

Appendices



Appendix 1

Community Outcome Reporting Update

Community outcome indicator reporting completed this year is shown below. It should be noted that reporting on indicators that the Council directly controls or influences can be found in Section 2 of this report.

A thriving and diverse economy

Dunedin has an ambitious, prosperous, diverse and resilient economy that builds on its strengths.

Indicators that the Council influences are shown in Section 2: Economic Development and City Promotion Group of Activity

City Indicator	Result 2014/15	Result 2015/16	Result 2016/17	Result 2017/18	Trend	Data Source
Growth in Dunedin GDP (% Growth)	2.20%	2.30%	2.4% (Infometrics)*	2.6% (Infometrics YE March 2017)*	Increase	Business and Economic Research Ltd/Infometrics
Total Employment (FTE)	51,118 FTE	51,670 FTE	60,804 filled jobs (Infometrics)*	60,804 filled jobs (Infometrics YE March 2017)*	-	Business and Economic Research Ltd/Infometrics
Number of New Businesses	315	218	Data not available	1.3% on prior year Actual number of businesses is 11,562 (Infometrics YE March 2017)*	-	Business and Economic Research Ltd/Infometrics

**Enterprise Dunedin procured economic data relating to these indicators from Infometrics. The March 2018 report was not available at the time of printing. BERL data has not been procured since 2017.*

A connected community

Dunedin's communities are connected by safe, effective transportation and communications, linked locally, nationally and internationally.

Indicators that the Council influences are shown in Section 2: Roading and Footpaths Group of Activity

City Indicator	Mode	Result 2015/16	Result 2016/17	Result 2017/18	Trend	Data Source
Means of travel to work/school (mode of commute)	Drove truck, van or car (no passengers)*	37%	41%	59%	Increase	Residents' Opinion Survey
	*Privately owned vehicle	Not measured	Not measured	Not measured	-	
	*Company owned vehicle	Not measured	Not measured	Not measured	-	
	Drove truck, van or car (with passengers)	11%	13%	14%	Increase	
	Walk or jog	9%	8%	7%	Decrease	
	Work from home	5%	4%	5%	Increase	
	Passenger in truck, van or car	3%	4%	4%	No change	
	Public Transport (Bus)	5%	4%	4%	No change	
	Bicycle	4%	3%	4%	Increase	
	Motorcycle	0%	1%	1%	No change	
	Other	3%	2%	2%	No change	

City Indicator	Result 2014/15	Result 2015/16	Result 2016/17	Result 2017/18	Trend	Data Source
Frequency of bus use (At least once per week)	Not measured (biennial)	16% (2016)	Not measured (biennial)	18% (2018)	No change	Biennial Quality of Life Survey
Number of international flights per week	Average of 4 per week (with some seasonal variation)	Average of 4 per week (with some seasonal variation)	Average of 4 per week (with some seasonal variation)	Average of 4 per week (with some seasonal variation)	-	Dunedin International Airport Limited
Passenger loadings (international and domestic)	861,982	909,614	973,089	Not available at the time of printing	Increase	Dunedin International Airport Limited
Value of goods loaded at Port Otago (\$ million)	\$3,611	\$3,428	\$3,424*	\$4,172	Increase	Statistics NZ

*This was reported incorrectly in the 2016/17 Annual Report as \$3,246 million. This has now been changed to reflect the correct number.

A safe and healthy city

Dunedin is a clean, green crime-free city where people feel safe and enjoy a healthy lifestyle.

Indicators that the Council influences are shown in Section 2: Water Supply, Sewage and Sewerage, Stormwater and Solid Waste Groups of Activity

City Indicator	Result 2014/15	Result 2015/16	Result 2016/17	Result 2017/18	Trend	Data Source
Total recorded crime (reported incidents)	9,962 Year to 31 Dec 2014	Not available at the time of printing	Changes to statistical methods; data not available due to changes	Changes to statistical methods; data not available due to changes	-	NZ Police
Feel safe in city centre during the day	Not measured (biennial)	96% (2016)	Not measured (biennial)	96% (2018)	No change	Biennial Quality of Life Survey
Feel safe in city centre during the night	Not measured (biennial)	47% (2016)	Not measured (biennial)	58% (2018)	Increase	Biennial Quality of Life Survey
Feel safe at home during the day	Not measured (biennial)	96% (2016)	Not measured (biennial)	Not measured	-	Biennial Quality of Life Survey
Feel safe at home during the night	Not measured (biennial)	94% (2016)	Not measured (biennial)	95% (2018)	Increase	Biennial Quality of Life Survey
Experience of barriers to general practitioners (% no barrier)	Not measured	Not measured	Not measured	Not measured	-	Biennial Quality of Life Survey

A distinctive built environment

Dunedin is a compact city with a vibrant centre for people to work live and play; complemented by thriving suburban and rural centres.

Indicators that the Council influences are shown in Section 2: City Planning Group of Activity

City Indicator	Result 2014/15	Result 2015/16	Result 2016/17	Result 2017/18	Trend	Data Source
Perceptions of city vibrancy – Dunedin is a fun city (% positive)	49%	66%	66%	67%	Increase	Residents' Opinion Survey
Perception of the value of the city's architecture (% positive)	81%	88%	87%	87%	No change	Residents' Opinion Survey
Number of properties and structures protected under District Plan that are demolished	Reported in Section 2: City Planning and Regulatory Services					DCC Planning

A valued and protected natural environment

Dunedin is recognised as a place with outstanding natural environments and significant biodiversity. Dunedin's distinctive rural and coastal landscapes are sustainably managed and protected.

Indicators that the Council influences are shown in Section 2: City Planning and Stormwater Groups of Activity

City Indicator	Result 2014/15	Result 2015/16	Result 2016/17	Result 2017/18	Trend	Data Source
Air quality—number of days PM10 Standards exceeded	0 days (2014)	Not available at the time of printing	Not available at the time of printing	Not available at the time of printing	-	Otago Regional Council
Recreational water quality (number of times it is not safe to swim at popular swimming locations)	5	0	Not available at the time of printing	Not available at the time of printing	-	Otago Regional Council
Areas of Significant Conservation Value (Hectares and km)	10,688 Ha plus 91km of estuarine edge	10,688 Ha plus 91km of estuarine edge	10,688 Ha plus 91km of estuarine edge	10,688 Ha plus 91km of estuarine edge	-	DCC Planning
Total area of indigenous habitat in Dunedin protected by the District Plan, DCC reserve land and land held under QEII covenants and other statute-based protective mechanisms	Reported in Section 2: City Planning and Regulatory Services					DCC Planning

A supportive community

Dunedin's people feel included and connected with their wider community and enjoy a good quality of life.

Indicators that the Council influences are shown in Section 2: Events and City Development Group of Activity

City Indicator	Result 2014/15	Result 2015/16	Result 2016/17	Result 2017/18	Trend	Data Source
Perceptions of quality of life (% positive) (extremely good or good)	Not measured (biennial)	88% (2016)	Not measured (biennial)	87% (2018)*	-	Biennial Quality of Life Survey
Residents' sense of community within their local community	Reported in Section 2: Community Development and Support					Biennial Quality of Life Survey
Residents' perception that Dunedin recognises and supports cultural diversity	Reported in Section 2: Community Development and Support					Biennial Quality of Life Survey

*There has been a change to this question in the 2018 Quality of Life survey. The % positive now includes extremely good, very good and good.

A city of learning

Dunedin is a leading city of education, and its community engages in lifelong learning.

Indicators that the Council influences are shown in Section 2: Museums, Libraries and Art Gallery Group of Activity

City Indicator	Result 2014/15	Result 2015/16	Result 2016/17	Result 2017/18	Trend	Data Source
Number of tertiary enrolments per year Equivalent Full time students	22,645 (2015)	Data not available at the time of printing	Changes to statistical methods; data not available due to changes	Changes to statistical methods; data not available due to changes	-	Ministry of Education (Education Counts)

An active city

Dunedin's people lead active, healthy and enjoyable lifestyles.

Indicators that the Council influences are shown in Section 2: Sport Recreation and Leisure Group of Activity

City Indicator	Result 2014/15	Result 2015/16	Result 2016/17	Result 2017/18	Trend	Data Source
Frequency of physical activity (% of nearly every day)	Not measured (biennial)	35% (2016) 6 or more days/week)	Not measured (biennial)	45% (2018, 5 or more days/week)	-	Biennial Quality of Life Survey
Perception of overall health (Rate health as excellent, very good or good)	Not measured (biennial)	81% (2016)	Not measured (biennial)	81% (2018)	No change	Biennial Quality of Life Survey
Ratio of sportsfields to population (hectares per 1,000 population)	Reported in Section 2: Sport, Recreation and Leisure					DCC Parks and Reserves yardstick statistic
Participation at Council-owned pools (total attendances)	Reported in Section 2: Sport, Recreation and Leisure					DCC internal attendance data
The Botanic Gardens maintains a grading of "International Significance" from the New Zealand Gardens Trust	Reported in Section 2: Sport, Recreation and Leisure					NZ Gardens Trust

A sustainable and resilient city

Dunedin is a resilient city with communities prepared for the impacts of climate change and extreme natural events, and reduced reliance on non-renewable resources.

City Indicator	Result 2014/15	Result 2015/16	Result 2016/17	Result 2017/18	Trend	Data Source
Decrease in the waste sourced from within Dunedin and disposed of to DCC landfills in Dunedin (kg/person/year)	423kg/person	457kg/person	466kg/person	592kg/person	Increase	DCC internal reporting
Increase in the quantity of diverted material collected via the DCC's collection service for diverted material	Reported in Section 2: Solid Waste					DCC quarterly reports
Decrease in the number of dry weather sewerage overflows from the DCC's sewerage system, expressed per 1,000 sewerage connections (required under DIA mandatory measures)	Reported in Section 2: Sewerage and Sewage					DCC internal reporting
Increase in the percent of Dunedin residents agreeing that Dunedin is a sustainable city (Residents' Opinion Survey)	37%	52%	57%	55%	Decrease	Residents' Opinion Survey
Increase in the percent of Dunedin residents who feel a sense of community with others in their local neighbourhood (Quality of Life Survey)	Reported in Section 2: Community Development and Support					Biennial Quality of Life Survey

Appendix 2

Schedule 5: Annual Report Disclosure Statement

Annual Report Disclosure Statement for the Year Ending 30 June 2018

What is the purpose of this Statement?

The purpose of this statement is to disclose the Council's financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include this statement in its annual report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

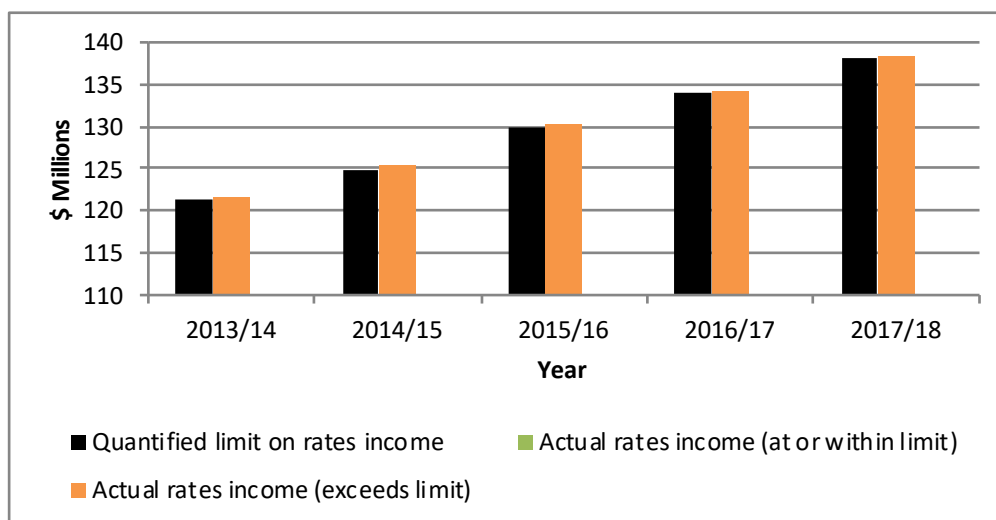
Rates affordability benchmark

The Council meets the rates affordability benchmark if –

- Its actual rates income equals or is less than each quantified limit on rates; and
- Its actual rates increases equal or are less than each quantified limit on rates increases.

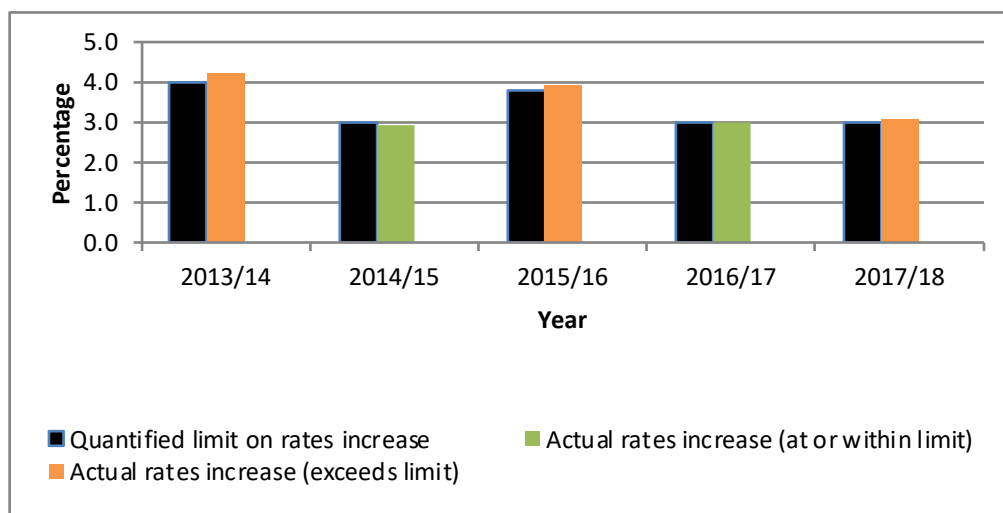
Rates (income) affordability

The following graph compares the Council's actual rates income with a quantified limit on rates contained in the financial strategy included in the Council's long term plan. The quantified limit is \$138 million in 2017/18.



Rates (increases) affordability

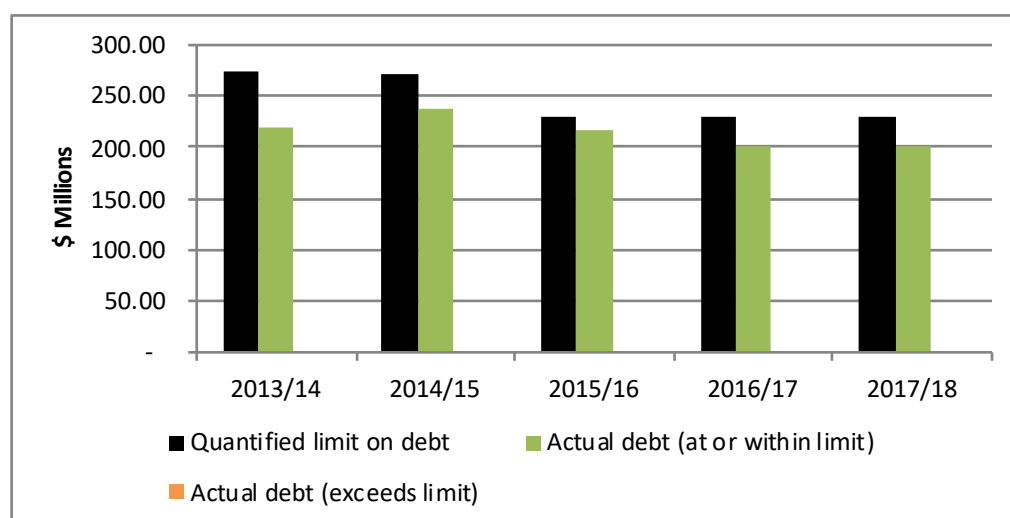
The following graph compares the Council's actual rates increases with a quantified limit on rates increases included in the financial strategy included in the Council's long term plan. The quantified limit is 3% in 2017/18.



Debt affordability benchmark

The Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing.

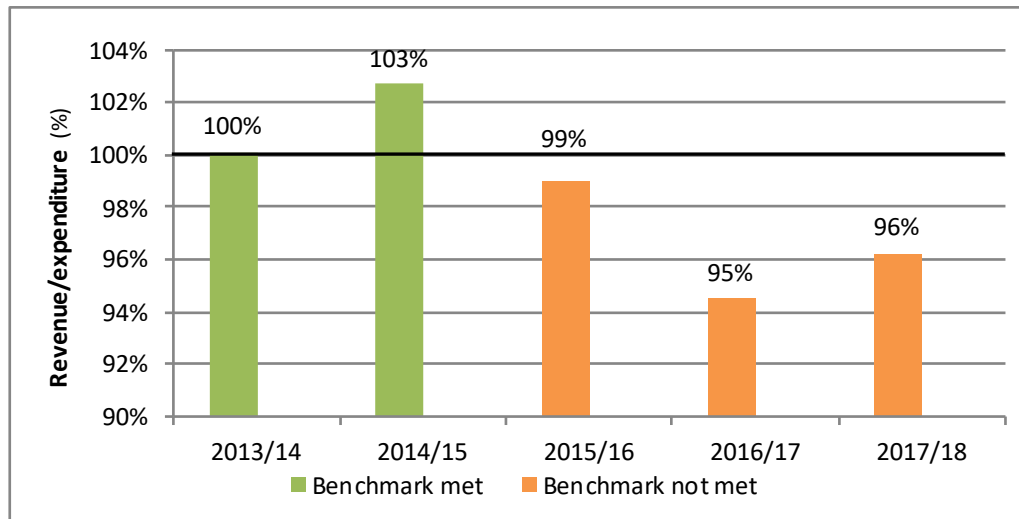
The following graph compares the Council's actual borrowing with a quantified limit on borrowing statement in the financial strategy included in the Council's long term plan. The quantified limit is \$230 million in 2017/18.



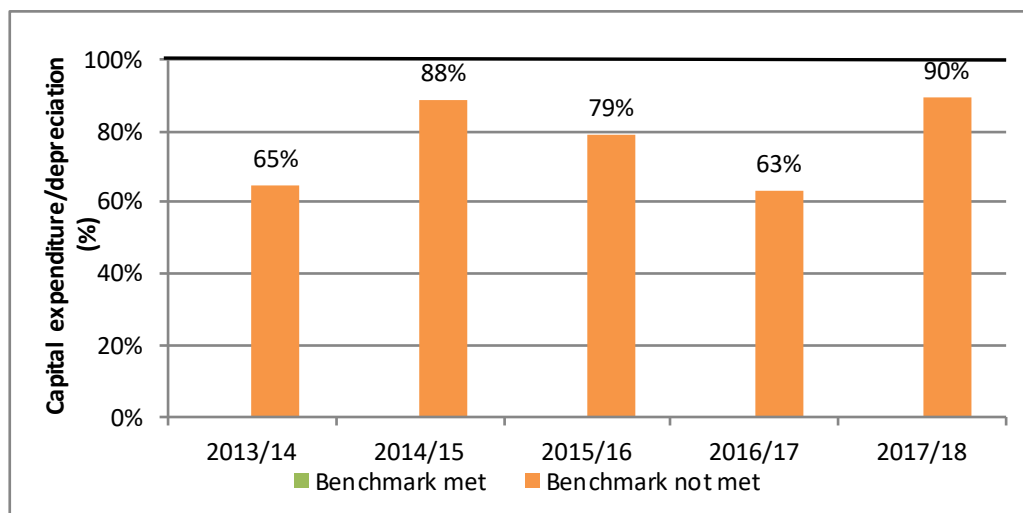
Balanced budget benchmark

The following graph displays the Council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant or equipment).

The Council meets this benchmark if its revenue equals or is greater than its operating expenses.

**Essential services benchmark**

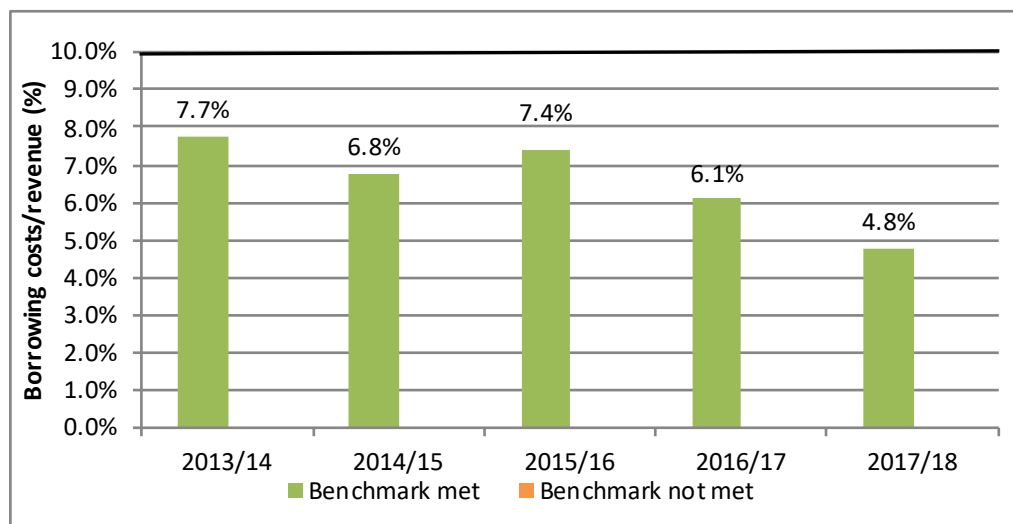
The following graph displays the Council's capital expenditure on network services as a proportion of depreciation on network services. The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



Debt servicing benchmark

The following graph displays the Council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant or equipment).

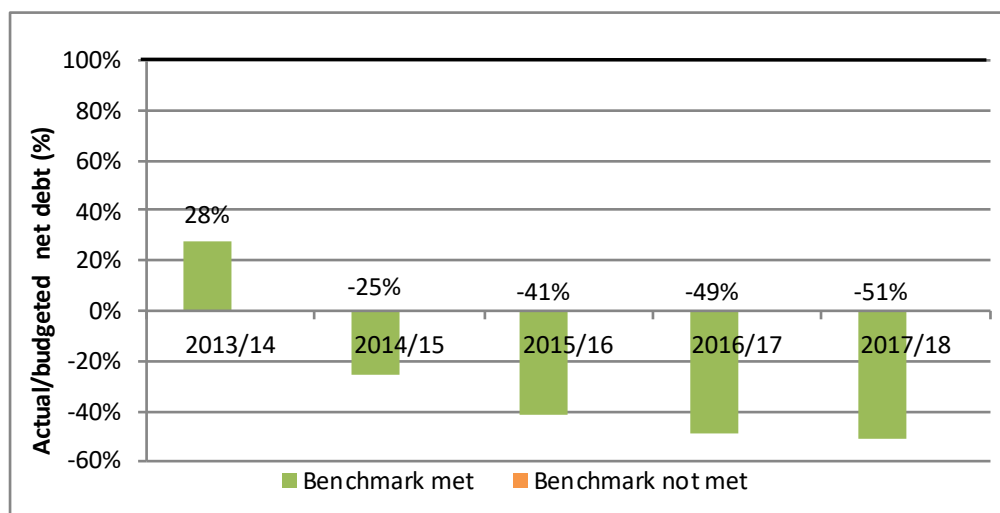
Because Statistics New Zealand projects the Council's population will grow below the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.



Debt control benchmark

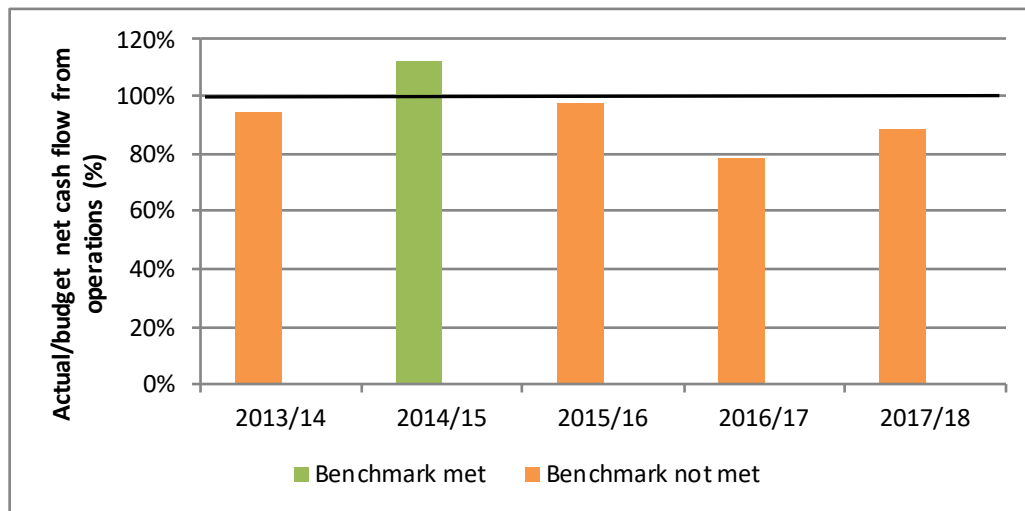
The following graph displays the Council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables).

The Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



Operations control benchmark

This graph displays the Council's actual net cash flow from operations as a proportion of its planned net cash flow from operations. The Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.



Additional information or comment

- Note 1: Budgets, including rates, are approved and set at the end of May each year. Between May and June, additional rates revenue arises due to growth (e.g. subdivisions, extensions) and budgets don't include this. Actual rates include this growth. This affects the Rates Affordability benchmarks.
- Note 2: The Quantified Limit used in the 2012/13 Long Term Plan is the forecast as opposed to the target in the Rates (Income) Affordability benchmark.
- Note 3: Voluntary rates (e.g. Warm Dunedin) are excluded from the quantified limits for rates in the Long Term Plans but are included in actual rates revenue in the Rates Affordability benchmarks. This is because the Council has no control over uptake of the scheme and it only effects rates of those in the scheme.
- Note 4: Debt control benchmark. The Council planned to have net assets from 2012/13 – that is, its financial assets (excluding trade and other receivables) were planned to exceed its financial liabilities. The results shown graphically above are correct. The graph shows 'benchmark met' whenever the Council is better off (either less indebted or with greater net assets) than planned. Conversely, it shows 'benchmark not met' whenever the Council is either more indebted or has less net assets than planned.

Appendix 3

Report on Council Controlled Organisations

Dunedin City Holdings Limited is Dunedin City Council's wholly owned investment company. Its purpose is to monitor and provide leadership to subsidiary and associate companies, and to deliver financial returns to the Dunedin City Council.

Dunedin City Holdings Limited

Statement of Service Performance for the Year Ended 30 June 2018

The performance targets established in the 2017/18 Statement of Intent for Dunedin City Holdings Limited and the results achieved for the year ended 30 June 2018 are as follows.

Performance Targets	Outcome Achieved
Business Objectives	
Review and approve the Statements of Intent and plans of each of the Group companies for consistency with the strategic direction of the DCC.	The review of the draft 2019 Statements of Intent of subsidiary companies were completed by 31 December 2017. Amendments were made to the Board's satisfaction. Updated and final Statements of Intent were received by the Board by 30 June 2018 and forwarded to the DCC as ultimate shareholder.
Review the operating activities of each of the group companies along with Dunedin City Holdings Limited for compliance with the goals and objectives of the Statement of Intent.	Reviews of the operating activities were performed as required by the Board of Dunedin City Holdings Limited.
Review the performance of each Group company against their Statement of Intent goals and objectives.	Continual monthly reviews of companies' performance against key Statement of Intent goals have been undertaken. Subsidiaries' performance against Statement of Intent goals also reported on to DCC on a quarterly basis.
Financial	
Monitor financial performance of each of the Group companies.	Continual monthly reviews of operating initiatives and financial performance of each of the Group companies have been undertaken, with Dunedin International Airport Limited reviewed on a quarterly basis.
Monitor the capital structure of each Group company.	The Company's Standard and Poor's long term credit rating was reaffirmed at AA in December 2017. The A1+ short term rating remained the same. Reviews of capital structure within the Group were performed at the half year and full year balance dates.
Review the capital expenditure of each of the Group companies for compliance and approval as required by Dunedin City Holdings Limited.	Continual monthly reviews of capital expenditure of each of the group companies have been undertaken, with Dunedin International Airport Limited reviewed on a quarterly basis.
Shareholders	
Engage with the shareholder annually on opportunities for the Company and/or its subsidiaries to contribute, or assist where possible, with Council's community outcomes (as listed in the annual plan).	Consideration was given to the shareholder's expectations in the annual Company's Statements of Intent.
Bring to the attention of the shareholder any strategic or operational matters where there may be conflict between the Council's community outcomes and those of the Company and seek the shareholder's view on these.	There were no matters of conflict requiring escalation to the shareholder.

Encourage each Company within the Group to act as a socially and environmentally responsible corporate citizen.	Reviews of the activities undertaken by the Group companies for purposes of being a socially and environmentally responsible corporate citizen have been undertaken throughout the year.
Keep the shareholders informed of all substantive matters.	All substantive matters were reported to the shareholder within 24 hours of the Dunedin City Holdings Ltd board becoming aware of them.
Parent Financial Forecasts <div> <div></div> <div>\$'000</div> </div> <div> <div>EBITDA</div> <div>7,133</div> </div> <div> <div>Net profit after tax</div> <div>11</div> </div> <div> <div>Cash flow from operations</div> <div>422</div> </div> <div> <div>Capital expenditure</div> <div>-</div> </div> <div> <div>Term loans</div> <div>29,000</div> </div> <div> <div>Interest/dividend distributions to shareholder</div> <div>5,902</div> </div> <div> <div>Shareholder's funds to total assets</div> <div>52%</div> </div>	Parent Achievement <div> <div></div> <div>\$'000</div> </div> <div> <div>EBITDA</div> <div>10,038</div> </div> <div> <div>Net profit after tax</div> <div>3,302</div> </div> <div> <div>Cash flow from operations</div> <div>3,345</div> </div> <div> <div>Capital expenditure</div> <div>-</div> </div> <div> <div>Term loans</div> <div>23,060</div> </div> <div> <div>Interest/dividend distributions to shareholder</div> <div>5,902</div> </div> <div> <div>Shareholder's funds to total assets</div> <div>54%</div> </div>
Group Financial Forecasts No Group forecasts were prepared in the 2017/2018 Statement of Intent. The Board of Dunedin City Holdings Limited has included Group targets in 2018/2019 Statement of Intent.	Group Achievement <div> <div></div> <div>\$'000</div> </div> <div> <div>EBITDA</div> <div>87,390</div> </div> <div> <div>Net profit after tax</div> <div>15,493</div> </div> <div> <div>Cash flow from operations</div> <div>31,892</div> </div> <div> <div>Capital expenditure</div> <div>97,489</div> </div> <div> <div>Term loans</div> <div>609,570</div> </div> <div> <div>Interest/dividend distributions to shareholder</div> <div>5,902</div> </div> <div> <div>Shareholder's funds to total assets</div> <div>28%</div> </div>

Aurora Energy Limited

Statement of Service Performance for the Year Ended 30 June 2018

The performance targets established in the 2017/18 Statement of Intent for Aurora Energy Limited, and the results achieved for the Year Ended 30 June 2018 are as follows.

Performance Targets	Outcome Achieved
Economic	
Shareholder Objectives <p>The Statement of Intent (SOI) will be submitted to and approved by Dunedin City Holdings Limited (DCHL), ensuring consistency across the DCHL Group.</p> <p>Bring to the attention of the Shareholder any strategic or operational matters where there may be a conflict between the Council's community outcomes and those of the Company.</p> <p>Keep the Shareholder informed of all substantive matters.</p> <p>Implementation and progress reporting of recommendations set out at Section 1.5.9 of the Deloitte report on Network Safety concerns.</p>	<p>The Statement of Intent for the 2018 financial year was submitted to and accepted by DCHL prior to 30 June 2017.</p> <p>Issues of potential strategic or operational conflicts were notified to the Shareholder.</p> <p>All substantive matters were reported to the Shareholder within 24 hours.</p> <p>All recommendations have been addressed. One longer term action has been carried forward to a future period.</p>
Network Operations <p>To successfully transition Aurora Energy into a self performing asset management and network operating business from 1 July 2017.</p> <p>Implementation of new procurement models by 30 June 2018.</p> <p>Consumer connections (ICP count) 88,000 average per annum.</p> <p>Energy received into the network for delivery to customers 1,400 Gigawatt hours per annum.</p> <p>Load factor $\% \geq 54.00\%$ energy into network/peak kW hours.</p> <p>Loss ratio $\% \leq 6.0\%$ energy into network less energy delivered/energy into network.</p> <p>Capacity utilisation $\% \geq 30.0\%$ peak network kW/installed distribution transformer capacity kVA.</p> <p>Customer responsiveness – achieve average network restoration times of < 4 hours for urban customers and < 6 hours for rural customers.</p> <p>≤ 60 number of events outside urban and rural restoration targets that resulted in service payments to customers.</p>	<p>Achieved. With effect from 1 July 2017, Aurora Energy directly employed around 100 staff to self perform its own asset management and operation functions.</p> <p>Not achieved. New key field service providers announced August 2018.</p> <p>Achieved. Total customer connections were 89,199 as at 31 March 2018.</p> <p>Achieved 1,400</p> <p>Not achieved - 53%</p> <p>Not achieved - 6.6%</p> <p>Achieved - 31%</p> <p>Not achieved - 81 events occurred outside of restoration targets that resulted in service payments being made.</p>
Network Reliability <p>SAIDI (<i>System Average Interruption Duration Index</i>)</p> <ul style="list-style-type: none"> - Class B interruptions planned ≤ 138.40 minutes - Class C interruptions unplanned ≤ 76.41 minutes <p>SAIFI (<i>System Average Interruption Frequency Index</i>)</p> <ul style="list-style-type: none"> - Class B interruptions planned ≤ 0.52 - Class C interruptions unplanned ≤ 1.40 	<p>Not achieved - 144.98 minutes</p> <p>Not achieved - 108.15* minutes</p> <p>Not achieved - 0.71 interruptions</p> <p>Not achieved - 2.03* interruptions</p> <p>*Class C SAIDI and SAIFI are expressed as normalised figures. Regulatory reporting allows for the effect of extreme events to be removed, resulting in normalised figures that are compared against target. The raw results for Class C SAIDI and SAIFI were 117.96 minutes and 2.10 interruptions respectively.</p>

Community, People, Safety and Environment			
Community			
Maintain community support with \$10,000 of sponsorship per annum.		\$10,103 was spent in support of community initiatives during the year. Aurora’s main community sponsorship was the Otago Science & Technology Fair.	
Promote uptake of electric vehicles with at least 2 public charging facilities connected to Aurora network.		There are five public fast chargers connected to the network, one each in Dunedin, Alexandra, Cromwell, Wanaka and Roxburgh.	
Partner with Department of Conservation in the NZ Falcon conservation project aimed at reducing risk of bird electrocution with at least 3 site installations of Falcon safe network designs.		Falcon safe network designs were tested and the findings progressively incorporated into network standards across all regions.	
Safety			
Reduce levels of recordable harm with ≤4.75 total recordable injury frequency rate (TRIFR) per 200,000 hours worked.		Aurora and its contractors achieved a TRIFR of 4.63 per 200,000 hours worked during the year.	
Zero serious harm events involving members of the public.		There were no serious harm incidents during the year involving members of the public.	
Environment			
No transgression of the environmental and resource law occurs.		There were no Resource Management Act breaches during the year.	
Financial			
Objectives			
	\$,000		\$'000
EBITDA (before subvention)	29,679	Not achieved	27,444
Net surplus (before subvention)	590	Not achieved	425
Shareholder's funds	186,899	Achieved	190,819
Cash flow from operations	29,267	Not achieved	18,448
Capital expenditure	≥ 74,916	Achieved	78,421
Term debt	249,850	Not achieved	254,550
Shareholder's funds to total assets	35%	Achieved	36%

City Forests Limited

Statement of Service Performance for the Year Ended 30 June 2018

The performance targets established in the 2017/18 Statement of Intent for City Forests Limited, and the results achieved for the year ended 30 June 2018 are as follows.

Performance Targets	Outcome Achieved
General	
The Company will achieve a 6% post-tax (or greater) return on shareholders' funds measured on a 3 year rolling average basis.	Three year rolling average return on shareholders' funds is 14.2%.
A comprehensive review of the Company's long term strategic plan will have been completed which meets the objective of a 6% post-tax return on shareholders' funds measured on a 3 year rolling average basis.	Strategy day held on 8 June 2018 involving the Board and Senior Managers. The Company's long term strategic plan was reviewed and adopted by the shareholder during the annual budget and statement of intent process. The plan incorporates a return on shareholders' funds of; 12.8%, 10.2% and 6.9% for the first 3 years measured on a forecast 3 year rolling average basis.
Opportunities for expanding the Company's scale will have been investigated.	The strategic plan incorporates a forest estate expansion program. Three new property purchases total 706ha occurred during the year and a number of opportunities were investigated. The Company divested in the Milburn Wood Processing Plant including 10.7ha of land.
No single customer will have received more than 30% of the Company's annual harvest by volume.	Our largest customer Pan Pac Otago Limited received 12.3% of the Company's annual harvest volume.
The Company will realise financial opportunities from the sale of Carbon stored in the Company forests.	The Company has regularly monitored Carbon sales price during the period and considered its Carbon Sales policy at board level. 400,000 NZU sales occurred during the period.
The Company will incorporate Carbon accounting in the strategic plan in accordance with the New Zealand Emissions Trading Scheme (ETS).	The Company's strategy plan incorporates Carbon sales. The future Carbon sequestration and surrender obligations forecast in accordance with the Company's ETS obligations are recognised in the Forest Valuation and Strategic 10 year plan.
The Company will balance and track exposure to domestic and export markets.	Domestic log production was 38.1% by volume. (44.3% last year). Export log sales were 61.9% by volume.
The Company will meet its annual supply commitments to domestic customers.	On an annualised basis all customers received their contracted volumes within plus or minus 10%. A number of domestic supply commitments were varied during the year at the request of the customer.
The Company will meet its volume commitments to export shipping and export customer contracts.	All export commitments were met however purchase wood volumes were needed to supplement Company production for some shipments.
Log Quality: log deliveries will be at least 95% within specification measured over a 12 month average basis.	Log quality sampling of 2222 logs undertaken during the period found 2.84% were out of specification.
The annual harvest as detailed in the strategic plan will be within +/- 20% of the long term sustainable yield.	The annual harvest from the Company forest estate during the year was 303,922m ³ including billet wood. This is 101.4% of the sustainable yield of 300,000m ³ . Forecast harvest levels in the long term strategic plan for the next 3 years are: 308,446m ³ , 308,557m ³ and 296,066m ³ . All are within +/- 20% of the sustainable yield.

<p>The Company will carry out annual forest inventory to measure and verify forest yield. The number of inventory plots measured will be reported.</p> <p>An annual forest health surveillance program will be in place to assess the forest estate for pests and diseases, as part of the National Surveillance Program.</p> <p>The annual fire plan will be updated and operational by September each year.</p> <p>The Company will actively participate in regional land use planning processes.</p> <p>The Company will have reviewed the best species and silvicultural management plan to apply to annual operational areas. The Company will report annually on percentage of pruned area by forest as a percentage of stocked P.rad area.</p> <p>The Company will participate in Industry Research Consortia (via the Forest levy) to ensure research objectives are in line with Company Strategy and to gain financial leverage to receive research objectives.</p> <p>At least one new forest management technique will be introduced as a result of research findings.</p> <p>The Company will participate in environmental research to minimise the use of chemicals in compliance with FSC Standards and Requirements.</p> <p>The Company will maintain supply arrangements with Otago and Southland wood processors provided customers match (or better) alternative supply options.</p> <p>Annual supply volumes to major wood processors (Pan Pac, Craigpine, Niagara & Dongwha) will be tracked and reported.</p> <p>The volume of wood supplied to Bioenergy uses (excluding Firewood).</p> <p>Lost time accident rates for staff and contractors will be reduced to a maximum 25 lost time injuries per 1,000,000 hours.</p>	<p>The Company completed 474 inventory plots during the period.</p> <p>The forest industry wide biosecurity surveillance program was operational during the year.</p> <p>Fire plan update was completed in September 2017 prior to the start of the fire season.</p> <p>The Company actively participated with the Otago Regional Council's implementation of the National Environmental Standard for Plantation Forestry.</p> <p>A comprehensive forest growing performance improvement program continued during the year incorporating input from Scion lead researchers. Pruned P.rad Percentage by Forest is:</p> <table data-bbox="837 638 1061 817"> <tr> <td>Silverpeaks</td><td>62%</td></tr> <tr> <td>Flagstaff</td><td>74%</td></tr> <tr> <td>Waipori</td><td>30%</td></tr> <tr> <td>Tokoiti</td><td>43%</td></tr> <tr> <td>Total</td><td>45%</td></tr> </table> <p>The Company has paid the Forest Growers Levy. Two staff are members of committees (through the Forest Owners Association) which are part of the process of allocating levy research funds. The Company Forest Levy contribution is pooled with industry and Government funds achieving considerable financial leverage enabling significant research to be undertaken.</p> <p>Forest management thinning plans have been modified to increase site productivity as a result of research results. A significant long-term productivity trial is being established in Tokoiti Forest.</p> <p>Company staff are represented on the Forest Owners Association, Forest Environment Committee, which recommends and monitors Forest Industry Levy research spend on chemical trials. Herbicide and cutover over-sowing testing was conducted during the period.</p> <p>Otago and Southland wood processors receive supply volumes in accordance with the annual plan. Pricing is negotiated each quarter. Customers have been given the option to decline or reduce supply if they are unable to match returns from alternative supply options (log export) and this occurred by agreement with some customers for limited periods during the year.</p> <p>Otago & Southland wood processors were supplied the following volumes during the period:</p> <table data-bbox="837 1612 1085 1848"> <tr> <td>Pan Pac</td><td>37,235m³</td></tr> <tr> <td>Craigpine</td><td>17,734m³</td></tr> <tr> <td>Niagara</td><td>13,149m³</td></tr> <tr> <td>Hollows</td><td>10,207m³</td></tr> <tr> <td>Dongwha</td><td>12,380m³</td></tr> <tr> <td>Bioenergy</td><td>7834m³</td></tr> </table> <p>Lost time accident rate for staff and contractors was 31.7 lost time injuries per 1,000,000 hours. (7.1 last year).</p>	Silverpeaks	62%	Flagstaff	74%	Waipori	30%	Tokoiti	43%	Total	45%	Pan Pac	37,235m ³	Craigpine	17,734m ³	Niagara	13,149m ³	Hollows	10,207m ³	Dongwha	12,380m ³	Bioenergy	7834m ³
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<p>The Company will carry out pre-employment, just cause and random drug & alcohol testing of staff and the contract workforce. The number of tests and percentage of positive tests results will be reported.</p> <p>Maintain Forest Stewardship Council Certification of the Company's forests.</p> <p>A current forest management plan will be in place (as required by FSC standards) which identifies social and environmental, as well as economic outputs.</p> <p>The Company will work with partners (DOC, University of Otago, etc) to maintain and enhance threatened and endangered (RT&E) species on and around the Company estate. Sponsorship amounts for these activities will be reported annually.</p> <p>The Company will have in place an environmental management system which will include procedures for sustainability monitoring. Results of water sampling and reserve area environmental assessments will be publicly available on the Company's website.</p> <p>Every staff member will have a training plan.</p> <p>Harvesting and Silvicultural Contractors will be required to have training plans in place for their employees. The Company will report on the number of National Certificates achieved by its workforce each year.</p> <p>The Company will engage with its contractors to participate in Modern Apprenticeship programs. The number of apprentices working in Company operations will be reported each year.</p> <p>Each harvesting crew will utilise trained tree fellers, breaker outs and log makers.</p> <p>There will be "nil" instances of non-compliance with the Company's EEO policy.</p> <p>The Company's forest management plans will have a section allocated to Recreation and Educational use of the forests.</p> <p>The Company will maintain a Forest Access Permit system, track and report on recreational use statistics.</p> <p>The Company will track and report on the distance of public walking and mountain bike tracks in the Company's forests.</p> <p>To contribute to, or assist where possible, with the Dunedin City Council community outcomes (as listed in the Annual Plan). The Company will be mindful the ultimate shareholder is the custodian of the community's interest and accepts that a greater need for consultation may be required.</p> <p>Kaitiakitangi (Guardianship and Protection). To purchase green fields and / or established forests as economic conditions allow.</p>	<p>116 tests were conducted during the period. One positive random test was recorded, being 0.86%.</p> <p>Forest Stewardship Council Certification was maintained following audit in 2017.</p> <p>The Company has a set of comprehensive forest management plans that have been externally audited as part of the Company maintaining FSC certification.</p> <p>Sponsorship of \$5000 was donated to research and conservation of the NZ Falcon in a collaborated research project with a neighbouring forest owner.</p> <p>An environmental management system is in place with on-going monitoring of environmental values. This is available on the Company's website and includes water, soil disturbance and reserve biodiversity monitoring.</p> <p>Forest staff members have training plans. Other training provided as necessary. Contractors have training plans for their employees.</p> <p>Company Staff, Contractors and their employees achieved 11 National Certificates during the year.</p> <p>At 30 June 2018 no modern apprentices were employed in Company operations as all have completed their apprenticeships.</p> <p>Each harvest crew has multiple trained employees for all three listed tasks. A training matrix is in place to track compliance.</p> <p>There were no instances of non-compliance with the Company's EEO policy.</p> <p>The Company's forest management plans have sections allocated to recreation and education.</p> <p>Recreation use is monitored through forest access permit issuance. 201 forest access permits were issued during the year.</p> <p>The Company has 8.2km of walking tracks and 20.9km of mountain bike tracks in its forests.</p> <p>The Company's financial, sustainability, environmental and recreational achievements compliment the annual plan and are reported quarterly by exception to the ultimate shareholder (DCC) by the Holding Company. No issues of conflict with the DCC Annual plan have been identified and therefore no additional consultation has been required.</p> <p>Company has purchased 706ha of land during the period incorporating approximately 78ha of standing forest.</p>
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<i>Financial</i>			
Targets		Achievements	
	\$'000		\$'000
Profit before income tax	14,887	Profit before income tax	33,055
Profit after income tax	10,714	Profit after income tax	23,913
Shareholder's equity	134,362	Shareholder's equity	160,343
Normal dividend	5,000	Normal dividend	5,000
Special dividend	-	Special dividend	3,000
Operating cashflow	11,994	Operating cashflow	15,353
Capex	4,555	Capex	6,236
Term debt	22,593	Term debt	15,100

Delta Utility Services Limited

Statement of Service Performance for the Year Ended 30 June 2018

The performance targets established in the 2017/18 Statement of Intent for Delta Utility Services Limited, and the results achieved for the year ended 30 June 2018 are as follows.

Performance Targets	Outcome Achieved
<i>The Shareholder</i>	
Consult with the Shareholder on matters to be included in the Company's Statement of Intent.	Achieved. The Statement of Intent for the 2018 financial year was submitted to and accepted by DCHL prior to 30 June 2017.
Bring to the attention of the Shareholder any strategic or operational matters where there may be conflict between the Council's community outcomes and/or the Ministers' expectations and those of the Company and seek the Shareholders view on these.	Achieved. Monthly KPI reports and financial information was provided to DCHL in line with the agreed timetable.
Keep the Shareholder informed of all substantive matters.	Achieved. Board reports were produced and meetings were held each month to review the Company's compliance with goals and objectives stated in the SOI and Strategic Plan.
<i>Community, People, Safety and Environment</i>	
Community	
Make positive contribution to our community with \$25,000 of sponsorship per annum.	Achieved. Over \$40,000 was paid in sponsorship / donations to community groups during the year.
Support community recreation and visitor experience by achieving KPIs on service contracts.	Achieved. Target KPI's were maintained or exceeded on average throughout the year.
People	
Support Delta apprenticeship scheme. Average number of apprentices in the scheme of 10 or more per annum.	Achieved. The average apprentices in the scheme was over 25 during the period.
Monitor absences due to illness. Lower than 2.5% sick leave based on hours.	Achieved. Staff sick leave was 1.6% of total hours during the year.
Monitor voluntary leavers relative to permanent staff. Below 15.0% staff turnover.	Achieved - Voluntary staff turnover was 14.4% over the 2017/18 year.

Safety			
Reduce harm to employees and contractors with ≤ 4.75 total recordable injury frequency rate (TRIFR) per 200,000 hours worked.		Not achieved. Although the TRIFR achieved for the year was 3.76 per 200,000 hours worked, the outcome has been noted as not achieved due to an employee fatality in November 2017.	
Zero serious harm events involving members of the public.		Achieved. There were no actual serious harm incidents during the year involving the public.	
Maintain tertiary level ACC workplace management practices accreditation. Obtain.		Achieved. All accreditation was maintained.	
Environment			
Maintain all existing environmental accreditations held during the year.		Achieved. All environmental accreditations were maintained.	
Maintain full compliance with the Resource Management Act (RMA). Zero breaches.		Achieved. There were no RMA breaches during the year.	
Maintain or lower fuel efficiency to ≤ 9.75 litres fuel used per 100 kilometres.		Achieved. Fuel efficiency across the Delta light commercial fleet was calculated at 9.74 litres per 100 kilometres.	
Economic			
Maintain essential infrastructure to support Dunedin City Council's strategy to be one of the world's great small cities. Deliver maintenance services per contractual arrangements.		Achieved. Delta met or exceeded its KPI's on contracts held with Aurora Energy and the Dunedin City Council throughout the year.	
Financial			
	\$'000		\$'000
EBITDA	9,509	Not achieved	9,378
Net profit after income tax	2,440	Achieved	3,776
Shareholder's funds	19,979	Achieved	22,122
Cash flow from operations ¹	6,101	Not achieved	3,924
Capital expenditure	≤ 8,780	Achieved	3,938
Term debt	≤ 30,490	Achieved	26,100
Dividends	1,750	Achieved	1,750
Shareholder's funds to total assets	30%	Achieved	36%
¹ The company references a Cash flow from operations of \$9.328 million in its 2017/2018 Statement of Intent. It has since been noted that \$6.101 million was in fact the target for cash flow from operations. The correct target for cash flow from operations was \$6.101 million as per the table above.			

Dunedin City Treasury Limited

Statement of Service Performance for the Year Ended 30 June 2018

The performance targets established in the 2017/18 Statement of Intent for Dunedin City Treasury Limited, and the results achieved for the year ended 30 June 2018 are as follows.

Performance Targets		Outcome Achieved	
<i>Economic</i>			
Zero breaches of the policies pertaining to Dunedin City Treasury Limited.		Achieved. There were no breaches of policies pertaining to Dunedin City Treasury Limited.	
A variety of funding sources are used for the level of funds required by the DCC Group and complying with the DCC policies on the maturity profile of borrowing.		Achieved. During the year the Company successfully issued: - 16 tranches of promissory notes - 1 tranche of Floating rate notes - 1 bond at rates which were consistent or better than organisations with similar ratings.	
All funds invested outside the DCC Group have satisfied DCC policies.		Achieved. All funds invested outside the DCC Group have satisfied DCC policies.	
Continued maintenance to an interest rate reset profile in accordance with DCC policies.		Achieved.	
Regular reporting of the Company's achievement against defined benchmarks.		Achieved. Reporting achievements against defined benchmarks are provided to the Board monthly and quarterly.	
Manage the 'Waipori Fund' fully as set by Council and meet performance benchmarks.		Achieved - The 'Waipori Fund' recorded a return for the year of \$6,554,078 which is a return of 7.8%. After deduction of inflation of 1.1%, the 'real' return is 6.7%.	
Advise shareholder within 1 business day of any breaches of policy.		Achieved. There were no breaches of policy that were required to be reported to the shareholder.	
Advise shareholder within 24 hours of any substantive matter.		Achieved. There were no substantive matters to be reported to the shareholder.	
<i>Financial</i>			
Targets		Achievement	
	\$'000		\$'000
Net profit after tax	1	Net profit after tax	171
Cash flow from operations	5	Cash flow from operations	324
Capital expenditure	-	Capital expenditure	9
Term loans	624,900	Term loans	609,570
Shareholder's funds to total assets	0.4%	Shareholder's funds to total assets	-1.3%

Dunedin International Airport Limited

Statement of Service Performance for the Year Ended 30 June 2018

The performance targets established in the 2017/18 Statement of Intent for Dunedin International Airport Limited, and the results achieved for the Year Ended 30 June 2018 are as follows.

Performance Targets	Outcome Achieved
Safety and Compliance	
TO MAKE SAFETY AND SECURITY OUR FIRST PRIORITY	
To work with our staff and stakeholders to maximise safety on site for all staff and visitors.	
Hold a minimum of 2 airport Health and Safety Committee meetings each year. Achieved	Two Health and Safety Committee Meetings took place. One meeting took place with a newly elected committee operating under a new Terms of Reference.
Review the Health and Safety Plan with the Health and Safety Committee each year. Achieved	The new committee reviewed the plan, objectives and hazards. The previous plan was extended to make any future changes align with a new Safety Management System (SMS) currently being built.
Review health and safety objectives with the Health and Safety Committee each year. Achieved	Objectives were minimised and aligned to the company values.
Attend a minimum of 2 of our stakeholder's Health and Safety meetings each year. Achieved	In this reporting period, the airport Safety and Compliance Manager has had a one-on-one meeting with stakeholder staff responsible for Health and Safety, as well as attending Health and Safety meetings of both our major domestic airline partners. The airport Safety and Compliance Manager has attended numerous meetings with high stakeholder engagement where safety was a central consideration.
Report on health and safety management and provide statistical data to the company's monthly board meetings. Achieved	Health and Safety management is reported via: <ul style="list-style-type: none"> • Monthly Board reports with both statistical data and commentary via a H&S dashboard. • Safety Alerts / memos issued to relevant stakeholder • Quarterly Board Health and Safety committee reporting period, with increased oversight at a governance level.
DIAL staff Lost Time Incident Frequency Rate (LTIF) target of zero. Achieved	In the reporting period, no injuries were sustained that resulted in lost time.
Maintain our CAA Part 139 operating certificate.	
Successfully achieve compliance in our annual CAA safety and security audits with no major findings. Achieved	The annual CAA Security Audit undertaken during the reporting period reported no major findings.
Conduct an annual internal audit of our CAA safety and security systems. Achieved	The annual internal audit was completed in May 2018. Minor findings identified were addressed.
Proactively manage Wildlife Hazards	
Strike rate of less than 5 per 10,000 aircraft movements. Not Achieved	The 12-month moving average strike rate for the period ending June 2018 was 7.5 per 10,000 aircraft movements. This results in Dunedin Airport being classified as medium risk by the Civil Aviation Authority (CAA), due to the slight upward trend in strike rate.

<p>Near-miss strike rate of less than 10 per 10,000 aircraft movements.</p> <p>Not Achieved</p>	<p>CAA have now ceased reporting on the Near-miss rate per 10,000 aircraft movements.</p> <p>The airport commissioned the expertise of an international airport wildlife hazard management agency (AVISURE), to undertake a complete wildlife risk assessment and critical review of the airport's wildlife hazard management practices. This work commenced in the 2018 financial year and will be finalised in 2019 financial year.</p>
Maintain food hygiene standards at Momona Garage.	
<p>Maintain grade 'A' food hygiene certificate.</p> <p>Achieved</p>	<p>The Dunedin City Council (DCC) carried out the annual inspection of the Momona Garage and a Grade A was issued on 31 July 2017. This is due for renewal in August 2018.</p>
TO BE ENVIRONMENTALLY RESPONSIBLE	
Maintain our obligations on any current resource consents in place.	
<p>Report as required to the Otago Regional Council each year on bore water consent RM 11,369.01.</p> <p>Achieved</p>	<p>The annual report for consent RM 11,369.01 for bore water was issued to the Otago Regional Council (ORC) in August 2017. Additionally, the current year report was submitted in August 2018. Both reports were accepted with no issues raised.</p>
<p>Report as required to the Otago Regional Council on sewage discharge consent 2004.309.</p> <p>Achieved</p>	<p>Monthly reporting and an annual report for consent 2004.309 for sewage discharge was issued to the ORC in July 2018 covering the 2018 financial year. The report was accepted. The ORC remains engaged with the airport on some exceedances in Phosphorus and Ammoniacal Nitrogen levels during the reporting period. The ORC commended the airport for our proactive stance in remedying these issues. No enforcement or improvement notices have been raised.</p>
<p>Maintain voluntary annual reporting to the Otago Regional Council on de-icing fluid usage at the airport.</p> <p>Achieved</p>	<p>2018 report on de-icing fluid usage will be submitted at the end of Winter. The 2017 usage report was submitted and accepted by the ORC.</p>
Maintain high quality dairy farming practices.	
<p>No 'Critical' findings raised by any Fonterra dairy farm inspections.</p> <p>Achieved</p>	<p>Both of the airports dairy farms were inspected by Fonterra in April 2018 with no critical findings.</p>
Financial	
TO OPTIMISE COMMERCIAL RETURN TO OUR SHAREHOLDERS	
Achieve increased revenues from non-aeronautical activities compared to the previous year.	
<p>Increase total non-aeronautical revenue by a minimum of 2.0%.</p> <p>Achieved</p>	<p>Non-aeronautical income (excluding interest income, dividends received, gain on sale of fixed assets, and gains on fair value movements of investments) was 6.4% above last year. The primary reason for this increase was an 8.6% increase in revenue from the airport owned garage as fuel prices continued to rise.</p> <p>Airport owned dairy farms recorded a 13.6% increase in revenue against prior year as a result of the dairy industry rebounding from 2016 historical lows. This was in the context of total farm milk production decreasing by 1.0%.</p> <p>Additionally, parking revenue increased 2.7% against prior years as a result of an increase in the number of domestic flights and passengers. There was no increase in parking fees during the year.</p>

On-going monitoring and refinement of the company's risk strategy.	
Monthly financial report to the Board. Achieved	Monthly and Quarterly Financial Reports were circulated to the Board for review and comment.
Quarterly financial statements, cash flows and aircraft and passenger activity to the Board and Shareholders. Achieved	Quarterly Shareholder Reports including financial statements, cash flows, aircraft and passenger movements are reviewed and approved by the Board prior to being sent to shareholders.
Six monthly risk analysis undertaken and reported to the Board. Not achieved	In the first half of the year we conducted a full review of our corporate and operational business risks and associated reporting which was not completed until March 2018. As such, the Risk Analysis Report was not prepared for the six months ended December 2017. The Risk Analysis Report for the six months ended June 2018 was distributed and analysed. Six monthly Statutory Compliance Reports were circulated to the Board for review and comment.
Business Development	
INCREASE PASSENGER NUMBERS	
Partner with our airline, airport, City and tourism industry.	
Conduct stakeholder engagement surveys once a year with our major airlines, City and industry partners to review the strength of the relationships. Achieved	A stakeholder relationship survey was conducted this year. This survey was sent to 40 stakeholders. The results were very positive and indicated collaborative and strong relationships between Dunedin Airport and our stakeholders.
Invest in strategic route development opportunities. Achieved	We continue to work with our airline partners to sustain our trans-Tasman service and identify new route opportunities both on the Tasman and domestically. We have met with our airline partners regularly and shared with them market information to demonstrate demand in the market for additional trans-Tasman services. This year we engaged aviation consultants to present to the Dunedin City Holdings Board to reiterate the importance of sustaining and growing our Tasman service.
Invest in a minimum of 2 promotional campaigns a year jointly with airlines and our industry partners. Achieved	We invested in approximately 24 campaigns with our airline and industry partners focusing on both promotion of domestic and trans-Tasman services in and out of Dunedin.
TO DEVELOP & STRENGTHEN OUR PARTNERSHIPS	
Implement initiatives to improve the performance of non-aeronautical activities.	
Conduct stakeholder engagement surveys once a year with our major non-aeronautical business partners to review the strength of the relationships. Achieved	A stakeholder relationship survey was conducted this year. This survey was sent to 40 stakeholders. The results were very positive and indicated collaborative and strong relationships between Dunedin Airport and our stakeholders.
Develop and maintain productive relationships with our non-aeronautical business partners and identify opportunities to implement initiatives to improve business performance. Achieved	A Marketing Manager was employed in July last year. This role has been instrumental in ensuring regular communication and collaboration with our Airport retail, food and beverage partners, along with identifying ways to increase revenue through our conference centre. A new food and beverage partner, Airspresso, joined the Airport this year, a great addition to our Airport offering. We continue to focus on creating stronger and more collaborative relationships with our airport partners.

<i>Our Customers</i>	
TO PROVIDE THE BEST CUSTOMER SERVICE EXPERIENCE	
Provide high standards of service to our customers and recognise the role the airport plays in connecting our customers to the Dunedin experience.	
Produce quarterly reports from our continuous customer satisfaction surveys. Achieved	Customer services surveys are run continuously through the terminal WiFi and results are tracked quarterly and reported back to our Airport team and our business/ airline partners.
Strive for continuous improvement across all areas of customer service. Achieved	An average rating of “good” or better across all areas of customer service was achieved.
Ensure all airside infrastructure maintenance causes no delays to airline operations.	
No delays to regular scheduled passenger operations. Achieved	All airside work is controlled under an approved Method of Work Plan (MOWP) which resulted in no delays to any aircraft operations with any of our airline partners due to airside maintenance work. There was one airport attributable delay to airline operations during the reporting period caused by a faulty sensor on an airbridge.
Ensure the future of the airport is protected.	
Promote the airports needs for inclusion in the Second-Generation District Plan (2GP). Achieved	We have done no further work on the 2GP this year. The council are in deliberation and the next step will see Council release draft proposals.
Create, maintain and protect the Airport Master Plan. Achieved	The reviewed Airport Master Plan was completed in 2018 and approved by the Board. We must now consider how to present the plan to our shareholders and community.
<i>Our People</i>	
TO BE A GREAT PLACE TO WORK	
To provide relevant training to our staff.	
Ensure recurrent safety training for all staff is provided. Achieved	All Required recurrent safety and compliance training for staff has been undertaken which Includes but is not limited to: <ul style="list-style-type: none"> • First Aid refresher training • Basic Life Support/Pre-Hospital Emergency Care (PHEC) training for AES staff (refreshers and new staff) • Rescue Fire Annual Competency training • Rescue Fire Annual Hot Fire training • NZQN Level 3 & Level 4 Health & Safety representative training • Elevated work platform (EWP) training • Fire extinguisher training
Invest a minimum of 0.1% of prior year operating revenue to staff training. Achieved	\$92,270 was invested in staff training during the year.
To recognise and review staff performance.	
Each staff member to have a formal annual performance review. Achieved	All staff members had their Annual Employee Performance Review completed in 2018 financial year.

Ensure that our staff are engaged with the company's Vision, Purpose and Values.	
Conduct an annual staff engagement survey. Not achieved	This year the airport has been in recruitment mode, bringing on a significant number of new members to the team before the end of 2018. The number of employees increased by over 40%. In advance of undertaking the staff engagement survey we questioned the value vs purpose of the staff engagement survey, including through consultation with our HR consultants, due to the high proportion of short term employees. Based on our assessment of this advice we decided it was better to postpone the staff engagement survey until February 2019 to ensure more meaningful results.
Strive for continuous improvement across all areas of staff engagement. Achieved	As employers we are always striving for continued development in staff engagement. This is achieved by constant all of staff communications, staff meetings and our investment in training.
<i>Our Community</i>	
TO CONNECT & ENGAGE WITH OUR PLACE	
Provide sponsorship to community events and organisations.	
Invest 0.25% of prior year operating revenue to sponsorship. Achieved	This year we distributed \$59,900 to the following organisations/events: <ul style="list-style-type: none"> • DCC - TRENZ • OUSA Beer and Food Festival 2017 • Yellow Eyed Penguin Trust • Wild Dunedin Festival 2018 • Tourism Waitaki • Christmas Choirs • Momona Playcentre • iD Fashion Event 2018
Engage with our community and share information.	
Conduct a minimum of 10 school or community group visits per year. Achieved	13 organised community airport visits were facilitated this year by our airport customer service and Airport Emergency Services teams who welcomed more than 510 adults and children to the airport. These visits continue to be an important part of our community engagement strategy and create a stronger connection between the airport, City and region.
Arrange for the Airport team to work within the community once a year. Achieved	During the Christmas period the Airport team engaged with the local Momona playcentre to bring some Christmas cheer to both the playcentre helpers and children. This included Christmas gifts, Santa on a Rescue Fire truck and morning tea.
Initiate opportunities to speak to the community, stakeholders and organisations. Achieved	A number of public speaking engagements have been undertaken this year by CEO and GM Business Development.
Act as a socially and environmentally responsible corporate citizen.	
Develop and implement sustainable practices for our waste streams. Achieved	Implementation of back of house recycling streams commenced in March 18. Average landfill diversion rate for the Jun- Feb period was 18.5% and the average diversion rate for the Mar-Jul period was 25.8% for the airport waste stream, an increase of over 7%. Full front of house recycling is due for implementation during FY18/19. The Momona village recycling continued to perform well with an increase from 54% to 67% of all waste being recycled.

Use NZ manufactured and/or supplied goods where possible.	
In accordance with the Procurement Policy, NZ manufactured or supplied goods will be used wherever possible. Achieved	Dunedin Airport only has procurement relationships with organisations outside of New Zealand with the following companies: <ul style="list-style-type: none"> o Three Consulting of Sydney for Aviation Strategy and Route Business case o Tourism Futures – Dunedin Aviation Monitoring Report
Shareholders	
TO CONNECT & ENGAGE WITH OUR PLACE	
Consult with shareholders on matters to be included in the company’s Statement of Intent.	
Prepare annually the company’s Statement of Intent having given consideration to shareholders expectations. Achieved	The Company’s Statement of Corporate Intent was submitted to both shareholders for review and comment and subsequently approved in a timely manner as required.
Consult with shareholders at the earliest possible time on matters where conflict may or could result.	
Report to and consult with shareholders on matters where the company’s and shareholders requirements are in conflict. Achieved	No such areas of conflict arose during the year.
On a “no surprises” basis advise shareholders promptly of any substantive matter that has the potential to impact negatively on shareholders and the company with a particular focus on matters of interest to the media.	
Report to shareholders within 24 hours substantive matters which have the potential to impact negatively on shareholders and the company with a particular focus on matters of interest to the media. Achieved	Dunedin Airport maintained communication with its shareholders through regular quarterly reporting.

Dunedin Stadium Property Limited

Statement of Service Performance for the Year Ended 30 June 2018

The performance targets established in the 2017/18 Statement of Intent for Dunedin Venues Limited, and the results achieved for the Year Ended 30 June 2018 are as follows.

Performance Targets		Outcome Achieved	
Economic			
Statement of Intent is consistent with the objectives of the shareholder.		Achieved. Statement of Intent is consistent with the objectives of the shareholder.	
Operating activities are compliant with the goals and objectives stated in the Statement of Intent.		Achieved. The operating activities of Dunedin Stadium Property Limited are compliant with the objectives stated in the Statement of Intent.	
Assets are maintained at an operational level. Asset maintenance is compliant with the asset management timetable. - The asset management plan is reviewed annually.		Not achieved. A review of the asset management timetable during the year deemed the budgeted capital expenditure of \$157,000 as unnecessary. This amount was not spent during the year. Separately, WSP Opus completed a formal asset condition assessment during the year that confirmed that the stadium is in good condition. Not achieved. In June 2018 the DSPL board reviewed and approved the asset management plan schedules supplied by WSP Opus. The schedules form the basis of the full asset management plan report. The full report will be received in August 2018.	
Reduce debt over time.		Achieved. The debt has been reduced by \$3,560,000 to \$89,375,000 at the end of the financial year.	
Consult with the shareholder where conflict with the Council's community outcomes may or could result.		Achieved. There were no matters requiring escalation to the shareholder.	
To report matters of substance to the Shareholder within 24 hours of the board becoming aware.		Achieved. There are no matters of substance to report to the shareholder.	
Financial			
Targets			
	\$'000		\$'000
EBITDA	7,352	EBITDA	3,703
Net profit (loss)	(2,608)	Net profit (loss)	(7,619)
Operating cash flow from operations	3,149	Operating cash flow from operations	(506)
Capital expenditure	157	Capital expenditure	-
Term loans	87,400	Term loans	89,375
Shareholder's funds to total assets	48%	Shareholder's funds to total assets	46%
The financial forecasts in the Statement of Intent were impacted by reduced subventions receipts. The Company continues to work with Dunedin City Holdings Limited and its subsidiary companies on maintaining the cash funding model that has been in place through subvention receipts. The operating loss before subventions for the year of \$9,529,000 is consistent with the budgeted operating loss before subventions of \$9,703,000.			

Dunedin Venues Management Limited

Statement of Service Performance for the Year Ended 30 June 2018

The performance targets established in the 2017/18 Statement of Intent for Dunedin Venues Management Limited, and the results achieved for the Year Ended 30 June 2018 are as follows.

Performance Targets		Outcome Achieved	
Safety and Compliance			
Health and Safety Plan has been reviewed.		The current Safety and Wellness Strategic Plan has been reviewed by the Health and Safety Committee during the year.	
Minimum of 11 Health and Safety Committee meetings held per year.		The Health and Safety Committee formally met on two occasions. As a result of the Gap Analysis Review a number of further collective and individual meetings have taken place involving wider stakeholders.	
Conduct a staff survey to gauge their understanding on Health and Safety procedures.		During the year, SafePlus have undertaken an assessment (engagement survey) in conjunction with Worksafe NZ, ACC, and the Ministry of Business, Innovation and Employment to gauge staff understanding on Health and Safety Procedures. The survey showed that staff had a good understanding of policies and procedures.	
TIR rate of <2 incidents per 200,000 hours worked.		The TIR was 12 incidents per 200,000 hours worked.	
A TIR rate of less than 0.05% of the total number of people attending events and the venues.		The TIR rate was 0.041% of the total number of people attending events and the venues.	
Facilities and infrastructure are maintained as fit for purpose and in accordance with the Asset Management Plan (AMP) entered into with Dunedin Stadium Property Limited (DSPL).		To ensure Forsyth Barr Stadium complies with the AMP entered into with DSPL, DVML undertakes the following: <ul style="list-style-type: none">• Ensure all warranties and compliance at Forsyth Barr Stadium are maintained as per manufacturers specifications and or local legislation.• Provide to DSPL for each board meeting updates on the AMP, warranty and compliance and any significant maintenance undertaken.• Engage respected service providers to carry out works as part of Service Level Agreements.• Engaged Opus to update the AMP. Part of this involved a condition assessment of the Forsyth Barr Stadium. The Stadium was found to be in good condition.	
Completed independent annual safety audit and any improvements/recommendations are implemented. DVML is not in breach of its statutory obligations.		During the year, the Company engaged SafePlus to complete an onsite assessment of workplace health and safety at DVML. There were no identified breaches of statutory obligations during the year.	
Financial			
Achieve budget results.			
Targets		Achievement	
	\$'000		\$'000
EBITDA	1,380	EBITDA	1,359
Net profit after tax	670	Net Profit After Tax	602
Operating cash flow	1,260	Operating Cash Flow	724
Capital expenditure	370	Capital Expenditure	241
Shareholder's funds to total assets	0.40 : 1	Shareholder's funds to total assets	0.33 : 1
Dividend	-	Dividend	-

Achieve a 15:1 return on investment of the Event Attraction Fund.	<p>The overall return on investment of the Event Attraction Fund for 2017/18 was:</p> <table> <tr> <th>Event</th><th>Return</th></tr> <tr> <td>Stevie Nicks</td><td>19:1</td></tr> <tr> <td>Roger Waters</td><td>20:1</td></tr> <tr> <td>Robbie Williams</td><td>17:1</td></tr> <tr> <td>Ed Sheeran</td><td>60:1</td></tr> <tr> <td>Total</td><td>40:1</td></tr> </table>	Event	Return	Stevie Nicks	19:1	Roger Waters	20:1	Robbie Williams	17:1	Ed Sheeran	60:1	Total	40:1
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	<p>A breakdown of the return on investment for the previous financial year was as follows:</p> <table> <tr> <th>Event</th><th>Return</th></tr> <tr> <td>D1 Drifting</td><td>13:1</td></tr> <tr> <td>Black Caps v South Africa</td><td>9:1</td></tr> <tr> <td>Bulldogs v Warriors</td><td>11:1</td></tr> <tr> <td>Total</td><td>11:1</td></tr> </table>	Event	Return	D1 Drifting	13:1	Black Caps v South Africa	9:1	Bulldogs v Warriors	11:1	Total	11:1		
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No unplanned call on capital.	There has been no unplanned call on capital during the 2017/18 year.												
Marketing and Business Objectives													
Improved contribution to DVML's financial performance and reputation for service excellence.	DVML continues to develop and enhance its event delivery across all sectors of the industry. Ed Sheeran saw the introduction of a new Stadium footprint to enhance the fan engagement and a Stadium flyover model was created for social media. DVML also utilised local App company My Little Local and hosted an event button for Ed Sheeran and All Blacks v France. At this year's Women You Can Bank On, new technology was introduced through Tablehub, a new innovation for a table centre piece.												
Increasing the number and value of hire days in DVML's venues.	There was a total of 540 events (2017: 504) representing 676 event days (2017: 603) during the year.												
We have established a benchmark for monitoring effectiveness across all digital platforms.	DVML continues to work on its expanded social media channels reach and engagement of content, integrated digital campaigns into the greater marketing campaign, and increased digital media via video content in new media, e.g. on demand advertising, Stuff and Fairfax, and social media platforms.												
A full calendar of quality events across all DVML's venues that provide economic benefit and positive community engagement to Dunedin City.	There was a total of 540 events (2017: 504 events) representing 676 event days (2017: 603 event days). Economic benefit from major events at Forsyth Barr Stadium and the University of Otago Oval was \$67.3 million (2017: \$4.1 million). Economic benefit from the Dunedin Centre was \$8.3 million.												
Achieve 150 new memberships.	A total of 131 memberships were sold during the year (2017: 142).												
Survey Members for satisfaction level – minimum 80% satisfaction to be achieved.	A survey of members showed Members' satisfaction level of 92%.												
Human Resources													
Attract and retain key staff.	Staff turnover was 17% for the year (2017: 11%).												
Conduct a confidential staff survey, achieve 80% satisfaction and improvements/recommendations are implemented.	During the year, the Company conducted a confidential staff survey which focused on seeking employees' views and opinions on engagement and satisfaction. The survey showed that of all staff who responded, an average of 15% disagreed, 24% had a neutral opinion, and 61% agreed to the statements on engagement and satisfaction.												

Shareholder																											
Submit annually DVML's Statement of Intent having given consideration to Dunedin City Council's expectations.	DVML's Statement of Intent was submitted within Dunedin City Holdings Limited timeframes after taking into consideration the requirements of Dunedin City Holdings Limited.																										
Matters have been escalated to the shareholder.	There were no matters, where there may be conflict between the Dunedin City Holdings Limited outcomes, that required escalation to the shareholder.																										
Report to Dunedin City Holdings Limited within 24 hours of the board becoming aware of substantive matters which have the potential to negatively impact on the shareholder and the company with a particular focus on matters of interest to the media.	There were no matters, which may have the potential to negatively impact on the shareholder and the company, that were required to be reported to Dunedin City Holdings Limited.																										
Social and Wellbeing																											
Positive community feedback and less than two LGOIMA requests annually.	There were no LGOIMA requests in the year to 30 June 2018 (2017: nil).																										
Report to the Dunedin City Council 6 monthly on the application of the Service Level Agreement for Community Event Funding to ensure it is applied efficiently and caters to a variety of events and community groups.	Two reports were provided to the Dunedin City Council on the application of the Service Level Agreement for Community Event Funding. One for the 6 months to 31 December 2017 and a further one for the full year to 30 June 2018.																										
Senior management conduct a minimum of five speaking engagements.	Senior management conducted eight speaking engagements for the year.																										
Economic Development Strategy																											
Achieve a minimum of \$5m visitor spend per each major event (>10,000 pax) for Dunedin City.	<p>The Economic Impact for major events in the year to 30 June 2018 were as follows:</p> <table> <tr> <th>Event</th><th>Economic Benefit \$'000</th></tr> <tr> <td>Stevie Nicks*</td><td>3,600</td></tr> <tr> <td>All Blacks v Australia</td><td>9,300</td></tr> <tr> <td>All Blacks v France*</td><td>9,300</td></tr> <tr> <td>Roger Waters</td><td>3,900</td></tr> <tr> <td>Robbie Williams</td><td>3,310</td></tr> <tr> <td>Ed Sheeran</td><td>37,900</td></tr> <tr> <td>Total</td><td>67,310</td></tr> </table> <p>* Data was not available at the time of preparing this report. For Stevie Nicks an estimate has been made based on the economic impact of the Roger Waters concert. For All Blacks v France, an estimate has been made based on the economic impact of the All Blacks vs Australia Test held at Forsyth Barr Stadium on 26 August 2017.</p> <p>The Economic Impact for major events for the previous year was as follows:</p> <table> <tr> <th>Event</th><th>Economic Benefit \$'000</th></tr> <tr> <td>D1 Drifting</td><td>856</td></tr> <tr> <td>Black Caps v South Africa</td><td>1,200</td></tr> <tr> <td>Bulldogs v Warriors</td><td>3,000</td></tr> <tr> <td>Total</td><td>5,056</td></tr> </table>	Event	Economic Benefit \$'000	Stevie Nicks*	3,600	All Blacks v Australia	9,300	All Blacks v France*	9,300	Roger Waters	3,900	Robbie Williams	3,310	Ed Sheeran	37,900	Total	67,310	Event	Economic Benefit \$'000	D1 Drifting	856	Black Caps v South Africa	1,200	Bulldogs v Warriors	3,000	Total	5,056
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Achieve minimum 80% satisfaction rating through surveys of all major events (>10,000 pax).	The following satisfaction and attendance numbers were achieved in the year to June 2018:																																	
60% of attendees of all major events (>10,000 pax) to come from outside of Dunedin City.	<table><tr><th>Event</th><th>Satisfaction</th><th>% Attend outside of Dunedin</th></tr><tr><td>Stevie Nicks</td><td>N/A</td><td>63%</td></tr><tr><td>All Blacks v Australia</td><td>96%</td><td>60%</td></tr><tr><td>All Blacks v France</td><td>N/A</td><td>63%</td></tr><tr><td>Black Caps v Pakistan</td><td>N/A</td><td>54%</td></tr><tr><td>Black Caps v England</td><td>N/A</td><td>48%</td></tr><tr><td>Roger Waters</td><td>96%</td><td>55%</td></tr><tr><td>Robbie Williams</td><td>96%</td><td>44%</td></tr><tr><td>Ed Sheeran 1</td><td>97%</td><td>60%</td></tr><tr><td>Ed Sheeran 2</td><td>96%</td><td>69%</td></tr><tr><td>Ed Sheeran 3</td><td>96%</td><td>68%</td></tr></table> <p>No surveys on attendees satisfaction were performed for Stevie Nicks and the Black Caps test matches.</p> <p>Satisfaction results for the All Blacks v France test match not yet available.</p>	Event	Satisfaction	% Attend outside of Dunedin	Stevie Nicks	N/A	63%	All Blacks v Australia	96%	60%	All Blacks v France	N/A	63%	Black Caps v Pakistan	N/A	54%	Black Caps v England	N/A	48%	Roger Waters	96%	55%	Robbie Williams	96%	44%	Ed Sheeran 1	97%	60%	Ed Sheeran 2	96%	69%	Ed Sheeran 3	96%	68%
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	<table><tr><th>Event</th><th>Satisfaction</th><th>% Attend outside of Dunedin</th></tr><tr><td>D1 Drifting</td><td>92%</td><td>47%</td></tr><tr><td>Black Caps v South Africa</td><td>N/A</td><td>51%</td></tr><tr><td>Bulldogs v Warriors</td><td>86%</td><td>57%</td></tr></table>	Event	Satisfaction	% Attend outside of Dunedin	D1 Drifting	92%	47%	Black Caps v South Africa	N/A	51%	Bulldogs v Warriors	86%	57%																					
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DVML and Dunedin City is successful in attracting, securing and creating major events that gain positive exposure for Dunedin City, create economic benefit and serve the community’s needs.	<p>The Company bid for and secured nine major events at Forsyth Barr Stadium being three Ed Sheeran concerts, Robbie Williams concert, Roger Waters concert, Stevie Nicks concert, Black Caps v England Test Match Cricket, All Blacks v Australia rugby test match, and the All Blacks v France rugby test match.</p> <p>In addition to this, the major conferences and conventions held at the Dunedin Centre included NZSTA Conference, and Conference for General Practice Conference.</p> <p>NZSTA attracted 1,000 delegates and Dunedin Centre utilized other venues around the Octagon such as The Regent Theatre and Art Gallery. The Edgar Centre was also used.</p> <p>Civil Contractors in August included Dunedin Centre and The Edgar Centre for social events.</p> <p>May and June has seen strong growth with a large corporate conference by Sovereign Insurance in the Dunedin Centre and Regent Theatre. Dunedin Centre and Stadium also hosted the NZ TRENZ Conference. This attracted approximately 1,200pax.</p> <p>Lastly, the South Island Dairy Conference was hosted at the Dunedin Centre in June.</p>																																	

<i>Environment Strategy</i>	
Recycled waste is increased by 10% from the previous year.	<p>In the current year a total of 52% of waste was recycled. In the previous year, an average of 53% of waste was recycled at the Dunedin Centre and Forsyth Barr Stadium.</p> <p>The Company is also implementing new signage for waste and recycling for waste compound around the venue, to encourage the public and venue users to dispose in correct bins. New recycling and waste bins are now in place at the Dunedin Centre to capture more recycling through business events.</p>
Utilise low energy bulbs throughout all venues. Adjust timers on all lighting.	Over the past 12 months approximately 100 lighting fittings have been replaced with LED bulbs. The Company will continue to focus on replacing a further 80 fittings with LED over the next year.
<i>Arts and Culture Strategy</i>	
The number of community event days is increased from the previous year.	In both the 2017/18 and the 2016/17 years, the full value of the community access fund was utilised by the community. In 2017/18 this resulted in a total of 70 events with 36,856 people attending or participating. In 2016/17 there was a total of 79 events with 43,979 people attending or participating.

Dunedin Railways Limited

Statement of Service Performance for the Year Ended 30 June 2018

The performance targets established in the 2017/18 Statement of Intent for Dunedin Railways Limited, and the results achieved for the Year Ended 30 June 2018 are as follows.

Performance Targets	Outcome Achieved
Safety and Compliance	
To make safety our first priority and provide a safe environment Maximise safety for all staff and visitors by holding a minimum of three Board Health and Safety Committee and nine Staff Health and Safety Committee meetings per year. Review/audit the Safety System and Risk Register within the company each year. Report on health and safety management and provide statistical data in the monthly board reports.	Achieved. Three Health and Safety Committee meetings held. Ten staff committee meetings held. Achieved. Reviewed in April 2018. Two internal Audits completed. Achieved. All monthly Board papers contained health and safety reports.
Ensure the Company meets all of its safety, security and environmental obligations To undertake an annual safety audit as required by NZTA.	Achieved. NZTA ordinary safety assessment passed in April 2018. Holding Rail Safety Licence.
Reduce accidents for staff, contractors and customers A minimal accident record not exceeding four work related lost time injuries per 100,000 hours worked.	Achieved. Four lost time injuries and 126,345 hours worked.
Financial	
Grow the company's revenues from the trading activities Achieve financial performance that represents an acceptable rate of return on investment for its shareholders. Revenue increase. Achieve financial performance that represents an acceptable rate of return on investment for its shareholders. A financial result which is at least break even. Improve the Company's equity ratio Reduce long term bank debt. Bank debt reduced from previous year. Maintain the Company's economic sustainability through the mitigation of business risk Monthly passenger activity to the Board. Financial risk analysis undertaken and mitigation measures reported to the Board as required.	Achieved. Revenue increased from \$6,939,000 in FY17 to \$7,547,000 in FY18. Not achieved. The year resulted in a loss due to additional cost and loss in revenue from the flood. Not achieved. Debt increased by \$665,000 primarily due to the flood. Achieved. Passenger activity and risks reported to the Board Monthly.
Marketing and Business	
Increase passenger numbers using train services Invest in a minimum of two promotional campaigns a year with industry partners. Develop strategies and initiatives to maximise resource use Carry at least 80,000 passengers on no fewer than 700 trips per annum. To develop diversified markets for the company's products Increase in trips to new destinations.	Achieved. 1) "Where the Wild Things Are" –Enterprise Dunedin. 2) Headfirst combo product. Achieved. Over 81,000 passengers and 803 trips. Achieved. Rail Touring – ShantyTown and Maitaia.

<i>Customer Service</i>	
Provide outstanding customer service to our valued customers Monitor Trip Advisor to ensure customer satisfaction levels of 85% or better. Investigate the introduction of a new customer service survey.	Achieved. Trip Advisor satisfaction level of 89.2% achieved. Achieved. Survey implemented.
<i>Infrastructure</i>	
Provide and efficiently maintain infrastructure to meet the needs of our customers No delays to regular scheduled passenger operations. Continuation of and development of an Asset Management Plan.	Not Achieved. Taieri Gorge Trains cancelled for 59 days due to the flood. Achieved. Framework in place and asset review with third party programmed.
<i>Human Resources</i>	
To retain and value our employees Increase level of staff training and to update staff files to show individual training records. Each senior staff member has an annual performance review. Develop an annual staff engagement survey. No breaches of EEO policy. Staff turnover not to exceed 15%.	Achieved. Ongoing with Health Safety Training and Environment Coordinator appointment. Achieved. All reviews complete. Achieved. Survey developed. Achieved. No breaches identified. Achieved. Staff turnover 13%.
<i>Shareholders</i>	
Engage with shareholders annually on opportunities for the company to contribute, or assist where possible, with Council's community outcomes (as listed in the annual plan) Consult with shareholders on matters to be included in the company's Statement of Intent. Bring to the attention of the shareholders any strategic or operational matters where there may be conflict between the Council's community outcomes and those of the company and seek the shareholder's view on these Consult with shareholders at the earliest possible time on matters where conflict may or could result. Keep the shareholders informed of all substantive matters On a 'no surprises' basis advise shareholders promptly of any substantive matter that has the potential to impact negatively on shareholders and the company with a particular focus on the media.	Achieved. The Statement of Intent was prepared with input from shareholders. Achieved. No matters required to be escalated. Achieved. July flood is the only matter that needed to be advised to shareholders.
<i>DCC Strategic Framework Accountabilities</i>	
Social and Wellbeing Promote and preserve the volunteer input to the business and to ensure that the reasonable needs of this group are met. Number of volunteer hours to host trips in the year. Continue with a Memorandum of Co-Operation with OETT for the use of volunteer staff. Free train tickets given to community organisations/events. Continuation of relationship with Cadbury and Childcare Association to run train trips for their events. Agree for access to station/train for community activities.	Achieved. Memorandum of Co-Operation with OETT continued. Achieved. Free tickets continue to be issued. Not Achieved. The Child Care association no longer run their train. The last Cadbury train was in July 2017. Achieved. Ed Sheeran Trains, Farmers Market and school activities.

<p>Run train services to rural and coastal areas of Dunedin and Otago.</p> <p>To achieve the highest grade in food hygiene.</p> <p>Promote staff taking leave. Annual Leave balance stable or falling.</p>	<p>Achieved. Continuation of train services to inland rural areas and on the coastline north of Dunedin.</p> <p>Achieved. 'Grade A' rating certificate achieved.</p> <p>Achieved. Leave balance has been reduced in the year.</p>
<p>Economic Development</p> <p>Domestic and international income earned maintained or grows per annum.</p> <p>Using Trip Advisor to promote Taieri Gorge Railway.</p> <p>Investigate the possibility of having an emerging Director on the Board.</p> <p>What initiatives have been introduced to increase numbers from cruise ships?</p> <p>Growth in percentage of customers from outside the city?</p> <p>New Marketing Plan introduced during the year.</p> <p>Develop a customer survey to evaluate customer perceptions.</p> <p>Continue membership of Dunedin Host and partner with other operators for marketing initiatives.</p> <p>Evidence of participation in Enterprise Dunedin marketing campaigns.</p> <p>Continue with Track and Trail train and coach service from and to Queenstown.</p>	<p>Achieved. Revenue increased 9%.</p> <p>Achieved. Monitored – Trip advisor rating 89.2%.</p> <p>Achieved. Intern Director with board for 2018.</p> <p>Cruise leader appointed. Welcome and education process.</p> <p>Not Achieved. Passenger mix local vs visitor remained similar to prior year.</p> <p>Achieved. Plan implemented.</p> <p>Achieved. Survey in place.</p> <p>Achieved. A member of Dunedin Host and partnered with several other operators with Wild Dunedin.</p> <p>Achieved. Wild Dunedin and I-site displays.</p> <p>Not Achieved. Coach operator ceased.</p>
<p>Environment</p> <p>Recycle plastic/cardboard waste generated.</p> <p>Weed control operation carried out.</p> <p>Improving passenger numbers per litre of fuel. How many passengers per litre of fuel compared to previous year?</p>	<p>Achieved. Cardboard, plastic and glass have been recycled.</p> <p>Achieved. Weed spraying carried out.</p> <p>Not achieved. 4% increase. More heavy work trains due to flood.</p>
<p>Arts and Culture</p> <p>Work with ID Fashion committee to ensure event can happen at Dunedin Station while train operations continue.</p> <p>Enhance awareness of the heritage value of Taieri Gorge Railway and Dunedin Railway Station. Maintain a heritage plaque at Dunedin Railway Station and report to the City any station building heritage deterioration.</p> <p>Increase number of train services on tracks within the city from the previous year.</p>	<p>Not Achieved. ID moved to another venue.</p> <p>Achieved. Dunedin Railway Station and the Taieri Gorge were awarded NZ Landmarks status by Heritage NZ.</p> <p>Achieved. More trips operated in the year due to increase in cruise ships.</p>
<p>Spatial Plan</p> <p>Continue to make Dunedin look good as a recreation and leisure community through the provision of attractive train services. Measured by the number of trains run and the Trip Advisor rating for the train services.</p> <p>Reduce dependence on use of hydrocarbon-based diesel and petrol. Investigate use of biodiesel.</p> <p>The Company does not disturb the heritage nature of aspects of the line measured by any complaints.</p> <p>Carry out a weed control programme.</p> <p>Retention of in-house maintenance teams.</p> <p>Retention of an accessible carriage and access ramps.</p>	<p>Achieved. Increase in the number of trips due to increase in cruise ships. Trip Advisor rating of 89.2%.</p> <p>Not achieved. Investigated and not practical at this time.</p> <p>Achieved. No complaints received.</p> <p>Achieved. Weed control carried out periodically.</p> <p>Achieved. Maintenance teams retained in-house.</p> <p>Achieved. Accessible carriages and access ramps maintained.</p>

Parks and Recreation Running trains to the Strath Taieri to connect with the Rail Trail and provision of toilet facilities at Pukerangi and Middlemarch and on the train. Continuation of the annual Walk the Gorge initiative.	Achieved. Connections and facilities maintained. Achieved. Event occurred.
Integrated Transport Taking passenger freight on suitable vans and investigating opportunities for bulk freight transport. Maintenance of a regular train/coach tourist service to and from Queenstown and a train service to and from Oamaru.	Achieved. Passenger luggage and bikes transported. Freight options investigated when opportunities arise. Achieved - noting coach to Queenstown through other operators.
Three Waters No discharges into waterways from operations.	Achieved. No discharge to waterways.



**DUNEDIN CITY
COUNCIL**
Kaunihara-a-rohe o Otago

50 The Octagon, PO Box 5045, Moray Place, Dunedin 9058

03 477 4000

www.dunedin.govt.nz