Department of Internal Affairs
Police	Commissioner of Police
	Independent Police Conduct Authority
Privacy of individuals or security of personal information	Privacy Commissioner
Professional or trade conduct	Ministry of Business, Innovation, and Employment
Prosecutions	Solicitor-General
Public sector	Ombudsman
	Controller and Auditor-General

Public service	Public Service Commission
Racism	Human Rights Commission
Sector regulation	Commerce Commission
Social support or benefits	Ombudsman
Sport and recreation	Integrity Sport and Recreation Commission
State services	Public Service Commission
	The Treasury (for State-owned enterprises, Crown companies, and organisations named or described in Schedule 4 of the Public Finance Act 1989)
Transport and transport safety issues	Ministry of Transport
Whistleblowing and protected disclosures	Ombudsman

ARTIFICIAL INTELLIGENCE POLICY			
 DUNEDIN kaunihera CITY COUNCIL a-rohe o ōtepoti			
Approved by:	Executive Leadership Team		
Executive Sponsor:	General Manager Corporate and Regulatory Services		
Operational Sponsor:	Chief Information Officer		
Department responsible:	Business Information Services (BIS)		
Date approved:	TBC	Reviewed:	
Next review date:	December 2028	DOC ID:	

1. Purpose

- 1.1 Dunedin City Council (DCC) is committed to using Artificial Intelligence (AI) to enhance the quality and efficiency of our services, in line with good practice, the law, Te Tiriti o Waitangi and our values. This policy enables our people to use AI confidently while managing the risks that matter – privacy, confidentiality, data security and public trust.

2. Scope

- 2.1 This policy applies to all users (employees, contractors, elected members, volunteers and third parties) using AI for Council activities, or with Council information. It applies to all forms of AI – including large language models, generative AI and agentic AI. It complements and should be read alongside other DCC policies.

3. Definitions

Agentic AI: an AI system capable of autonomously planning and executing sequences of actions to achieve defined objectives, including interacting with other systems or tools, subject to human oversight.

Artificial Intelligence (AI): the theory and development of computer systems able to perform tasks normally requiring human intelligence.

Cleared tool: an AI tool that has been assessed by BIS and approved for use with personal, confidential, or commercially sensitive information. A cleared tool meets DCC's minimum standards for data handling, privacy, security, and contractual protections.

Generative AI (GenAI): a form of AI that enables users to quickly generate new content, which can include text, images, sounds and other data.

GenAI chatbot: computer programme for simulating online human conversations using generative AI.

Large Language Model (LLM): an AI algorithm that, through sophisticated pattern recognition and probabilistic calculations, learns to predict the next best word or part of a word in a sentence. GenAI chatbots generally use LLMs to generate responses to prompts.

Prompt: short instructions entered to a generative AI chatbot to obtain the desired answer or output.

Confidential Information: data that must be protected from unauthorised disclosure and use.

Public Domain: information accessible to the general public.

4. Guiding Principles

Adapted from the New Zealand Public Service AI framework and informed by OECD values-based AI principles:

- 4.1 **Inclusive and sustainable** – AI should improve services and reduce inequality, with consideration of environmental footprint, including the energy and water demands of the tools and data centres we rely on.
- 4.2 **Human-centred** – AI use respects the Te Tiriti o Waitangi, partners, human rights, privacy and dignity. A human is involved in decisions that affect people.
- 4.3 **Transparent** – DCC is open about when and how AI is used and can explain AI-assisted outcomes.
- 4.4 **Safe and secure** – DCC will protect personal, confidential and sensitive information by choosing AI tools that match the data they will handle.
- 4.5 **Accountability** – Users remain accountable for outputs. AI supports decisions; it does not make them.
- 4.6 **Enabling and adaptive** – We support staff to use AI safely and will update this policy as the technology evolves.

5. How AI is used at the DCC

- 5.1 Before using AI, do a quick check: is this open use or protected use?
- 5.2 Open use - No approval needed. This is every day, low-risk use. You do not need approval if:
 - 5.2.1 you are using a trusted or DCC cleared tool
 - 5.2.2 you are not using personal, confidential or sensitive business information
 - 5.2.3 a person checks the output before it is used

- 5.2.4 it is not a protected use case
- 5.2.5 rule of thumb: if the information is not public, treat it as not open use
- 5.3 Protected use – no General Manager approval needed if you are using a DCC cleared tool
 - 5.3.1 This applies when you are using personal, confidential or sensitive business information in a cleared DCC tool and a person checks the output before it is used.
- 5.4 Protected use – Get General Manager approval first if:
 - 5.4.1 you want to use a non-DCC-cleared AI tool with personal, confidential or sensitive business information
 - 5.4.2 the use could create significant risk or issues for DCC
 - 5.4.3 the AI will be built into a DCC system, process or workflow
 - 5.4.4 the output will go to the public without a person checking it first

6. Governance

The CIO will:

- 6.1 Maintain a visible register of cleared AI tools used in DCC
- 6.2 Provide a quarterly summary report to ELT including licences, costs and any risks/mitigations.
- 6.3 Provide a report to the Audit, Risk and Assurance Committee as appropriate.
- 6.4 Engage with operational teams to provide AI guidance as needed.

7. Compliance and Breaches

- 7.1 All users are expected to read, understand and follow this policy. Suspected or actual breaches must be reported as soon as practically possible to your line manager and the CIO.
- 7.2 Using AI for Council work means you are expected to follow this policy and any related DCC requirements.

FINANCIAL REPORT - PERIOD ENDED 30 JUNE 2026

Department: Finance

EXECUTIVE SUMMARY

- 1 This report provides the provisional financial results for the period ended 30 June 2026 and the financial position as at that date, noting the results presented are subject to final adjustments and external audit.
- 2 As this is an administrative report only, there are no options or Summary of Considerations.

RECOMMENDATIONS

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.

BACKGROUND

- 3 This report attaches a financial update and financial statements for the period ended 30 June 2026.

DISCUSSION

- 4 The net surplus (including Waipori) for the period ended 30 June 2026 was \$596k, a \$596k favourable variance to budget. A detailed commentary is provided in Attachment A (Financial Update). In summary, the following variances were recorded:
 - a) Revenue was \$447.276 million for the period, or \$9.027 million unfavourable to budget.
 - b) Expenditure was \$455.388 million for the period, or \$5.946 million favourable to budget.
 - c) The Waipori Fund has reported a net operating surplus for the period of \$8.708 million, \$3.677 million favourable to budget.
- 5 Capital expenditure was \$174.848 million for the period ended 30 June 2026 or 75.6% of the full year budget.
- 6 The total loan balance at 30 June 2026 was \$711.500 million which was \$71.673 million less than budget.

Final Adjustments and External Audit

- 7 Final adjustments still to be reflected, in addition to this report include:
- Completion of vested assets
 - Revaluation of assets (Three Waters, Transport, Investment Property)
 - Landfill aftercare provisions
 - Depreciation
- 8 The Audit Office is scheduled to start their audit mid-September 2026, with an expected signoff date of 30 October 2026.

NEXT STEPS

- 9 Month end financial reports will continue to be presented to future Council or Finance and Performance Committee meetings. The latest report will also be provided to the Audit, Risk and Assurance Committee.

Signatories

Author:	Lawrie Warwood - Management Accountant
Authoriser:	Stephanie Freeman - Management Accountant Lead Hayden McAuliffe - Financial Services Manager

Attachments

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FINANCIAL UPDATE

For the period ended 30 June 2026

This report provides a detailed commentary on the Council's financial result for the period ended 30 June 2026 and the financial position at that date.

SUMMARY FINANCIAL INFORMATION

\$ Million	Actual YTD	Budget YTD	Variance YTD		Last Year YTD
Revenue	447.276	456.303	(9.027)	U	415.622
Expenditure	455.388	461.334	5.946	F	425.208
Net Surplus/(Deficit) excluding Waipori	(8.112)	(5.031)	(3.081)	U	(9.586)
Waipori Fund Net	8.708	5.031	3.677	F	8.853
Net Surplus/(Deficit) including Waipori	0.596	-	0.596	F	(0.733)
Capital Expenditure	174.848	231.217	56.369		147.958
Debt					
Current Year Loan	60.527	121.000	60.473	F	58.351
Prior Year Loan	650.973	662.173	11.200	F	592.622
Accrued Interest	6.888	6.230	(0.658)	U	5.967
Total Debt	718.388	789.403	71.015	F	656.940

STATEMENT OF FINANCIAL PERFORMANCE

The statement of financial performance is provided in Attachment B.

The net surplus (including Waipori) for the period ended 30 June 2026 was \$596k, a \$596k favourable variance to budget.

REVENUE

The total revenue for the period was \$447.276 million or \$9.027 million less than budget.

The major variances were as follows:

Rates Penalties

Actual \$2.229 million, Budget \$1.300 million, Favourable variance to budget \$929k

Rates penalty revenue was favourable to budget \$929k. In comparison, as at 30 June 2025 rates penalty revenue totalled \$1.872 million, \$572k favourable to budget. Going forward there will be an increased focus on the recovery of outstanding rates, including payment plans, which will likely see penalties revenue decrease.

External Revenue

Actual \$94.612 million, Budget \$102.069 million, Unfavourable variance to budget \$7.457 million

Property Services revenue was unfavourable \$5.197 million. The budget provides for a fair value gain on investment properties of \$5.800 million, however the revaluation of the portfolio is yet to be completed. Partially offsetting this unfavourable variance, external revenue was favourable \$803k. Holding property revenue was favourable to budget due to unbudgeted recoveries from the Milners Rd property, and unbudgeted rental revenue from the Forbury Park property. Community Property revenue was favourable to budget due to unbudgeted insurance and electricity recoveries from the Dunedin Ice Stadium. This variance was offset by a corresponding unfavourable variances in expenditure.

Parking Operations revenue was unfavourable to budget \$977k. On-street meter revenue was unfavourable \$970k, partly due to budgeting assumptions around parking occupancy rates not being achieved, as well as roadworks and other projects impacting on the availability of inner-city parking spaces throughout the year. Parking revenue from the new Mataukareau carpark was unfavourable \$197k, due to a delayed opening towards the end of November as well as low occupancy rates since opening. These unfavourable variances were partly offset by a one-off recovery relating to the new Mataukareau carpark building.

Compliance Solutions revenue was unfavourable to budget \$783k. Parking Enforcement revenue of \$2.462 million was unfavourable to budget \$743k largely because of lower staffing levels within the Parking Enforcement team (due to leave and vacancies). Other contributing factors include the free parking over the Christmas holiday period, timing of the introduction of Licence Plate Recognition (LPR), paused pending review, and timing of recruitment.

Building Services revenue was unfavourable to budget \$534k due to fewer consent applications and inspections than expected. This variance was partially offset by favourable year to date expenditure.

Waste Minimisation revenue was unfavourable to budget \$516k. Green Island landfill revenue was unfavourable \$961k due to less waste being received at the landfill than budgeted. Commercial waste volumes are currently approximately 16% lower than budget (noting that variable costs were favourable). Green Island landfill revenue for 2025/26 was over-estimated due to incorrect reporting of previous waste volumes. Partially offsetting this variance Waste Strategy revenue was favourable to budget \$443k, reflecting a higher level of waste levy revenue from the Ministry for the Environment than expected. Revenue from the materials recover store was also favourable \$72k.

DPAG, Toitu and Lan Yuan revenue was unfavourable \$202k, with Art Gallery auditorium revenue, Toitu visitor programme revenue and admission fees, and Lan Yuan admission fees all below budget.

Fewer cruise ship visits than expected between October and April are believed to be a driver of lower admission fees and retail sales revenue.

Community Recreation revenue was unfavourable \$167k with cemeteries internment revenue \$74k unfavourable, and sportsground charges unfavourable \$51k. Aquatic Services general admission fees, learn to swim fees and retail sales revenue below budget. Waterslide revenue was also below budget due to the facility being closed while maintenance was completed. Gym membership revenue was \$293k favourable.

Olveston revenue was unfavourable \$126k.

Visitor Centre revenue was unfavourable \$98k. Revenue was impacted by the number of cruise ship cancellations during the season, combined with a reduction in overall cruise ship port visits compared to the previous season.

Offsetting these unfavourable variances:

3 Waters revenue was favourable to budget \$402k, with water sales, backflow charges, meter rental and trade waste revenue all favourable to budget.

Events revenue was favourable \$120k due to Masters Games revenue from sporting partners as well as registration revenue from George Street Market stall holders being greater than anticipated.

BIS revenue was favourable \$117k, reflecting the level of LIM fee revenue for the period.

Operating Grants Revenue

Actual \$13.940 million, Budget \$13.166 million, Favourable variance to budget \$774k

3 Waters revenue was favourable to budget \$356k due to \$331k of unbudgeted revenue for Local Water Done Well Transition costs.

Investment Account revenue was favourable to budget \$370k with Better Off Funding revenue being greater than budgeted.

Events revenue was favourable to budget \$129k mainly due to an unbudgeted MBIE Promotional Fund grant providing funding for a range of planned events. The short notice from the government about this funding was the reason it was not included in budgets. This variance is offset by unbudgeted grants expenditure relating to this revenue.

Capital Grants Revenue

Actual \$21.575 million, Budget \$22.730 million, Unfavourable variance to budget \$1.155 million

Transport NZTA capital subsidy was unfavourable \$1.305 million, reflecting less subsidised capital expenditure to date.

3 Waters revenue was favourable \$96k with the level of Better Off Funding grants greater than expected.

Community Recreation revenue was favourable \$78k due mainly to an unbudgeted grant of \$60k from the Alexander McMillan trust to fund renewals expenditure at the McMillan playground during 2025/26.

Contributions Revenue

Actual \$4.743 million, Budget \$6.856 million, Unfavourable variance to budget \$2.113 million

Contributions revenue was unfavourable to budget \$2.113 million. Revenue from development contributions was favourable \$887k. Development contributions revenue for 3 Waters was favourable to budget \$175k million, and Transport development contributions revenue was favourable to budget \$742k.

Vested assets revenue was unfavourable \$3.000 million, with vested assets for Community Recreation, 3 Waters and Transport still to be recorded for the year.

Internal Revenue

Actual \$45.359 million, Budget \$45.586 million, Unfavourable variance to budget \$227k

Waste Minimisation landfill revenue was unfavourable to budget \$587k. Internal landfill revenue from wastewater treatment plant sludge disposal was unfavourable to budget \$480k due to less sludge being disposed of at the landfill than anticipated. Kerbside collection disposal fees were unfavourable \$107k, due to the volume of waste from the red bin collections being lower than forecast. This variance is offset by a favourable variance against budget for internal landfill disposal costs.

3 Waters internal revenue was favourable to budget \$298k, reflecting a greater level of Better Off Funding revenue than budgeted.

Corporate Policy revenue was favourable \$50k due to Better Off Funding for Māori Partnerships programmes.

EXPENDITURE

The total expenditure for the period was \$455.388 million or \$5.946 million less than budget.

The major variances were as follows:

Personnel Costs

Actual \$86.551 million, Budget \$88.076 million, Favourable variance to budget \$1.525 million

This favourable variance to budget mainly reflects the number of vacancies during the year, including new positions included in the 2025/26 budget, most of which have now been filled.

Operations and Maintenance Costs

Actual \$94.226 million, Budget \$95.573 million, Favourable variance to budget \$1.347 million

Waste Minimisation expenditure was favourable to budget \$1.937 million. ETS costs and variable landfill contract costs were favourable to budget \$1.074 million, reflecting the lower volumes of material entering the landfill and a lower carbon price than budgeted. Landfill monitoring expenditure was favourable to budget \$387k, due to a rationalisation of baseline environmental monitoring requirements for the Smooth Hill landfill and a reduction in the frequency of bird monitoring surveys around Smooth Hill and Dunedin environs. The Kerbside Collections contract cost was favourable \$577k, mainly due to a combination of the volume of mixed recycling and glass collected and processed being lower than forecast, plus occasional positive returns on the sale of recyclable material.

BIS expenditure was favourable \$756k with little expenditure on specialist ITMS support and non-capital project management costs. The IT managed services contract fixed, and variable costs were also favourable.

3 Waters maintenance expenditure was favourable to budget \$230k largely driven by lower than budgeted reactive plant and network maintenance requirements. This is due to management of planned maintenance, as staff seek preventative maintenance opportunities. Lead time for the start-up of a new inflow and infiltration programme also contributed to the favourable result.

Events expenditure was favourable \$286k, mainly due to several events being delivered under budget, including the New Years Eve, Chinese New Year, and George Street Market events.

Fleet Operations expenditure was favourable \$207k due mainly to fuel costs and Eroad costs being less than budgeted. Planned vehicle lease costs did not occur during the year, resulting in a \$70k favourable expenditure variance.

Corporate Policy costs were favourable \$196k. Due to the reform environment, a range of DCC work was delayed or deferred. The transition from a bulk funding model to a transactional, service-based arrangement was also implemented partway through the year, meaning Aukaha was not actively undertaking a significant volume of DCC work during this period.

Portfolio and Project Support Office costs were favourable \$146k due to little requirement for contractor support for the year.

City Growth costs were favourable \$100k, with little expenditure on urban design contracted services.

These favourable variances were partially offset by:

Transport expenditure was unfavourable to budget \$1.315 million.

Sealed Pavement Maintenance was favourable \$126k. The work program was pulled back to offset overspend in environmental maintenance (\$511k), and routine drainage maintenance (\$422k), Emergency Works expenditure was unfavourable \$495k, mainly relating to the Oct 2025 wind event which was unbudgeted. Additional NZTA subsidy has now been approved and claimed in NZTA's May claim with the funding limit now \$520k. Quarter 4 contract escalations totalled \$450k. Coastal structures maintenance was favourable \$628 due to less reactive maintenance being required than anticipated. Recoverable expenditure included approximately \$300k relating to the Octagon Canopy incident.

Property expenditure was unfavourable to budget \$689k due partly to higher than budgeted reactive maintenance costs for several properties resulting from the October 2025 wind event, mandatory compliance costs and unbudgeted Community Housing grounds maintenance costs.

Governance expenditure was unfavourable to budget \$256k, mainly due to \$362k unbudgeted costs relating to the by-election.

Occupancy Costs

Actual \$37.378 million, Budget \$37.762 million, Favourable variance to budget \$384k

Transport expenditure was favourable to budget \$327k due to electricity costs being less than budget, particularly for street lighting. This was partly due to a refund of state highway lighting costs relating to the previous year. NZTA are now paying State Highway signals and street lights refunds direct to the supplier.

3 Waters expenditure was favourable to budget \$136k due mainly to insurance costs being favourable \$468k and \$161k favourable fuel costs to budget due to optimisation of plant which reduced fuel consumption. Offsetting this, electricity costs were unfavourable \$230k and water charges \$319k.

Insurance costs across all activities were favourable to budget \$762k, reflecting a lower than budget premium for materials damage insurance plus a partial refund of prior years' Earthquake Levy.

Consumable and General Costs

Actual \$29.478 million, Budget \$28.998 million, Unfavourable variance to budget \$480k

3 Waters expenditure was favourable to budget \$631k largely due to engineering consultant services being less than expected.

Compliance Solutions expenditure was favourable to budget \$381k with Parking Services court lodgement fees, consultants, postage, software licence costs and refunds all being below budget to date.

Community Recreation expenditure was favourable to budget \$105k partly due to under expenditure of \$75k on consultants and legal costs.

Council Communications and Marketing expenditure was favourable \$117k with advertising and promotions expenditure \$144k under budget for the year. This was due to some council activities being unable to deliver expected advertising programmes.

BIS expenditure was favourable \$265k, mainly due to savings in consultants' costs relating to the production of LIMS reports.

Waste Minimisation expenditure was favourable \$119k. Ministry waste levy costs were favourable \$314k, reflecting lower levels of material entering the landfill during the year. Partly offsetting this variance, consulting costs were unfavourable \$233k due to ongoing support to update management plans and monitoring requirements following new consents being issued for Green Island Landfill and Green Island Resource Recovery Park.

City Growth expenditure was favourable \$96k with nothing spent on biodiversity support activities.

Partly offsetting these favourable variances:

Resource Consents expenditure was unfavourable to budget \$501k, with consultant's fees being over budget \$527k due to outsourced planning and surveying consultants required to assist in dealing with the high number of resource consent applications.

Property expenditure was unfavourable to budget \$389k due mainly to energy efficiency initiatives expenditure as well as property valuation costs. This included \$300k of costs recoded during the year from capital expenditure projects. Waste levy costs were also unfavourable, with this variance offset by a corresponding favourable variance in recoverable cost revenue.

Building Solutions expenditure was unfavourable \$308k with legal fees and uninsured settlement costs unfavourable \$342k.

Finance expenditure was unfavourable to budget \$260k mainly due to outsourced professional services relating to Local Water Done Well and cover for vacancies and additional \$61k audit fees.

People and Capability expenditure was unfavourable \$262k with legal costs higher than budgeted.

Library Services expenditure was unfavourable \$291k due to the transfer of ebooks costs previously included in capital expenditure.

Grants and Subsidies Costs

Actual \$12.650 million, Budget \$12.512 million, Unfavourable variance to budget \$138k

Community Development grants expenditure was unfavourable to budget \$104k, mainly due to place-based grants \$65k and consumer electricity fund grants \$46k higher than budgeted.

Investment Account expenditure was unfavourable \$96k due to an unbudgeted rates grant. Offsetting this variance, Events grants expenditure was favourable \$38k. This variance was mainly due to \$180k budgeted grants expenditure for a major event not being required this financial year, offset by \$114k of unbudgeted grants funded by MIBIE (see grants revenue comments above).

Internal Costs

Actual \$45.359 million, Budget \$45.586 million, Favourable variance to budget \$227k

3 Waters expenditure was favourable to budget \$460k resulting from improved treatment and incineration of the sludge at waste treatment plants and the transfer of some sludge to an external provider. This partly offsets the unfavourable internal landfill revenue reported above.

Waste Minimisation expenditure was favourable to budget \$115k with landfill disposal fees for kerbside collection and waste minimisation activities \$128k less than budgeted for the year. This also partly offsets the unfavourable internal landfill revenue reported above.

Offsetting the above favourable variances, Investment Account expenditure was unfavourable \$342k with internal Better Off Funding grants being more than budgeted.

Depreciation Costs

Actual \$122.124 million, Budget \$123.713 million, Favourable variance to budget \$1.589million

Depreciation costs overall were favourable to budget \$1.589 million across most activities.

The main reason for the favourable variance relates to under expenditure of the capital programme in 2024/25 and the timing of the completion of some projects. The main favourable variances were in BIS (\$276k), Transport (\$273k), Property Services (\$421k), Community Recreation (\$707k), Libraries (132k), and DPAG/Toitu/Lan Yuan (\$120k). 3 Waters depreciation costs were unfavourable \$477k.

Interest Costs

Actual \$27.622 million, Budget \$29.114 million, Favourable variance to budget \$1.492 million

This favourable variance to budget reflected a lower opening debt balance than forecast at 30 June 2025 and less debt raised than budgeted in this financial year. Interest rates are reviewed quarterly by Dunedin City Treasury Limited. The actual quarterly interest rates are:

Actual Quarterly Interest Rates

Q1	Jul-Sep	3.95%
Q2	Oct-Dec	3.75%
Q3	Jan-Mar	4.25%
Q4	Apr-Jun	4.23%

WAIPORI FUND NET OPERATING RESULT

Actual \$8.708 million surplus, Budget \$5.031 million surplus, Favourable variance to budget \$3.677 million

The Waipori Fund has reported a net operating surplus for the period of \$8.708 million, \$3.677 million more than budget. The value of the fund increased \$2.683 million for the month of June, continuing the positive April and May results following the negative March impact of the Middle East global situation on the equity and fixed interest markets.

Equities saw an increase in value of \$1.974 million during June, term investments increased in value \$673k and property investments increased \$58k.

STATEMENT OF FINANCIAL POSITION

The Statement of Financial Position is provided as Attachment C.

- Other current financial assets of \$6.416 million relate to the Waipori Fund.
- The loans balance at 30 June 2026 is \$718.388 million. This balance is made up as follows:

	Actual \$million	Budget \$million	Variance \$million	
Loan Balance	711.500	783.173	71.673	F
Accrued Interest on Loans	6.888	6.230	0.658	U
Total Loans	718.388	789.403	71.015	F

The loans balance at 30 June was \$711.500 million which was \$71.673 million less than budget. This is due mainly to the 30 June 2025 loans balance being \$11.200 million less than forecast and the draw-down required for the capital programme this financial year being less than budget. Additional to the June loans balance there was accrued interest of \$6.888 million.

CAPITAL EXPENDITURE

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

Total capital expenditure for the year was \$174.848 million or 75.6% of the \$231.217 million budget.

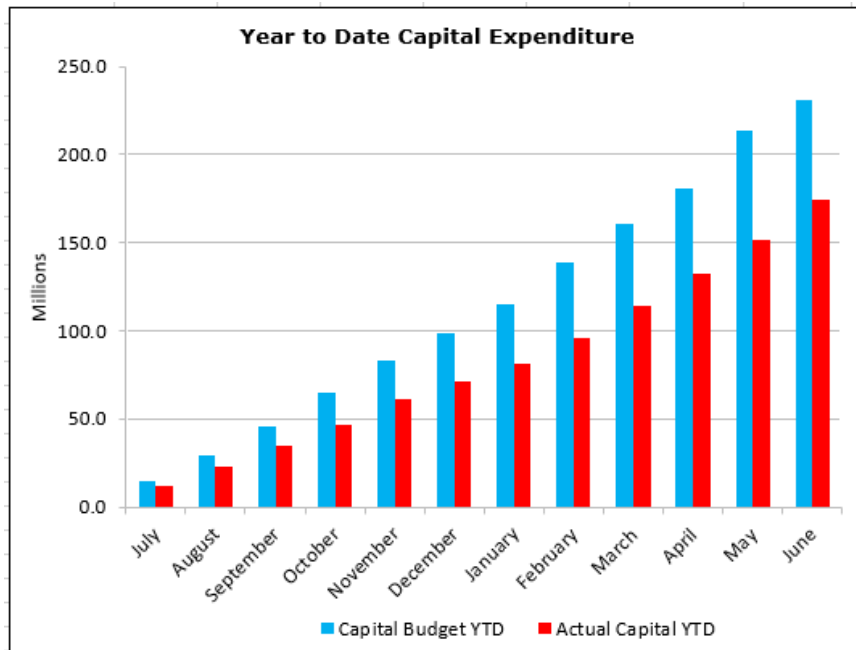
Capital expenditure for 2025/26 was under budget mainly due to timing of some projects but also reflecting some savings as summarised below.

Project Timing:

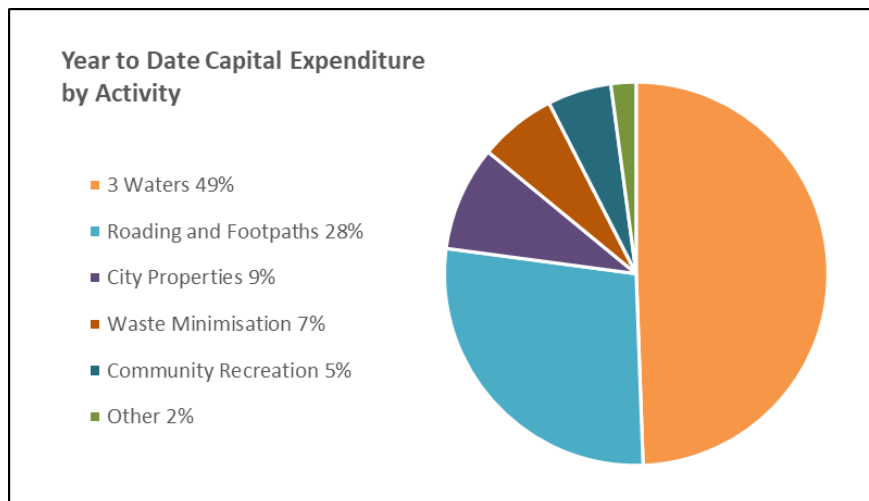
- Waste Minimisation \$30.4 million - timing delays due to consents and 'pre-loading' the ground for a minimum of four months prior to construction commencing.
- Property \$6.7 million – largely timing delays in the Dunedin City Library refurbishment project and other renewals projects (e.g. Sims building, Dunedin Railway Station, roof renewals projects and Olveston upgrade).
- Parks and Recreation \$3.4 million – timing delays in the Moana Pool redevelopment project relating to design and parts procurement for the heat recovery system.
- Transport \$6.3 million – mainly timing of the Albany St, Peninsula Boardwalk and Mosgiel Park and Ride projects.
- BIS \$2.5 million - the e-service project is on hold pending finance system replacement.

Project Cost Savings:

- Waste Minimisation \$1.7 million - savings in Glass Facility project.
- Property \$181k - savings in Fitzroy St housing renewal.
- Parks and Recreation \$1.9 million - savings in the Moana Pool redevelopment project due to scope changes.
- Transport \$2.3 million – savings in coastal protection and Central City Parking Management projects.



The chart below shows the proportion of year-to-date capital expenditure by Activity:



City Properties capital expenditure was \$6.919 million favourable to budget.

Investment property renewals was under budget \$1.204 million, with little expenditure to date on the 130 Gt King St, Rosebank Road and Heriot Drive properties due to protracted planning and lease negotiations. The Dunedin City Library refurbishment renewal project was favourable \$2.644 million. The project is still in the planning and design phase. The project timing will now be considered as part of the next LTP.

The South Dunedin Library and Community Complex project was favourable \$528k due to the timing of the project, which is in its final stages. This favourable variance relates to tenant fitout costs.

The Fitzroy St housing renewal was favourable \$181k, with physical works having begun in August 2025 and completed by the end of June 2026, with tenants moving in during July.

Expenditure on the Town Hall/Municipal Chambers project was unfavourable \$336k due to the timing of the project expenditure.

The Civic Centre upgrade project was favourable \$70k. The project is in the commissioning phase and is forecast to be completed within budget.

The Edgar Centre refurbishment project was favourable \$742k due to timing of the project expenditure. The interim works package is currently in procurement, with the re-roof works in options design.

Spend on the High-Performance Sports building was under budget by \$220k, with the expenditure having been completed in the previous financial year.

Sargood Centre expenditure was favourable \$798k, with physical works delayed due to extensive planning and design work required for the complex roof. Tendering for the project is underway.

Holding property renewals expenditure was favourable \$540k, with little expenditure to date on the Sims building renewal project due to delays in gaining landowner permissions.

Community Recreation capital expenditure was \$5.523 million favourable to budget.

Moana Pool redevelopment renewals was favourable \$5.272 million due to timing of programme works, including condition assessment and development of options for air handling units. After assessing the condition of the units, a solution was proposed that could cost \$1.9 million less. This is being developed further and checked from a design point of view. The planned work continues an ongoing programme of improvements at Moana Pool, including recently revamping the water slides, new wall tiles, upgraded family change facilities, as well as changes to plant/equipment areas.

Cemeteries new capital was favourable \$115k due to the construction timing of the new Cemetery Development civil works contract. Physical works commenced at the end of January and are expected to be completed in the first quarter of the new financial year.

Creative and Cultural Vibrancy capital expenditure was \$231k favourable to budget.

Library collection purchases were favourable \$183k, including purchases for the new library in South Dunedin.

Expenditure on the new theatrette project at Toitu was over budget \$64k at year-end. The theatrette is due to open at the end of August 2026. A \$10 fee will be charged for the 'Introduction to Ōtepoti' immersive experience. Expenditure on Art Gallery acquisitions was favourable \$26k.

Governance and Support Services capital expenditure was \$2.964 million favourable to budget.

Fleet Operations renewals expenditure was favourable \$140k due to the timing of the vehicle replacement programme.

BIS expenditure was favourable \$2.574 million with no expenditure to date on the Customer Self Service Portal and ITMS cloud migration projects, and delays in the e-service project.

Resilient City capital expenditure was \$126k favourable to budget.

There has been little expenditure to date on minor streetscape upgrades, and no expenditure on Civil Defence plant upgrades. Street trees and furniture expenditure was \$66k favourable to budget.

Roading and Footpaths capital expenditure was \$6.351 million favourable to budget.

New capital expenditure was underspent \$2.118 million. Coastal protection expenditure was underspent \$1.184 million, reflecting the better-than-expected performance of the geobag structure.

Shaping Future Dunedin projects were favourable \$6.442 million. The Albany St was underspent by \$1.379 million due to the timing of expenditure because the contract was awarded in late December 2025. The Mosgiel Park and Ride was underspent by \$3.509 million due to delays associated with consenting and approvals. The Central City Parking Management project was underspent \$1.158 million due to overall project savings.

The Tunnels Trail project (Dunedin Urban Cycleways) was unfavourable \$603k due to a \$400k shortfall in the available budget carried forward from 2024/25.

Renewals expenditure was overspent by \$1.135 million. This largely reflects the Kaikorai Valley Road rehabilitation project, noting final forecast costs are still being negotiated. This overspend is approximately 2% of the overall renewals budget for 2025/26.

Resurfacing and rehabilitation activity was over budget \$11.155 million. Funding for this work was redirected from footpaths and kerbs until the new contract is awarded in the coming financial year.

3 Waters capital expenditure was \$695k favourable to budget.

3 Waters is continually monitoring and re-prioritising the capital programme, and some projects have been accelerated whilst others have been deferred as solutions are further assessed. A number of project components have been re-assessed from new capital to renewals budget lines.

Combined expenditure on Mosgiel Stormwater Upgrades and Mosgiel Stormwater Pumpstation (New Capital and Renewals) was \$1.110 million unfavourable. This is under construction but has been re-phased due to a review and adoption of an alternative solution which presents better value and outcomes.

Port Chalmers Water Supply construction is underway; however, expenditure was favourable by \$1.245 million due to a design review resulting in re-routing the pipeline and re-phasing of the project to deliver a more effective solution, following the October 2024 rain event.

The scope of the Musselburgh to Tahuna Link has been reduced at this stage resulting in expenditure of \$1.903 million against a budget of \$8.000 million. This is due to ongoing investigation work indicating the extent of renewals required may be reduced from those originally anticipated. Staff are assessing the most efficient solution currently. Delivery will extend into the next financial year.

The extent of stormwater renewals required (in areas currently being renewed) has resulted in under expenditure of \$4.353 million. The extent of work required will become clearer as the projects progress. This is offset by other water and wastewater renewals which are \$12.449 million over budget (excluding the Musselburgh to Tahuna Link project) due to the acceleration of network water and wastewater renewals such as Kaikorai Valley, Chingford Park and North East Valley.

Vibrant Economy capital expenditure was \$112k unfavourable to budget.

Events new capital was unfavourable \$110k, relating mainly to the purchase of new Dunedin and Ōtepoti branded light up letters as well as new Chinese festival lanterns and containers to store them.

Waste Minimisation capital expenditure was \$33.667 million favourable to budget.

Resource recovery park expenditure was favourable \$4.917 million. Otago Regional Council consent for civil works was received on 29 September 2025, and construction began in October; however, significant works were delayed until early December. The under expenditure resulting from this delay will need to be factored into next financial year.

Material recovery facility (MRF) expenditure was favourable \$16.681 million. The building has been delayed due to a requirement to 'pre-load' the ground and prevent differential settlement, in addition to a further intentional delay in order for alternative options to be considered by Council. Pre-loading of the MRF was completed at the end of May and will be followed by a pause in significant construction activity until at least November 2026. Completion will now be mid-2027. The under expenditure resulting from this delay will need to be factored into next financial year. This also applies to the final payment for the MRF equipment supply, which had been budgeted to occur in May 2026.

Organics Processing Facility (OPF) was favourable \$8.224 million. The first major progress payment on the equipment supply for the organics facility was expected in January 2026. The pre-loading requirement affecting the MRF is also affecting the OPF, therefore the under expenditure resulting from this delay will need to be factored into next financial year. Pre-loading of the OPF is expected to be complete by the end of August, weather permitting, which will be followed by a pause in significant construction activity until at least December 2026.

Glass facility expenditure was favourable \$1.740 million. The site pre-loading work has required a temporary glass facility to be established. This temporary facility has proved to be suitable for long-term use which will result in a project saving of approximately \$1.932 million.

Green Island landfill aftercare expenditure was favourable \$908k due to the timing of expenditure for a new leachate interceptor system along the southern edge of the landfill. Tenders for this work closed in November and work is currently underway and progressing on schedule.

Green Island landfill gas collection expenditure was favourable \$501k due to the timing of expenditure on the gas collection system.

SUPPLEMENTARY INFORMATION

October 2024 Rain Event - \$4.526 million Unfavourable

As at 30 June 2026 total operational costs relating to the October 2024 rain event totalled \$2.781 million, mainly being emergency maintenance through the Transport roading maintenance contract, but also including other emergency work such as sandbagging costs, floodwater pumping, refuse skip deployment and emergency welfare-related costs.

Capital expenditure relating to the rain event totalled \$6.310 million as at 30 June.

NZTA subsidy revenue received to date totals \$4.515 million, along with a welfare subsidy claim totalling \$50k received from NEMA. The remaining \$4.526 million is funded by the council.

October 2024 Rain Event Financial Summary	
As at 30 June 2026	
	\$
<u>Expenditure</u>	
Operating costs	2,715,664
Estimated personnel costs	66,162
Capital Expenditure	6,309,530
Total Expenditure	9,091,356
<u>Funded by:</u>	
NZTA Subsidy revenue received	4,515,254
NEMA Welfare costs reimbursement	50,485
DCC	4,525,617
Total Revenue	9,091,356
<u>Subsidy Summary</u>	
NZTA approved subsidy	4,687,000
Subsidy received to date	4,515,254
Subsidy yet to be received	171,746

October 2025 Wind Event - \$944k Unfavourable

As at 30 June 2026 total operational costs relating to the October 2025 wind event totalled \$1.171 million, mainly being emergency maintenance through the Transport roading maintenance contract, as well as storm damage to reserves, damage to 3 Waters infrastructure and repairs to property (mainly Dunedin Ice Stadium and 20 Parry St).

Capital expenditure relating to the wind event totalled \$77k as at 30 June.

NZTA have approved subsidy at a FAR rate of 51%, totalling \$520k. As at 30 June, \$250k has been claimed.

An insurance claim has been lodged relating to the ongoing costs of repairs to council properties. As at 30 June 2026 insurance recoveries totalled \$53k.

October 2025 Wind Event Financial Summary	
As at 30 June 2026	
	\$
<u>Expenditure</u>	
Operating costs	1,194,503
Capital Expenditure	76,912
Total Expenditure	1,271,415
<u>Funded by:</u>	
NZTA Subsidy revenue received	249,713
Insurance Claim Recovery	53,490
DCC	968,212
Total Revenue	1,271,415
<u>Subsidy Summary</u>	
NZTA approved subsidy	519,633
Subsidy received to date	249,713
Subsidy yet to be received	269,920

Better Off Funding (BOF)

The BOF programme is comprised of five programmes with 21 projects, as approved by Council on 25 November 2024. It has been approved by the Department of Internal Affairs (DIA).

As shown in the table below, the remaining balance across the five programmes was \$1.745 million as at 30 June 2026.

Programme	Allocation	Balance as at 30-Jun-25	Total Spent Jul 25 - Jun 26	Total Spend to date	Balance as at 30-Jun 26
P1. Future Development and Planning	8,312,852	3,770,447	2,462,791	7,005,196	1,307,656
P2. Treaty Partnerships	408,048	49,509	49,509	408,048	0
P3. Climate Action	1,873,378	0	0	1,873,378	0
P4. Local Water Done Well	500,000	356,090	58,036	201,946	298,054
P5. Infrastructure Project	445,722	378,477	239,642	306,887	138,835
Total	11,540,000	4,554,523	2,809,978	9,795,455	1,744,545

A summary of the work completed in the twelve months from 1 July 2025 to 30 June 2026 is provided for each programme below.

Programme 1 – Work was completed on the 3 Water hydraulic models. Work continues on the accelerated condition assessment of lifelines and trunk infrastructure, where the highest levels of activity took place. Work has continued on other projects within programme, these include the accelerated and enhanced growth project and the new carbon assessment infrastructure project.

Programme 2 – included establishing the mana to mana forum Te Pae Māori with mana whenua for the new triennium. This included Te Tiriti workshops for Councillors. A Te Tiriti readiness review and Te Taki Haruru Implementation plan review was undertaken which has led to the development of a new Te Tiriti Responsibilities Framework, which will enable DCC to check compliance with all Te Tiriti and Treaty of Waitangi obligations through legislation, DCC Strategic commitments and policies.

Programme 3 - There are no longer any active projects in this programme with South Dunedin Future expenditure via BOF being completed in 2024/25.

Programme 4 - Expenditure on implementing the Water Services Delivery Plan and implementing financial ringfencing. Much of the work is currently being done in-house.

Programme 5 - The health, safety and wellbeing project has been completed and implemented. All parts of the systems improvement project are now either in progress or in use. For the Resilience project, the stormwater network optimisation work is being scoped and the trial inflow and infiltration programme is in progress. A decision on further scope is pending.

Potential impact of oil related cost escalations

Fuel price volatility and potential fuel supply constraints present financial and operational risks for the Council. Within 3 Waters, diesel is used primarily for critical treatment plant operations and wet weather or outage response, with savings for the year of \$161k offsetting recent market price increases. However, recent fuel price rises have placed upward pressure on contractor capital and operating costs, particularly for freight, chemical supply, tankering, and sludge haulage. These risks are being closely monitored and actively managed with suppliers.

Within Fleet Operations, fuel purchases have averaged \$24k per month for the twelve months to June which has been below budget. Staff are monitoring fleet fuel usage by activities.

Group Debt Chart

Attachment H includes a chart showing actual group and DCC debt for the years ending June 2004-2025. It provides forecast information for the years ending June 2026-2034 based on the current Statements of Intent (SOI), and the draft 2026/27 Annual Plan.

DUNEDIN CITY COUNCIL
Statement of Financial Performance
For the Twelve Months Ending 30 June 2026
 Amount : \$'000

Month Actual	Month Budget	Month Variance		Year to Date Actual	Year to Date Budget	Year to Date Variance	LY YTD Actual	LY Full Year Actual	Full Year Budget
REVENUE									
22,033	22,050	17 U	Rates Revenue	264,818	264,596	222 F	239,802	239,802	264,596
154	101	53 F	Rates Penalties	2,229	1,300	929 F	1,872	1,872	1,300
10,681	15,885	5,204 U	External Revenue	94,612	102,069	7,457 U	94,282	94,282	102,069
1,420	1,005	415 F	Grants - Operational	13,940	13,166	774 F	12,779	12,779	13,166
1,921	914	1,007 F	Grants - Capital	21,575	22,730	1,155 U	13,624	13,624	22,731
215	3,321	3,106 U	Contributions	4,743	6,856	2,113 U	11,052	11,052	6,856
3,625	3,772	147 U	Internal Revenue	45,359	45,586	227 U	42,211	42,211	45,586
40,049	47,048	6,999 U	TOTAL REVENUE	447,276	456,303	9,027 U	415,622	415,622	456,304
EXPENDITURE									
9,622	7,767	1,855 U	Personnel Costs	86,551	88,076	1,525 F	85,247	85,247	88,076
10,350	7,530	2,820 U	Operations & Maintenance	94,226	95,573	1,347 F	85,687	85,687	95,573
1,612	1,392	220 U	Occupancy Costs	37,378	37,762	384 F	36,089	36,089	37,762
3,839	2,514	1,325 U	Consumables & General	29,478	28,998	480 U	27,462	27,462	28,998
1,238	1,071	167 U	Grants & Subsidies	12,650	12,512	138 U	10,981	10,981	12,512
3,625	3,772	147 F	Internal Charges	45,359	45,586	227 F	42,211	42,211	45,586
10,483	10,695	212 F	Depreciation	122,124	123,713	1,589 F	110,046	110,046	123,713
2,421	2,424	3 F	Interest	27,622	29,114	1,492 F	27,485	27,485	29,114
43,190	37,165	6,025 U	TOTAL EXPENDITURE	455,388	461,334	5,946 F	425,208	425,208	461,334
(3,141)	9,883	13,024 U	NET SURPLUS (DEFICIT)	(8,112)	(5,031)	3,081 U	(9,586)	(9,586)	(5,030)
Add									
2,683	416	2,267 F	Waipori Fund Net Operating	8,708	5,031	3,677 F	8,853	8,853	5,030
(458)	10,299	10,757 U	NET SURPLUS (DEFICIT)	596	-	596 F	(733)	(733)	-

F: (favourable variance to budget) U: (unfavourable variance to budget)

DUNEDIN CITY COUNCIL
Statement of Financial Position
As at 30 June 2026
 Amount : \$'000

30-Jun-25 LY Full Year Actual		30-Jun-26 This Month Actual	30-Jun-26 This Month Budget	30-Jun-26 Full Year Budget	30-Jun-25 LY Month Actual
Current Assets					
15,837	Cash and cash equivalents	17,103	13,358	13,358	15,837
8,011	Other current financial assets	6,416	14,426	14,426	8,011
21,484	Trade and other receivables	25,694	33,245	33,245	21,484
489	Current Tax Asset	350	250	250	489
1,039	Inventories	966	675	675	1,039
-	Non-current assets held for sale	-	-	-	-
2,221	Prepayments	2,416	2,109	2,109	2,221
49,081	Total Current Assets	52,945	64,063	64,063	49,081
Non Current Assets					
211,438	Other non-current financial assets	220,669	206,560	206,560	211,438
138,889	Shares in subsidiary companies	141,794	141,794	141,794	138,889
4,571	Intangible assets	3,489	5,382	5,382	4,571
113,710	Investment property	113,710	119,563	119,563	113,710
4,906,980	Property, plant and equipment	4,960,599	4,999,121	4,999,121	4,906,980
5,375,588	Total Non Current Assets	5,440,261	5,472,420	5,472,420	5,375,588
5,424,669	TOTAL ASSETS	5,493,206	5,536,483	5,536,483	5,424,669
Current Liabilities					
39,760	Trade and other payables	46,574	40,639	40,639	39,760
5,967	Short Term Borrowings	6,888	6,230	6,230	5,967
7,863	Revenue received in advance	6,908	5,663	5,663	7,863
9,001	Employee entitlements	9,565	11,025	11,025	9,001
62,591	Total Current Liabilities	69,935	63,557	63,557	62,591
Non Current Liabilities					
650,973	Term Loans	711,500	783,173	783,173	650,973
1,482	Employee entitlements	1,552	1,216	1,216	1,482
20,573	Provisions	20,573	22,206	22,206	20,573
320	Other Non-Current Liabilities	320	320	320	320
673,348	Total Non Current Liabilities	733,945	806,915	806,915	673,348
735,939	TOTAL LIABILITIES	803,880	870,472	870,472	735,939
Equity					
1,648,778	Accumulated funds	1,648,290	1,639,015	1,639,015	1,648,778
3,027,570	Revaluation reserves	3,027,570	3,016,192	3,016,192	3,027,570
12,382	Restricted reserves	13,466	10,804	10,804	12,382
4,688,730	TOTAL EQUITY	4,689,326	4,666,011	4,666,011	4,688,730
5,424,669		5,493,206	5,536,483	5,536,483	5,424,669

Statement of Change in Equity
As at 30 June 2026
 Amount : \$'000

30-Jun-25 LY Full Year Actual		30-Jun-26 This Month Actual	30-Jun-26 This Month Budget	30-Jun-26 Full Year Budget	30-Jun-25 LY Month Actual
4,348,770	Opening Balance	4,688,730	4,553,882	4,553,882	4,348,770
(733)	Operating Surplus (Deficit)	596	-	-	(733)
340,693	Movements in Reserves		112,129	112,129	340,693
4,688,730		4,689,326	4,666,011	4,666,011	4,688,730

DUNEDIN CITY COUNCIL
Statement of Cashflows
For the Twelve Months Ending 30 June 2026
 Amount : \$'000

	Year to Date Actual	Year to Date Budget	Full Year Budget	LY YTD Actual
Cash Flow from Operating Activities				
<i>Cash was provided from operating activities:</i>				
Rates Received	264,162	264,381	264,381	242,708
Other Revenue	117,410	121,288	121,288	128,642
Interest Received	8,195	8,313	8,313	8,310
Dividend Received	10,677	10,815	10,815	12,452
Income Tax Refund	368	351	351	409
<i>Cash was applied to:</i>				
Suppliers and Employees	(259,339)	(263,344)	(263,344)	(271,143)
Interest Paid	(26,410)	(29,447)	(29,447)	(25,720)
Net Cash Inflow (Outflow) from Operations	115,063	112,357	112,357	95,658
Cash Flow from Investing Activities				
<i>Cash was provided from investing activities:</i>				
Sale of Assets	64	120	120	64
Reduction in Loans & Advances	-	-	-	-
Reduction in Investments Other	13,705	18,000	18,000	18,940
<i>Cash was applied to:</i>				
Increases in Loans & Advances	-	-	-	-
Increase in Investments DCHL	(2,905)	(2,905)	(2,905)	(2,550)
Increase in Investments Other	(16,049)	(19,000)	(19,000)	(21,613)
Capital Expenditure	(169,612)	(227,569)	(227,569)	(143,717)
Net Cash Inflow (Outflow) from Investing Activity	(174,797)	(231,354)	(231,354)	(148,876)
Cash Flow from Financing Activities				
<i>Cash was provided from financing activities:</i>				
Loans Raised	78,500	121,000	121,000	100,000
Increase in Short Term Borrowings	-	-	-	-
<i>Cash was applied to:</i>				
Loans Repaid	(17,500)	-	-	(39,500)
Decrease in Short Term Borrowings	-	-	-	-
Net Cash Inflow (Outflow) from Financing Activity	61,000	121,000	121,000	60,500
Total Increase/(Decrease) in Cash	1,266	2,003	2,003	7,282
Opening Cash and Deposits	15,837	11,355	11,355	8,555
Closing Cash and Deposits	17,103	13,358	13,358	15,837

DUNEDIN CITY COUNCIL
Capital Expenditure Summary by Activity
For the Twelve Months Ending 30 June 2026
 Amount : \$'000

Group	Year to Date Actual	Year to Date Budget	Year to Date Variance	Year to Date Variance %		LY YTD Actual	Full Year Budget	YTD Actual vs FY Budget
City Properties	15,469	22,388	6,919	69.1%	F	27,344	22,388	69.1%
Community Recreation	9,425	14,948	5,523	63.1%	F	9,421	14,948	63.1%
Creative and Cultural Vibrancy	1,989	2,220	231	89.6%	F	2,710	2,220	89.6%
Governance and Support Service	1,342	4,306	2,964	31.2%	F	1,976	4,306	31.2%
Regulatory Services	-	5	5	0.0%	F	668	5	0.0%
Resilient City	259	385	126	67.3%	F	101	385	67.3%
Roading and Footpaths	48,409	54,760	6,351	88.4%	F	33,745	54,760	88.4%
3 Waters	86,428	87,123	695	99.2%	F	65,893	87,123	99.2%
Vibrant Economy	112	-	112	0.0%	U	6	-	0.0%
Waste Minimisation	11,415	45,082	33,667	25.3%	F	6,094	45,082	25.3%
	174,848	231,217	56,369	75.6%	F	147,958	231,217	75.6%

U: (unfavourable variance/overspend to budget) F: (favourable variance/underspend to budget)

**Capital Expenditure Detail by Activity
For the Month Ending 30 June 2026**

New Group Activity	Activity Name	Expenditure Type	Project Name	YTD Actual	YTD Budget	YTD Var	FY Budget	
City Properties	Property-Housing	Renewals Capital	Asset Renewals	341,036	500,000	(158,964)	500,000	
			Housing Renewal	1,828,703	2,010,000	(181,297)	2,010,000	
		Total Renewals Capital		2,169,739	2,510,000	(340,261)	2,510,000	
		Total Property-Housing			2,169,739	2,510,000	(340,261)	2,510,000
	Property-Operational	New Capital	Public Toilets Growth	283,400	375,000	(91,600)	375,000	
			South Dunedin Library and Community Complex	1,841,700	2,370,000	(528,300)	2,370,000	
		Total New Capital		2,125,100	2,745,000	(619,900)	2,745,000	
		Renewals Capital	Asset Renewals	1,417,904	1,285,000	132,904	1,285,000	
			Asset Renewals - Public Toilet Renewals	484,355	475,000	9,355	475,000	
			Civic Centre	3,930,000	4,000,000	(70,000)	4,000,000	
			Dunedin Library Refurbishment	106,298	2,750,000	(2,643,702)	2,750,000	
			Dunedin Public Art Gallery	195,249	215,000	(19,751)	215,000	
			Furniture	78,655	50,000	28,655	50,000	
			Olveston House Renewal	92,591	290,000	(197,409)	290,000	
			Toitū Otago Settlers Museum	198,301	125,000	73,301	125,000	
			Town Hall and Municipal Chambers	3,024,179	2,688,000	336,179	2,688,000	
			Total Renewals Capital		9,527,533	11,878,000	(2,350,467)	11,878,000
		Total Property-Operational			11,652,634	14,623,000	(2,970,366)	14,623,000
		Property-Community	New Capital	CCTV George St	97,090	-	97,090	-
				Total New Capital		97,090	-	97,090
			Renewals Capital	Asset Renewals	492,065	100,000	392,065	100,000
				Community Hall Renewals	210,019	150,000	60,019	150,000
				Dunedin Railway Station	(35,863)	450,000	(485,863)	450,000
				Edgar Centre Refurbishment	118,352	860,000	(741,648)	860,000
	High Performance Sports			-	220,000	(220,000)	220,000	
	Roof Renewal Programme			-	250,000	(250,000)	250,000	
	Sargood Centre			52,412	850,000	(797,588)	850,000	
	Tarpits			(206)	-	(206)	-	
	Total Renewals Capital				836,780	2,880,000	(2,043,220)	2,880,000
	Total Property-Community				933,870	2,880,000	(1,946,130)	2,880,000
	Property-Investment		Renewals Capital	Asset Renewals	565,837	1,770,000	(1,204,163)	1,770,000
			Total Renewals Capital		565,837	1,770,000	(1,204,163)	1,770,000
	Total Property-Investment				565,837	1,770,000	(1,204,163)	1,770,000
	Property-Holding		Renewals Capital	Asset Renewals	35,232	575,000	(539,768)	575,000
		Total Renewals Capital		35,232	575,000	(539,768)	575,000	
	Total Property-Holding			35,232	575,000	(539,768)	575,000	
	Parking Operations	Renewals Capital	Car Park Buildings Equipment	52,932	-	52,932	-	
			Parking Meter Renewals	59,414	30,000	29,414	30,000	
		Total Renewals Capital		112,347	30,000	82,347	30,000	
	Total Parking Operations			112,347	30,000	82,347	30,000	
City Properties Total				15,469,658	22,388,000	(6,918,342)	22,388,000	

**Capital Expenditure Detail by Activity
For the Month Ending 30 June 2026**

New Group Activity	Activity Name	Expenditure Type	Project Name	YTD Actual	YTD Budget	YTD Var	FY Budget
Community Recreation	Aquatic Services	New Capital	Moana Pool Improvements	(5,839)	20,000	(25,839)	20,000
			Mosgiel Pool	18,320	-	18,320	-
		Total New Capital		12,481	20,000	(7,519)	20,000
		Renewals Capital	Moana Pool Renewals	3,361,945	8,634,000	(5,272,055)	8,634,000
			Mosgiel Pool	17,311	-	17,311	-
			Port Chalmers Pool Renewals	8,822	20,000	(11,178)	20,000
			St Clair Pool Renewals	24,427	40,000	(15,573)	40,000
		Total Renewals Capital		3,412,505	8,694,000	(5,281,495)	8,694,000
	Total Aquatic Services			3,424,986	8,714,000	(5,289,014)	8,714,000
	Botanic Gardens	New Capital	Botanic Garden Improvements	21,377	30,000	(8,623)	30,000
		Total New Capital		21,377	30,000	(8,623)	30,000
		Renewals Capital	Botanic Garden Renewals	558,808	552,000	6,808	552,000
		Total Renewals Capital		558,808	552,000	6,808	552,000
	Total Botanic Gardens			580,185	582,000	(1,815)	582,000
	Cemeteries & Crematorium	New Capital	Cemetery Strategic Development	843,331	795,000	48,331	795,000
			City Wide Beam Expansion	66,577	230,000	(163,423)	230,000
		Total New Capital		909,908	1,025,000	(115,092)	1,025,000
		Renewals Capital	Structures Renewals	133,590	130,000	3,590	130,000
		Total Renewals Capital		133,590	130,000	3,590	130,000
	Total Cemeteries & Crematorium			1,043,498	1,155,000	(111,502)	1,155,000
	Parks & Recreation	New Capital	Destination Playgrounds	11,285	200,000	(188,715)	200,000
			Playground Improvements	437,666	297,000	140,666	297,000
			Recreation Facilities Improvem	389,535	420,000	(30,465)	420,000
			Track Network Development	12,010	30,000	(17,990)	30,000
		Total New Capital		850,496	947,000	(96,504)	947,000
		Renewals Capital	Greenspace Renewals	413,843	460,000	(46,157)	460,000
			Playground Renewals	1,458,273	1,425,000	33,273	1,425,000
			Recreation Facilities Renewals	1,654,588	1,665,000	(10,412)	1,665,000
		Total Renewals Capital		3,526,705	3,550,000	(23,295)	3,550,000
	Total Parks & Recreation			4,377,201	4,497,000	(119,799)	4,497,000
Community Recreation Total				9,425,871	14,948,000	(5,522,129)	14,948,000

**Capital Expenditure Detail by Activity
For the Month Ending 30 June 2026**

New Group Activity	Activity Name	Expenditure Type	Project Name	YTD Actual	YTD Budget	YTD Var	FY Budget	
Creative and Cultural Vibrancy	Dunedin Public Art Gallery	New Capital	Acquisitions - DPAG Society Funded	7,735	30,000	(22,265)	30,000	
			Acquisitions - Rates Funded	125,500	130,000	(4,500)	130,000	
			Acquisitions Donation Funded	36,000	35,000	1,000	35,000	
			Art in Public Places	(58)	-	(58)	-	
			Minor Capital Works/Equipment	101,139	100,000	1,139	100,000	
		Total New Capital	270,316	295,000	(24,684)	295,000		
		Renewals Capital	Heating and Ventilation System	9,507	30,000	(20,493)	30,000	
		Total Renewals Capital	9,507	30,000	(20,493)	30,000		
		Total Dunedin Public Art Gallery	279,823	325,000	(45,177)	325,000		
		Dunedin Public Libraries	New Capital	Heritage Collection Purchases-Rates Funded	58,351	60,000	(1,649)	60,000
	Heritage Collection Purchases-Trust Funded			7,642	10,000	(2,358)	10,000	
	South Dunedin Library Opening Collection			62,284	60,000	2,284	60,000	
	Total New Capital		128,278	130,000	(1,722)	130,000		
	Renewals Capital		Acquistions - Operational Collection	814,452	996,000	(181,548)	996,000	
	Minor Capital Equipment		50,175	55,000	(4,825)	55,000		
	Total Renewals Capital		864,627	1,051,000	(186,373)	1,051,000		
	Total Dunedin Public Libraries		992,904	1,181,000	(188,096)	1,181,000		
	Olveston House	Renewals Capital	Minor Capital Works	1,080	-	1,080	-	
		Total Renewals Capital	1,080	-	1,080	-		
	Total Olveston House	1,080	-	1,080	-			
	Toitu Otago Settlers Museum	New Capital	Acquisitions - Rates Funded	40,834	50,000	(9,166)	50,000	
			Minor Capital Works	42,687	40,000	2,687	40,000	
			New Gallery Space - Theatrette	528,218	464,000	64,218	464,000	
		Total New Capital	611,739	554,000	57,739	554,000		
		Renewals Capital	Minor Equipment Renewals	79,728	100,000	(20,272)	100,000	
		Plant Renewal	23,653	60,000	(36,347)	60,000		
		Total Renewals Capital	103,381	160,000	(56,619)	160,000		
		Total Toitu Otago Settlers Museum	715,119	714,000	1,119	714,000		
	Creative and Cultural Vibrancy Total				1,988,927	2,220,000	(231,073)	2,220,000

**Capital Expenditure Detail by Activity
For the Month Ending 30 June 2026**

New Group Activity	Activity Name	Expenditure Type	Project Name	YTD Actual	YTD Budget	YTD Var	FY Budget
Governance and Support Service	Fleet Operations	New Capital	EV Charging Infrastructure	-	250,000	(250,000)	250,000
		Total New Capital		-	250,000	(250,000)	250,000
		Renewals Capital	Fleet Replacement	449,683	590,000	(140,317)	590,000
		Total Renewals Capital		449,683	590,000	(140,317)	590,000
	Total Fleet Operations			449,683	840,000	(390,317)	840,000
	Business Information Services	New Capital	eServices & Online Services	(184,751)	1,000,000	(1,184,751)	1,000,000
			New & Refreshed Internal IT Systems	279,449	466,000	(186,551)	466,000
			Replacement & Upgrade Internal	-	100,000	(100,000)	100,000
		Total New Capital		94,698	1,566,000	(1,471,302)	1,566,000
		Renewals Capital	New & Refreshed Internal IT Systems	-	800,000	(800,000)	800,000
			Replacement & Upgrade Internal	797,511	1,100,000	(302,489)	1,100,000
		Total Renewals Capital		797,511	1,900,000	(1,102,489)	1,900,000
	Total Business Information Services			892,210	3,466,000	(2,573,790)	3,466,000
Governance and Support Service Total				1,341,893	4,306,000	(2,964,107)	4,306,000
Regulatory Services	Compliance Solutions	New Capital	Minor Equipment	(4,525)	-	(4,525)	-
		Total New Capital		(4,525)	-	(4,525)	-
		Renewals Capital	Dog Park & Stock Pound Maintenance	4,525	5,000	(475)	5,000
		Total Renewals Capital		4,525	5,000	(475)	5,000
	Total Compliance Solutions			-	5,000	(5,000)	5,000
Regulatory Services Total				-	5,000	(5,000)	5,000
Resilient City	City Development	New Capital	Street Trees and Furniture	259,083	325,000	(65,917)	325,000
		Total New Capital		259,083	325,000	(65,917)	325,000
	Total City Development			259,083	325,000	(65,917)	325,000
	Civil Defence	New Capital	Plant Equipment	-	55,000	(55,000)	55,000
		Total New Capital		-	55,000	(55,000)	55,000
	Total Civil Defence			-	55,000	(55,000)	55,000
	Task Force Green	Renewals Capital	Minor Equipment Renewals	-	5,000	(5,000)	5,000
		Total Renewals Capital		-	5,000	(5,000)	5,000
	Total Task Force Green			-	5,000	(5,000)	5,000
Resilient City Total				259,083	385,000	(125,917)	385,000

Capital Expenditure Detail by Activity
For the Month Ending 30 June 2026

New Group Activity	Activity Name	Expenditure Type	Project Name	YTD Actual	YTD Budget	YTD Var	FY Budget	
Rooding and Footpaths	Shaping Future Dunedin	New Capital	Central City Cycle & Pedestrian Improvements	1,620,948	3,000,000	(1,379,052)	3,000,000	
			Central City Parking Management	42,091	1,200,000	(1,157,909)	1,200,000	
			Harbour Arterial Efficiency Improvements	2,360,781	2,800,000	(439,219)	2,800,000	
			Mosgiel Park and Ride	1,490,713	5,000,000	(3,509,287)	5,000,000	
			Princes St Bus Priority & Corridor Safety Plan	42,522	-	42,522		
			Total New Capital		5,557,055	12,000,000	(6,442,945)	12,000,000
			Total Shaping Future Dunedin			5,557,055	12,000,000	(6,442,945)
	Transport	New Capital	Coastal Plan	-	1,184,000	(1,184,000)	1,184,000	
			Crown Resilience Programme 2024-2027	212,988	750,000	(537,012)	750,000	
			Dunedin Urban Cycleways	2,034,630	1,431,000	603,630	1,431,000	
			LED Street Lights	42,981	-	42,981	-	
			Low Cost, Low Risk Improvement	1,178,857	1,000,000	178,857	1,000,000	
			Other Unsubsidised New Capital	147,309	-	147,309	-	
			Peninsula Connection Boardwalk	130,219	1,500,000	(1,369,781)	1,500,000	
			Total New Capital		3,746,985	5,865,000	(2,118,015)	5,865,000
			Renewals Capital	Emergency Works	3,592,820	3,940,000	(347,180)	3,940,000
				Footpath Renewals	91,212	5,904,000	(5,812,788)	5,904,000
				Gravel Road Re metaling	1,257,899	1,219,000	38,899	1,219,000
				Major drainage control	2,966,776	6,266,000	(3,299,224)	6,266,000
				Pavement Rehabilitation	7,290,725	3,335,000	3,955,725	3,335,000
		Pavement Renewals		18,334,707	11,135,000	7,199,707	11,135,000	
		Structure Component Replacement		962,350	1,908,000	(945,650)	1,908,000	
		Structure Component Replacement Seawalls	Structure Component Replacement Seawalls	11,785	196,000	(184,215)	196,000	
			Structure Component Replacement Seawalls Railings	82,497	400,000	(317,503)	400,000	
			Traffic Services Renewal	2,308,377	1,613,000	695,377	1,613,000	
		Total Renewals Capital		36,899,147	35,916,000	983,147	35,916,000	
		Total Transport			40,646,132	41,781,000	(1,134,868)	41,781,000
	Central City Upgrade	New Capital	Central City Upgrade Bath St	1,932,885	939,000	993,885	939,000	
			Central City Upgrade Retail Quarter	272,161	40,000	232,161	40,000	
		Total New Capital		2,205,046	979,000	1,226,046	979,000	
Total Central City Upgrade			2,205,046	979,000	1,226,046	979,000		
Rooding and Footpaths Total				48,408,233	54,760,000	(6,351,767)	54,760,000	

**Capital Expenditure Detail by Activity
For the Month Ending 30 June 2026**

New Group Activity	Activity Name	Expenditure Type	Project Name	YTD Actual	YTD Budget	YTD Var	FY Budget	
Three Waters	Stormwater	New Capital	Mosgiel Stormwater Pumpstation and Networks	3,322,987	1,616,000	1,706,987	1,616,000	
			Mosgiel Stormwater Upgrades	625,000	625,000	(0)	625,000	
			Network Resilience & Efficiency	-	50,000	(50,000)	50,000	
			New Capital Supporting Growth	110,056	437,000	(326,944)	437,000	
			New Resource Consents	-	22,000	(22,000)	22,000	
			South Dunedin Flood Alleviation	272,073	250,000	22,073	250,000	
			South Dunedin Short Term Option	818,086	750,000	68,086	750,000	
			Total New Capital	5,148,200	3,750,000	1,398,200	3,750,000	
		Renewals Capital	Mosgiel Stormwater Pumpstation and Networks	28,236	625,000	(596,764)	625,000	
			Other Stormwater Renewals	3,779,994	5,657,000	(1,877,006)	5,657,000	
			Renewals Supporting Growth	20,750	1,900,000	(1,879,250)	1,900,000	
			Total Renewals Capital	3,828,980	8,182,000	(4,353,020)	8,182,000	
		Total Stormwater		8,977,180	11,932,000	(2,954,820)	11,932,000	
		Wastewater	New Capital	Bioresources Facility	127,060	300,000	(172,940)	300,000
				Metro Wastewater Treatment Plant Resilience	2,290,743	4,288,000	(1,997,257)	4,288,000
				Network Resilience & Efficiency	-	150,000	(150,000)	150,000
				New Capital Supporting Growth	401,204	741,000	(339,796)	741,000
				Rural Wastewater Schemes	17,969	1,400,000	(1,382,031)	1,400,000
				Wastewater New Capital Other	759,839	463,000	296,839	463,000
	Total New Capital			3,596,814	7,342,000	(3,745,186)	7,342,000	
	Renewals Capital			Metro Wastewater Treatment Plant Resilience	2,779,948	3,953,000	(1,173,052)	3,953,000
			Musselburgh to Tahuna Link	1,902,723	8,000,000	(6,097,277)	8,000,000	
			Other Wastewater Renewals	16,323,031	8,798,000	7,525,031	8,798,000	
			Renewals Supporting Growth	82,294	317,000	(234,706)	317,000	
			Rural Wastewater Schemes	370,398	-	370,398	-	
			Wastewater Pumpstation Renewal	4,623,159	4,500,000	123,159	4,500,000	
			Total Renewals Capital	26,081,555	25,568,000	513,555	25,568,000	
			Total Wastewater		29,678,368	32,910,000	(3,231,632)	32,910,000
	Water Supply		New Capital	New Capital Supporting Growth	2,276,390	1,275,000	1,001,390	1,275,000
				Water Efficiency	28,860	1,390,000	(1,361,140)	1,390,000
				Water New Capital Other	5,821,283	5,601,000	220,283	5,601,000
				Water Supply Resilience	3,169,158	3,377,000	(207,842)	3,377,000
		Total New Capital		11,295,691	11,643,000	(347,309)	11,643,000	
		Renewals Capital	Other Water Renewals	21,769,076	13,765,000	8,004,076	13,765,000	
			Port Chalmers Water Supply	7,730,751	8,976,000	(1,245,249)	8,976,000	
			Renewals Supporting Growth	71,748	547,000	(475,252)	547,000	
			Water Supply Resilience	6,904,479	7,350,000	(445,521)	7,350,000	
			Total Renewals Capital		36,476,053	30,638,000	5,838,053	30,638,000
		Total Water Supply		47,771,744	42,281,000	5,490,744	42,281,000	
		Three Waters Total				86,427,293	87,123,000	(695,707)

**Capital Expenditure Detail by Activity
For the Month Ending 30 June 2026**

New Group Activity	Activity Name	Expenditure Type	Project Name	YTD Actual	YTD Budget	YTD Var	FY Budget
Vibrant Economy	Destination Marketing	New Capital	Digital Content - Camera and Video Gear	(573)	-	(573)	-
		Total New Capital		(573)	-	(573)	-
		Total Destination Marketing		(573)	-	(573)	-
	Visitor Centre	Renewals Capital	Asset Renewals	2,530	-	2,530	-
		Total Renewals Capital		2,530	-	2,530	-
	Events	Total Visitor Centre		2,530	-	2,530	-
		New Capital	Plant Equipment	110,497	-	110,497	-
		Total New Capital		110,497	-	110,497	-
	Total Events			110,497	-	110,497	-
Vibrant Economy Total				112,454	-	112,454	-
Waste Minimisation	Waste Futures	New Capital	Bulk Waste System	190,273	500,000	(309,727)	500,000
			Community Recycling Centres	-	200,000	(200,000)	200,000
			Construction and Demolition Facility	107,148	400,000	(292,852)	400,000
			Glass Facility	784,649	2,525,000	(1,740,351)	2,525,000
			Material Recovery Facility	4,869,411	21,550,000	(16,680,589)	21,550,000
			Organics Facility	676,029	8,900,000	(8,223,971)	8,900,000
			Resource Recov Park Precinct	2,487,131	7,404,000	(4,916,869)	7,404,000
			Smooth Hill Landfill	69,386	-	69,386	-
			Total New Capital	9,184,029	41,479,000	(32,294,971)	41,479,000
		Total Waste Futures		9,184,029	41,479,000	(32,294,971)	41,479,000
	Waste & Environmental Solutic	New Capital	Community Recycling Hubs	20,431	25,000	(4,569)	25,000
			Green Island Landfill Aftercare	669,333	1,577,000	(907,667)	1,577,000
			Green Island Landfill Gas Collection System	149,082	650,000	(500,918)	650,000
			Green Island Landfill Leachate System	28,040	-	28,040	-
			Green Island Landfill Southern Valley Leachate Drain	1,086,157	800,000	286,157	800,000
			Total New Capital	1,953,044	3,052,000	(1,098,956)	3,052,000
		Renewals Capital	Forester Park Landfill Culvert	7,018	-	7,018	-
			Green Island Landfill and Transfer Station	12,455	155,000	(142,545)	155,000
			Green Island Leachate System Pump/Pumpstation	8,562	15,000	(6,438)	15,000
			Kerbside Bin Replacements	158,028	205,000	(46,972)	205,000
			Middlemarch Closed Landfill	-	11,000	(11,000)	11,000
			Public Place Recycling and Rubbish Bins	87,604	165,000	(77,396)	165,000
			Sawyers Bay Closed Landfill	607	-	607	-
			Waikouaiti Transfer Station	3,027	-	3,027	-
			Total Renewals Capital	277,300	551,000	(273,700)	551,000
		Total Waste & Environmental Solution		2,230,344	3,603,000	(1,372,656)	3,603,000
Waste Minimisation Total				11,414,373	45,082,000	(33,667,627)	45,082,000
Grand Total				174,847,783	231,217,000	(56,369,217)	231,217,000

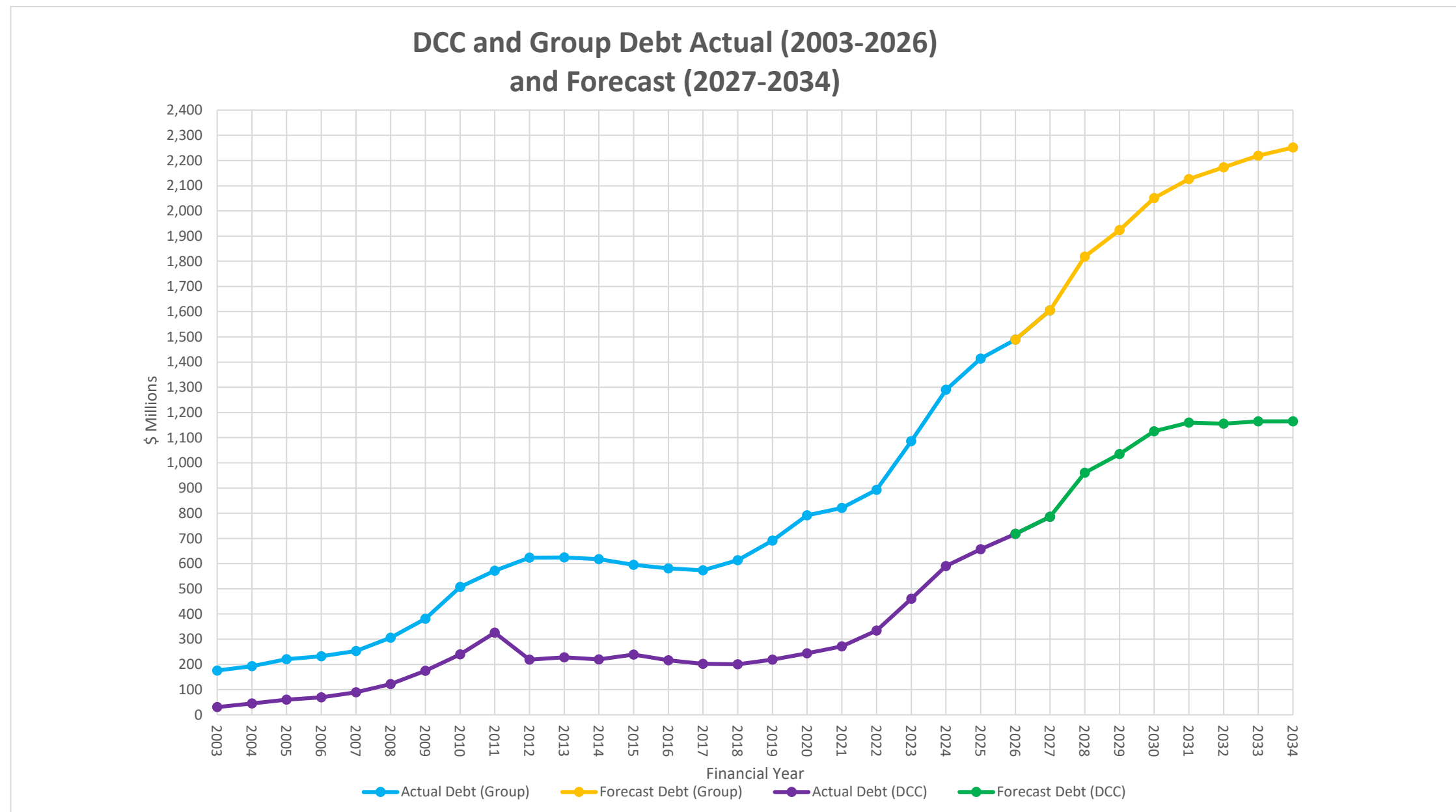
DUNEDIN CITY COUNCIL

Summary of Operating Variances

For the Twelve Months Ending 30 June 2026

Amount : \$'000

Group	Year to Date Surplus(Deficit)			Year to Date Variance Favourable (Unfavourable)							
	Actual	Budget	Variance	Rates Revenue	Operating Revenue	Internal Revenue	Staff	Ops & Other Exps	Internal Costs	Interest	Depr'n
City Properties	(1,511)	5,609	(7,120)	-	(6,187)	(27)	(376)	(1,269)	(1)	260	480
Community Recreation	997	407	590	-	(209)	(1)	(55)	46	8	93	708
Creative and Cultural Vibrancy	(657)	-	(657)	-	(386)	(6)	(233)	(280)	(1)	35	214
Governance and Support Service	(1,906)	(3,698)	1,792	(116)	2,018	65	(206)	118	(351)	(84)	348
Regulatory Services	(755)	-	(755)	-	(1,341)	(11)	899	(338)	24	-	12
Resilient City	711	-	711	-	(37)	2	467	287	(8)	-	-
Roading and Footpaths	5,835	7,594	(1,759)	(3)	(2,121)	-	753	(1,013)	(17)	369	273
Treaty Partnership	200	-	200	-	-	50	(25)	175	-	-	-
3 Waters	(12,550)	(14,616)	2,066	289	(395)	298	236	996	460	659	(477)
Vibrant Economy	468	-	468	-	152	(10)	39	297	(2)	-	(8)
Waste Minimisation	1,056	(327)	1,383	52	(516)	(587)	26	2,094	115	160	39
Total Council (excluding Waipori)	(8,112)	(5,031)	(3,081)	222	(9,022)	(227)	1,525	1,113	227	1,492	1,589
Waipori Fund	8,708	5,031	3,677	-	3,691	-	-	(14)	-	-	-
Total Council	596	-	596	222	(5,331)	(227)	1,525	1,099	227	1,492	1,589



Sources:

Actual debt: Dunedin City Council annual reports from 2003 to 2026 (2026 draft).

Forecast debt (Group): Dunedin City Treasury Ltd Statement of Intent for the year ending 30 June 2026, Dunedin City Holdings Ltd projections and the DCC Annual Plan 2026/27.

WAIPORI FUND - QUARTER ENDING 30 JUNE 2026

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 30 June 2026.

RECOMMENDATIONS

That the Committee:

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

DISCUSSION

- 2 The Waipori Fund Statement of Investment Policy and Objectives (SIPO) requires quarterly reporting on the performance and financial position of the fund.
- 3 Dunedin City Treasury Limited has provided the Waipori Fund report for the June 2026 quarter. The report is provided as Attachment A.

OPTIONS

- 4 As this is a noting report, no options are provided.

NEXT STEPS

- 5 Quarterly reporting on the performance and financial position of the fund will be provided to future meetings of either the Finance and Performance Committee or Council. In addition, they are provided to the Audit, Risk and Assurance Committee.

Signatories

Authoriser:	Hayden McAuliffe - Financial Services Manager
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Attachments

Title	Page
↓A Waipori Fund Quarterly Report - 30 June 2026	118

SUMMARY OF CONSIDERATIONS
Fit with purpose of Local Government

This decision enables democratic local decision making and action by, and on behalf of, communities.

Fit with strategic framework

	Contributes	Detracts	Not applicable
Social Wellbeing Strategy	☐	☐	✓
Economic Development Strategy	☐	☐	✓
Environment Strategy	☐	☐	✓
Arts and Culture Strategy	☐	☐	✓
3 Waters Strategy	☐	☐	✓
Future Development Strategy	☐	☐	✓
Integrated Transport Strategy	☐	☐	✓
Parks and Recreation Strategy	☐	☐	✓
Other strategic projects/policies/plans	☐	☐	✓

Reporting on the performance of the Waipori Fund does not contribute directly to the Strategic Framework.

Māori Impact Statement

Investment returns from the Waipori Fund impact on the level of rates payable and therefore impact across all Dunedin communities including Māori.

Sustainability

There are no impacts for sustainability.

Zero carbon

There are no impacts for zero carbon.

LTP/Annual Plan / Financial Strategy /Infrastructure Strategy

There are no implications for LTP / Annual Plan / Financial Strategy / Infrastructure Strategy.

Financial considerations

Financial considerations are presented in the Waipori Fund report for the June 2026 quarter.

Significance

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

Engagement – external

There has been no external engagement.

Engagement - internal

There has been no internal engagement.

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

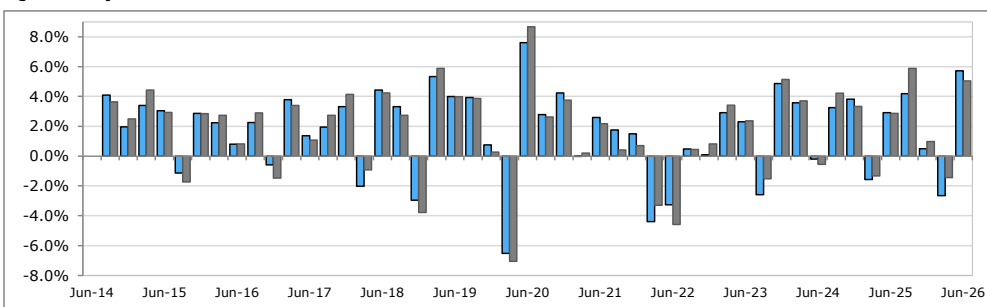
There are no implications for Community Boards.

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

TO: Chief Executive, Dunedin City Council
FROM: Dunedin City Treasury Limited
DATE: 20 July 2026
SUBJECT: **WAIPORI FUND - June 2026 Quarter**

Quarterly Returns vs Benchmark



June 2026 Quarter

The Fund benefited from a positive quarter for financial markets, with global equities supported by resilient economic conditions, strong corporate earnings and continued investor confidence. Growth-oriented sectors were a significant contributor to returns, particularly in the United States, where share markets reached record highs. Despite periods of volatility arising from geopolitical tensions and inflation concerns, market conditions remained broadly supportive during the quarter. Strong corporate earnings and confidence in the global economic outlook helped drive positive equity market returns across most major markets, contributing to the Fund's overall performance.

The Fund's fixed interest portfolio also delivered a positive return during the June 2026 quarter. Returns were supported by a decline in bond yields from the elevated levels reached earlier in the year, which contributed to higher bond prices. In addition, the level of interest income generated by the portfolio continued to provide a solid foundation for returns despite ongoing uncertainty regarding inflation and future interest rate movements.

The value of the Fund was **\$117.7 million** at the end of June 2026 - this is after the \$3 million distribution to the DCC toward the end of the quarter. Even after this distribution, the Fund's value remained well above its March 2026 balance of \$114.2 million.

Fund Returns

Period ended 30 June 2026	Waipori		Benchmark	
	Quarter %	FY %	Quarter %	FY %
NZ Equities (NZ50 Gross)	9.3	8.9	5.5	8.1
Australian Equities (Australian All Acc)	-1.3	1.6	5.5	19.3
Int'l Equities (MSCI World Gross)	18.3	22.1	15.4	32.7
Property Equities (NZ Real Estate)	7.0	2.2	4.9	4.7
Short Term Interest (NZ 90 day bb)	0.8	4.0	0.6	2.8
Fixed Interest (NZ Corp Bond index)	2.1	4.9	2.4	5.1
TOTAL	5.7	7.8	5.0	10.7

Note: The Benchmarks used are 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

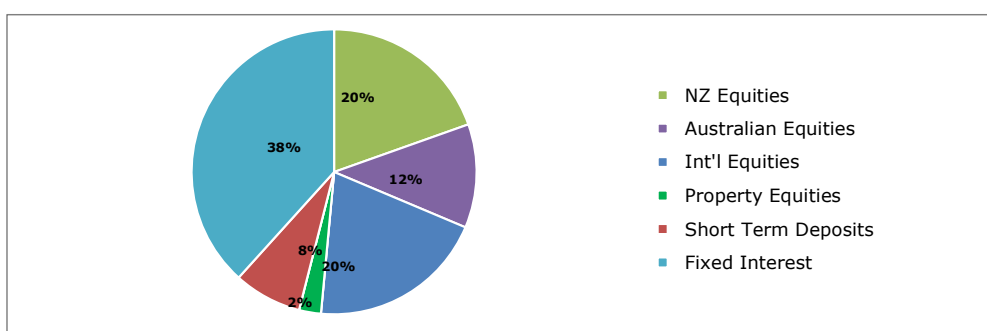
Waipori is diversified across asset classes with 54% invested in growth assets (equities and property) and 46% invested in income assets (fixed interest investments and short term deposits /cash).

The market value of the investment portfolio (i.e. the total value of all financial assets held) as at 30 June 2026 was \$117.2 million.

Summary of Investments

As at 30 June 2026	Market Value	Percentage of Portfolio	Benchmark/ Exposure Range*
NZ Equities	22,955,858	19.6	16.0
Australian Equities	13,816,740	11.8	11.0
Int'l Equities	23,567,599	20.1	15.0
Equities	60,340,196	51.5	20.0 - 60.0
Property Equities	2,921,488	2.5	3.0
Property	2,921,488	2.5	0.0 - 10.0
Short Term Deposits (incl. bank account balance)	9,052,107	7.7	10.0
Fixed Interest	44,926,375	38.3	45.0
Fixed Interest	53,978,483	46.0	40.0 - 70.0
TOTAL	117,240,167	100.0	100.0

Asset Allocation



Market Outlook

At the time of writing (20/7/2026), ANZ forecasts the RBNZ will continue to gradually increase the Official Cash Rate from the current 2.50% to approximately 3.6% by late 2027, reflecting expectations of a strengthening domestic economy and persistent medium-term inflation pressures. Higher short-term interest rates are expected to support returns from cash and term deposits held by the Fund. However, rising interest rates and bond yields may create short-term valuation headwinds for the Fund's bond portfolio, as bond prices typically move inversely to yields. Over time, the bond portfolio should benefit from the reinvestment of maturing securities at higher market rates, which may enhance future income returns.

As we move into the second half of 2026, investment markets continue to face a mix of opportunities and challenges. Geopolitical tensions, inflation concerns and uncertainty around the path of interest rates are likely to contribute to ongoing market volatility. Despite these headwinds, the global economy has remained resilient, supported by strong labour markets, consumer spending and solid corporate earnings. While further market gains are possible if earnings growth continues, inflation and central bank policy are expected to remain the key drivers of market performance over the remainder of the year, with interest rates likely to stay higher for longer than previously anticipated.

The Fund continues to take a long-term investment approach, diversifying across regions and sectors with 54% in growth assets (equities) and 46% in income-generating assets (fixed interest). It focuses on equities from stable, dividend-paying companies that consistently deliver dividends, even during periods of market uncertainty.

Tim Loan
CHAIR

Gerhard Riepl
Treasurer Analyst

Richard Davey
TREASURER

WAIPORI FUND
PERFORMANCE VERSUS INVESTMENT OBJECTIVES

30 June 2026

1. INCOME

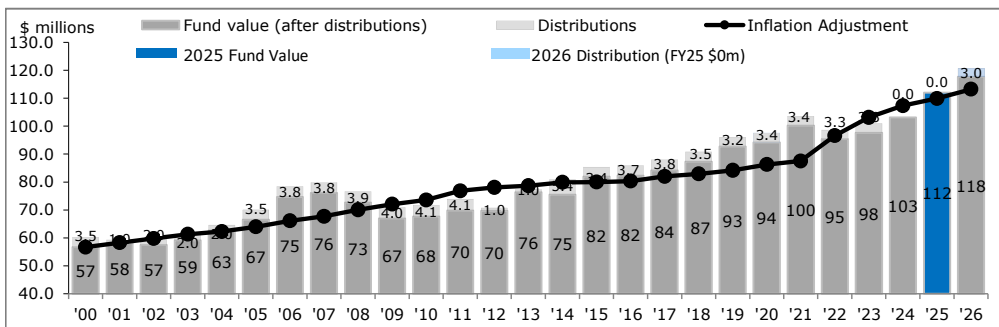
Objective	2026 Est. Income	2026 Est. Yield	Average Yield	Period Years
The primary objective of the Fund will be to maximise its income, subject always to a proper consideration of investment risk.	\$3,980,197	3.6%	4.3%	27

2. CAPITAL GROWTH - Values rounded to nearest \$100,000

Objective	Total Fund Value 30 Jun 2026	Revised Capital Base	Achieved
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)	\$117,700,000	\$113,200,000	✓

Fund value less accrued distribution (\$3,000,000) No distributions made in 2025

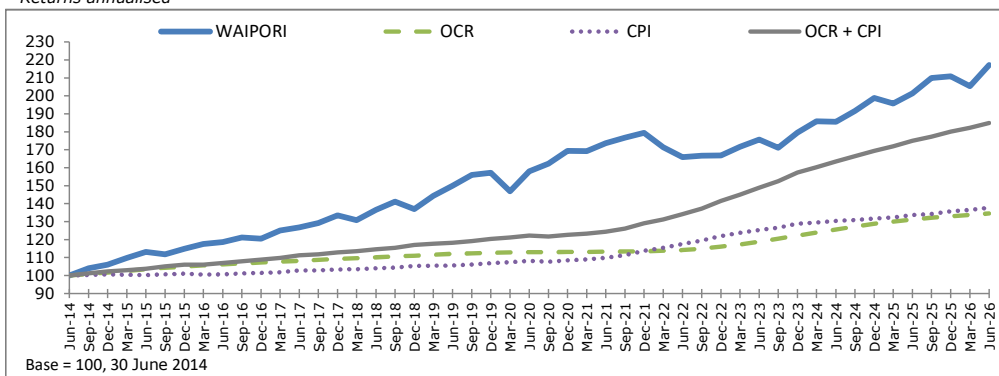
The difference between Total Fund Value (rounded to the nearest 100,000) and Total Summary of Investments (page 2) is other receivables such as dividends, interest and sales proceeds due but not yet received.



3. TOTAL RETURN (Period June 2014 - June 26)

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).	6.7%	2.5%	2.7%	5.3%	✓	12.00

*Returns annualised



WAIPORI FUND
Statement of Financial Performance for month ended 30 June 2026

Quarter 30/06/2025	Actual YTD 30/06/2025		Actual	Quarter Target	Variance	Actual	Year to Date Target	Variance	Target Full Year
		Income							
299,152	1,376,214	Dividends	354,971	431,507	(76,536)	1,531,207	1,734,707	(203,500)	1,734,707
512,822	2,018,391	Interest	519,077	560,690	(41,613)	2,181,189	2,245,490	(64,301)	2,245,490
189,242	408,396	Surplus on sale of Equities	(29,805)	-	(29,805)	126,732	-	126,732	-
		Unrealised Gains/(Losses)							
3,231,742	3,303,922	<i>Equities</i>	4,859,793	<i>n.a.</i>	<i>n.a.</i>	1,918,189	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
(1,023,948)	562,065	<i>Exchange Movements</i>	493,103	<i>n.a.</i>	<i>n.a.</i>	2,951,571	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
2,207,794	3,865,987	Revaluation of Equities	5,352,896	332,897	5,019,999	4,869,760	1,332,797	3,536,963	1,332,797
33,030	1,460,702	Revaluation of Bonds	414,954	-	414,954	295,206	-	295,206	-
(625)	1,632	Revaluation of \$AUD Bank A/C	497	-	497	3,707	-	3,707	-
3,241,415	9,131,322	Total Income	6,612,590	1,325,094	5,287,496	9,007,801	5,312,994	3,694,807	5,312,994
		less Expenses							
49,665	198,660	Management Fees	53,001	53,000	1	212,004	212,000	4	212,000
20,128	80,280	Equity Management Advice	19,243	16,700	2,543	87,363	70,097	17,266	70,097
33	137	Bank Fees	37	81	(44)	140	180	(40)	180
69,826	279,077	Total Expenses	72,281	69,781	2,500	299,507	282,277	17,230	282,277
3,171,589	8,852,245	Net Surplus/(Deficit)	6,540,309	1,255,313	5,284,996	8,708,294	5,030,717	3,677,577	5,030,717

WAIPORI FUND
**Statement of Movement in Principal of Fund
For Period to 30 June 2026**

30-Jun-25		30-Jun-26
59,050,000	Principal Opening	59,050,000
-	Additional Capital	-
59,050,000	Closing Balance	59,050,000
	Inflation Adjustment Reserve	
48,894,667	Opening Balance	51,470,824
2,576,157	Transfer from Retained Earnings	3,297,481
51,470,824	Closing Balance	54,768,305
	Retained Earnings	
(4,808,254)	Opening Balance	1,467,834
8,852,245	Net Surplus/(Deficit)	8,708,294
(2,576,157)	Transfer to Inflation Adjustment Reserve	(3,297,481)
-	Distribution to Council	(3,000,000)
1,467,834	Closing Balance	3,878,647
111,988,658	Total Fund at End of the Period	117,696,952

**Statement of Financial Position
As at 30 June 2026**

30-Jun-25		30-Jun-26
	Current Assets	
63,583	Bank Account	91,860
433,466	Debtors/Prepayments	526,490
12,600,860	Short Term Investments	8,960,248
13,097,909	Total Current Assets	9,578,598
	Investments	
57,935,388	Equities	63,261,684
41,021,931	Term Financial Instruments	44,926,375
98,957,319	Total Investments	108,188,059
112,055,228	Total Assets	117,766,657
	less	
	Current Liabilities	
66,570	Accruals	69,706
66,570	Total Current Liabilities	69,706
111,988,658	Total Value of Fund	117,696,952

RESOLUTION TO EXCLUDE THE PUBLIC

That the Audit, Risk and Assurance 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
C1 Confirmation of the Confidential Minutes of Audit, Risk and Assurance Committee meeting - 30 June 2026 - Public Excluded	S7(2)(h) The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. 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. S7(2)(g) The withholding of the information is necessary to maintain legal professional privilege. S7(2)(b)(i) The withholding of the information is necessary to protect	.	

	information where the making available of the information would disclose a trade secret. S7(2)(c)(i) The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied. S7(2)(i) The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). S7(2)(a) The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.		
C2 Risk Assurance Cyber Security Update	S7(2)(h)	S48(1)(a)	

	The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	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.	
C3 Deep Dive - Insurance Update	S7(2)(h) The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	
C4 Risk Management Update	S7(2)(h) The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	
C5 Treasury Risk Management Compliance and Policy Review	S7(2)(h) The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	S48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	
C6 Update on the Annual Report for 30 June 2026	S7(2)(b)(i) The withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret.	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.	
C7 Assurance Dashboard - September 2026	S7(2)(h) The withholding of the information is necessary to enable the local authority to carry out, without prejudice or	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	The information in this report is commercially sensitive..

	disadvantage, commercial activities.	withholding exists under section 7.	
C8 Internal Audit: Recommendations and Actions Update	S7(2)(c)(i) The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied.	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.	
C9 Internal Audit: Workplan Update	S7(2)(b)(i) The withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret. S7(2)(c)(i) The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or	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.	

	information from the same source and it is in the public interest that such information should continue to be supplied. S7(2)(h) The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.		
C10 Dunedin City Holdings Ltd - Update on Audit and Risk Activity	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.	
C11 Legal Matters	S7(2)(g) The withholding of the information is necessary to maintain legal professional privilege.	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.	
C12 Protected Disclosure and Investigation Register - September 2026	S7(2)(a) The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person. S7(2)(c)(i) The withholding of the information is necessary to protect	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.	

	information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied.		
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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.