

Te rāraki upoko | Contents

Section 1: He kupu whakataki Introduction	
He Kupu Whakataki nā te Koromatua Introduction from the Mayor	2
Ko tō Koromatua me kā Kaikaunihera Mayor and Councillors	3
He tirohaka whānui Strategic overview	5
He pūroko whakapūmautaka Our commitment to sustainability	18
Te ārahi me te whakarite i kā hua pai ake mā te Māori Leading and	
developing better outcomes for Māori	22
Kā poari hapori Community Boards	24
Te aka o Te Kōmiti Kaunihera Council Committee structure	25
Kā mahi Tahua Financial trends	26
Section 2: He ratoka, he mahi Services and activities	
He ratoka, he mahi Services and activities	29
Huringa āhuranga Zero carbon	30
Disclosure of Significant Judgements	33
Residents' Opinion Survey 2023/24	35
Te hapori me te whakamahere kaupapa Community and planning	36
Te whakatupu ohaoha Economic development	40
Kā wharepukapuka, kā whare taoka Galleries, libraries and museums	43
Ratoka whakahaere, ratoka tautoko Governance and support services	48
Kā wāhi whenua Property	51
Ratoka waeture Regulatory services	56
Taunaha whenua, papa rēhia Reserves and recreational facilities	60
Kā huanui me kā ara hīkoi Roading and footpaths	64
He putaka wai Water supply	70
Pūnaha parakaika me te parawai Sewerage and sewage	76
Wai marakai Stormwater	80
Rautaki para Waste management	83
Section 3: Tahua Finances	
He pūroko tahua Financial statements	88
He whakamārama mō te pūroko tahua Notes to the financial statements	96
Section 4: He whākika anō Other disclosures	
Annual report disclosure statement	167
Council controlled organisations	171
Statement of compliance and responsibility	193
Independent Auditor's Report	194



Section contents

He kupu whakataki nā te Koromatua Introduction from the Mayor	2
Ko tō Koromatua me kā Kaikaunihera Mayor and Councillors	3
He tirohaka whānui Strategic overview	5
He pūroko whakapūmautaka Our commitment to sustainability	18
Te ārahi me te whakarite i kā hua pai ake mā te Māori Leading and developing better outcomes for Māori	22
Kā poari hapori Community Boards	24
Te aka o Te Kōmiti Kaunihera Council Committee structure	25
Kā mahi Tahua Einancial tronde	24



He kupu whakataki nā te Koromatua Introduction from the Mayor



This Annual Report details the Dunedin City Council's progress during the 2023/24 year and this year is presented in a format designed to make the material more interesting, informative and transparent for anyone reading it.

The past 12 months saw Council deliver a significant range of capital projects totalling \$206 million. This includes \$13 million for the purchase of Forbury park. The purchase of the old racecourse will provide the city with a variety of mitigation and adaptation options as it plans for the future of South Dunedin.

The upgrade of our central city was completed well ahead of schedule replacing aging underground infrastructure that dated back to the 1800s and refreshing the CBD.

Construction is well underway on the South Dunedin Library and Community Complex, which will provide a thriving community hub in the heart of the area when it opens in mid-2025.

A considerable amount of work was completed in preparation for the rollout of the city's new kerbside collection services on 1 July 2024. The addition of two new bins has enabled households to increase the amount of material that we can now recycle or reuse, thereby minimising the amount of waste going to landfill.

We have continued to focus on preparing for and responding to the challenges presented by climate change, and our South Dunedin Future joint climate adaptation project with the Otago Regional Council (ORC) works towards a long-term adaption strategy.

Our new Future Development Strategy (FDS) became the first joint growth strategy developed for Dunedin, created in partnership with the ORC and mana whenua. It considers the city's anticipated growth and infrastructure needs, and the actions required to support our urban environment into the future.

Co-hosting the FIFA Women's World Cup – the world's largest ever women's sporting event – was undoubtedly one of the year's highlights. This injected an estimated \$21 million into the local economy and showcased Dunedin to a large international audience.

In November, I led a civic and business delegation to our sister city Shanghai in China, resulting in two Memoranda of Understanding (MOUs) promoting business trade and art film collaboration. Additionally, some of our businesses established connections that led directly to sales.

Council continued to advocate for the community's best interests in a range of areas. We spearheaded the formation of a citywide stakeholder group to develop a multi-agency approach to homelessness in the city, and we have championed the needs of residents in Dunedin and the lower South Island in challenging any proposed cuts to the new Dunedin Hospital.

As we look ahead to 2024/25 and beyond, we remain firmly focused on investing responsibly to provide the infrastructure and services the city needs to ensure the health and wellbeing of the community.

Jules Radich
Mayor of Dunedin

Ko tō Koromatua me kā Kaikaunihera Mayor and Councillors as at 30 June 2024



Jules Radich (Mayor)



Christine Garey



Jim O'Malley



Cherry Lucas (Deputy Mayor)



Kevin Gilbert



Lee Vandervis



Bill Acklin



Carmen Houlahan



Steve Walker



Sophie Barker



Marie Laufiso



Brent Weatherall



David Benson-Pope



Mandy Mayhem



Andrew Whiley



He tirohaka whānui Strategic overview

The DCC's current strategic framework

The DCC's strategic vision was developed through a city-wide engagement process that started in 2011. The last of the eight current strategies was adopted in 2017. These strategies focus on long-term outcomes and Dunedin's development.

- The 3 Waters Strategic Direction Statement sets out how the DCC will ensure the city has safe, reliable and affordable water services.
- · Ara Toi Ōtepoti Arts and Culture Strategy creates a roadmap to support Dunedin's creative sector and develop an environment that acknowledges the intrinsic value of the arts.
- · The Economic Development Strategy sets out priorities for creating jobs, incomes and opportunities.
- The Integrated Transport Strategy sets priorities to support the safe and efficient movement of people and goods.
- The Parks and Recreation Strategy sets out how we can develop Dunedin's open spaces, recreation facilities and parks to build more connected and active communities.
- · The Social Wellbeing Strategy outlines how the DCC will foster inclusive communities and quality lifestyles.
- The Spatial Plan shapes the form of the city.
- Te Ao Tūroa, Dunedin's Environment Strategy delineates Dunedin's climate change impact plan and connects our communities with sustainable ecology and environmental actions.

Refreshing the strategic framework

The development of a wellbeing framework is underway as part of an overall strategic refresh. This will incorporate Te Taki Haruru – the DCC's Māori Strategic Framework – and a commitment to sustainability to illustrate how the DCC will improve the wellbeing of Dunedin's residents now and into the future.



Vision: Dunedin is one of the world's great small cities

Achieving great outcomes together

Taking a strategic approach to decision-making gives us a clear view of the outcomes we seek for our city and how to get there. Across the city, we all have a part to play in deciding what our goals are and working hard to achieve them. The DCC is proud to work alongside $\bar{0}$ tepoti communities to make this one of the world's great small cities.

Strategic Principles

Two principles - the Treaty of Waitangi and Sustainability - underpin the DCC's strategic framework.

	Strategic principles	Indicators	2023/24 update	Statistics for Māori 2023/24
	The Treaty of Waitangi	The DCC's capability to work with Māori is developed through the implementation of a Māori Cultural Capabilities Pathway for DCC staff and Councillors	Not measured	Not measured
		Meaningful partnership arrangements have been established with Māori in Dunedin		
		An increased number of collaboratively developed partnership projects and ventures with mana whenua		
4	Sustainability	Percentage of residents agreeing that 'Dunedin is a sustainable city'	42%	44%
_		Percentage of residents agreeing that 'the DCC is a leader in encouraging the development of a sustainable city'	32%	36%

Summary of Community Outcomes

Z'ii	Community outcomes	Indicators	2023/24 update	Statistics for Māori 2023/24
EII	Social Wellbeing A supportive city with caring communities and	Percentage of residents who have experienced problems with damp or mould in their homes during winter	Not measured	Not measured
00	a great quality of life	Residents' sense of community within their local neighbourhood	54%	52%
A THE	3 Waters A healthy city with reliable and quality water, wastewater and stormwater systems	Satisfaction with the way the DCC manages the city's water-related infrastructure	62%	56%
	Spatial Plan A compact city with a	Satisfaction with the way the city is developing in terms of its look and feel	60%	56%
_	vibrant CBD and thriving suburban and rural centres	Number of residential building consents for new builds issued in the past 12 months	423	Not measured



^{*} The 2024 Quality of Life survey results were not available at the time of publication.

^{**} City-wide greenhouse gas emissions are measured every three years and will next be measured in 2025.

^{***}ASBV = Areas of Significant Biodiversity Value. This classification is introduced in the Second Generation District Plan to recognise and protect areas of significant indigenous vegetation and significant habitats of indigenous fauna. Since there is overlap between the different protection types, the total area is less than their sum.



Community outcomes

A supportive city with caring communities and a great quality of life (Social Wellbeing)

Across the DCC, we work hard to build strong caring communities and to make sure everyone can enjoy a great quality of life.

We supported a wide range of groups and networks through the year, providing advice, workshops, funding and regular opportunities to connect with other groups. One of our highlights in the 2023/24 financial year was celebrating the 21st birthday of Enviroschools with an event at the Edgar Centre.

We also made progress on the systemic approach to homelessness in Ōtepoti. While the city has historically had a small group of homeless people, the number has grown in recent times, as it has in other parts of the country. The DCC has taken the lead in creating a city-wide stakeholder group that includes government departments, agencies, NGOs and charities. This group is using a universal assessment tool to collect high level data that can be used to identify service gaps and need in the city. Initial stakeholder frontline staff training was done in June, with the database going live in July.





A healthy city with reliable and quality water, wastewater and stormwater systems (3 Waters)

Having reliable, quality water, wastewater and stormwater systems is a crucial part of a healthy city. The completion of the George Street upgrade marked the end of significant work in the central city to replace ageing water, wastewater and stormwater pipes that date back to the 1800s. The project ensures the resilience of underground infrastructure in the heart of the city.

In this financial year, we also upgraded the intake of the Waikouaiti water treatment plant on the Waikouaiti River. We made important health and safety improvements at the city's water and wastewater treatment plants.

A large project undertaken during the year was the renewal of wastewater and stormwater pipes in Sawyers Bay. This project was a finalist in the Otago Civil Contractors Awards.

The completion of new network hydraulic models for stormwater networks in North East Valley and Kaikorai Valley and an investigation of private stormwater infrastructure across the city will contribute to our understanding of the stormwater network and flood risks.



PHOTO FROM DUNEDINNZ: George Street



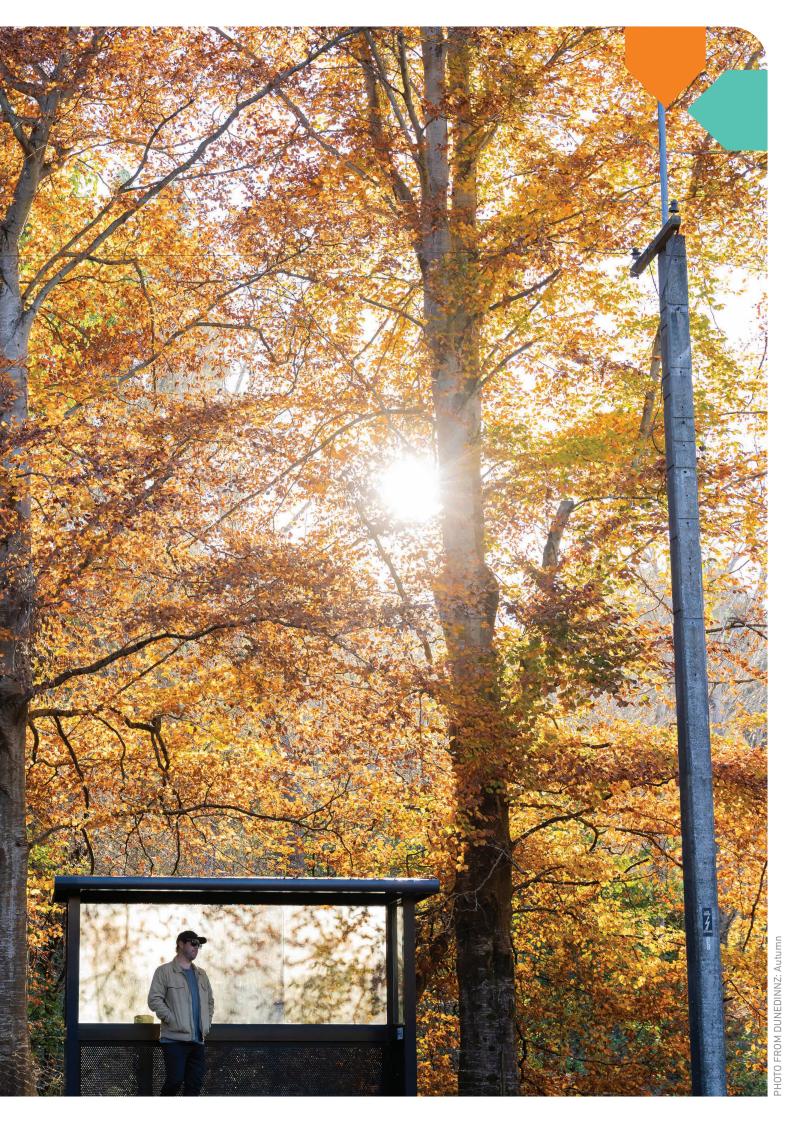
A compact city with a vibrant CBD and thriving suburban and rural centres (Spatial Plan)

The George Street upgrade was completed in May 2024, six months ahead of schedule. The milestone was acknowledged by a whakawātea led by Edward Ellison (Upoko ki Te Rūnaka o Ōtākou) and attended by Mayor of Dunedin Jules Radich, mana whenua, Councillors and staff from DCC, project partner Aukaha, and the construction team.

The project involved collaboration with mana whenua Kāi Tahu to define the city's identity and convert it into a streetscape, and the project team worked with representatives of the disability community, seniors, youth, students, family groups and accessibility advocates to create a people-friendly and accessible environment. The revamped George Street is vibrant and friendly, with street art, a play area, outdoor seating, and abundant plants and trees to bring nature into the city.

This year, we also completed the Future Development Strategy (FDS) in partnership with the Otago Regional Council (ORC) and mana whenua - the first time a joint growth strategy has been prepared for Dunedin. The strategy sets out how Dunedin will address its long-term housing and business land growth needs and what infrastructure is required for this growth and how to support a wellfunctioning urban environment.







A successful city with a diverse, innovative and productive economy (Economic Development)

In November 2023, the Mayor led a civic and business delegation to China, including local education institutions and Business SOUTH. The trip resulted in a renewed Memorandum of Understanding (MOU) with the Shanghai Art Film Federation and facilitation of a new MOU between Business SOUTH and the Shanghai Council for the Promotion of International Trade.

A highlight of the year was co-hosting the FIFA™ Women's World Cup Australia & New Zealand 2023, the largest women's sporting event in history. Six matches were played in Dunedin, attracting 82,600 spectators. The tournament attracted 17,128 visitors to the city, and the economic impact of the event is estimated at \$21 million.

Nearly 14,000 visitors attended the free FIFA™ Fan Festival at the Dunedin Town Hall, which hosted a strong line-up of national wāhine music artists, football games, live match screenings, an exhibition on the history of women's sport in Aotearoa, cultural performances, and live music. Around 1,000 secondary students attended a free symposium on empowerment, inclusion and equality for girls. The backbone of the tournament was provided by 307 passionate volunteers, who collectively put in 14,044 hours of mahi.

The city also hosted Wānaka Whare Karioi ā-Whenua 2024 of the International Indigenous Game Summit in June 2024.





A creative city with a rich and diverse arts and culture scene (Ara Toi)

The refurbishment of the transport and technology exhibition at Toitū was a highlight of the 2023/24 financial year. Toitū had a record 49,000 visitors in December, driven by Christmas programming and the refurbishment of this very popular display.

The Dunedin Public Art Gallery (DPAG) partnered with members of the hapori from Ōtākou and Puketeraki Rūnaka to develop *Huikaau – where currents meet*. This innovative and inclusive exhibition celebrates the rich history of the Gallery art collection and its many connections to the community.

We launched a retrospective exhibition of Marilynn Webb's work (Marilynn Webb – Folded in the hills) and accompanying hardcover book in late 2023 the book was a finalist in the 2024 Ockham New Zealand Book Awards.

The Council adopted the Ōtepoti Live Music Action Plan (ŌLMAP) in September 2023. Under the ŌLMAP umbrella, we ran Music Pathways, a workshop to identify career pathways and provide practical advice for early and mid-career musicians. We finalised the extended version of the GIGS 101 information booklet, available online, and carried out research into successful music mentoring programmes around the country and the requirements of the diverse music communities in Ōtepoti.

Project development and community engagement on the South Dunedin Library and Community Complex continued over the financial year, focusing on developing an accessible, welcoming and usable community facility.







A connected city with a safe, accessible and low-carbon transport system (Integrated Transport)

This year saw the completion of the Portobello to Port Chalmers length of Te Aka Ōtākou (The Otago Vine). This project, which started in 2014/15, has involved widening and raising the road, building new rock seawalls and creating a shared path for pedestrians and cyclists. The route features seating and rest areas, boardwalks and stairways to the harbour, and areas of native planting.

This year, we also completed the Union Street bus super stop, with new bus stops, pedestrian crossings and footpath extensions. Five school road safety improvement projects were completed, improving pedestrian safety, speed management and parking at Ōpoho School, Elmgrove School, Taieri College, Silverstream School and Outram School.



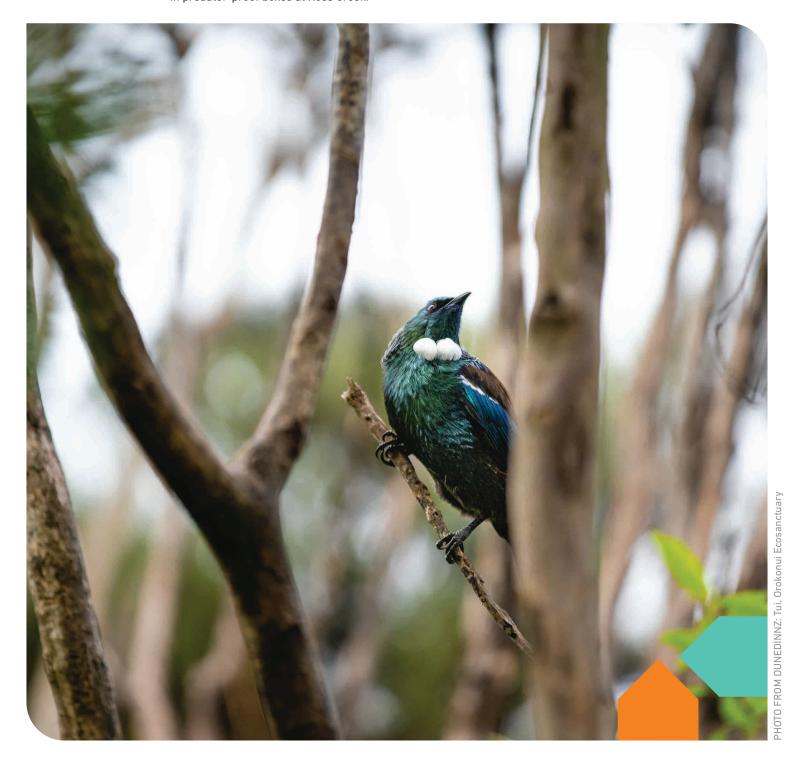


A sustainable city with healthy and treasured natural environments (Te Ao Tūroa)

Preparing the roll-out of the new kerbside collection system is a key step in our progress towards becoming a more sustainable city. The new system will provide a green-lidded bin to collect food and garden waste, which will be managed in a new facility at the Green Island landfill. It will also replace plastic rubbish bags with a red-lidded bin for general waste.

The city's birds had some wins this year, with 17 kākā chicks being raised and fledged at the Botanic Garden aviary and tītipounamu successfully nesting in predator-proof boxes at Ross Creek.

Across Dunedin, 30 community groups are restoring habitats and creating better recreational spaces they plant, weed, control pest animals, maintain tracks, clean up rubbish, and provide educational opportunities for schools. Eight new groups were inducted this year. This financial year has seen more volunteer groups working on litter clean-ups.





An active city with quality and accessible recreational spaces and opportunities (Parks and Recreation)

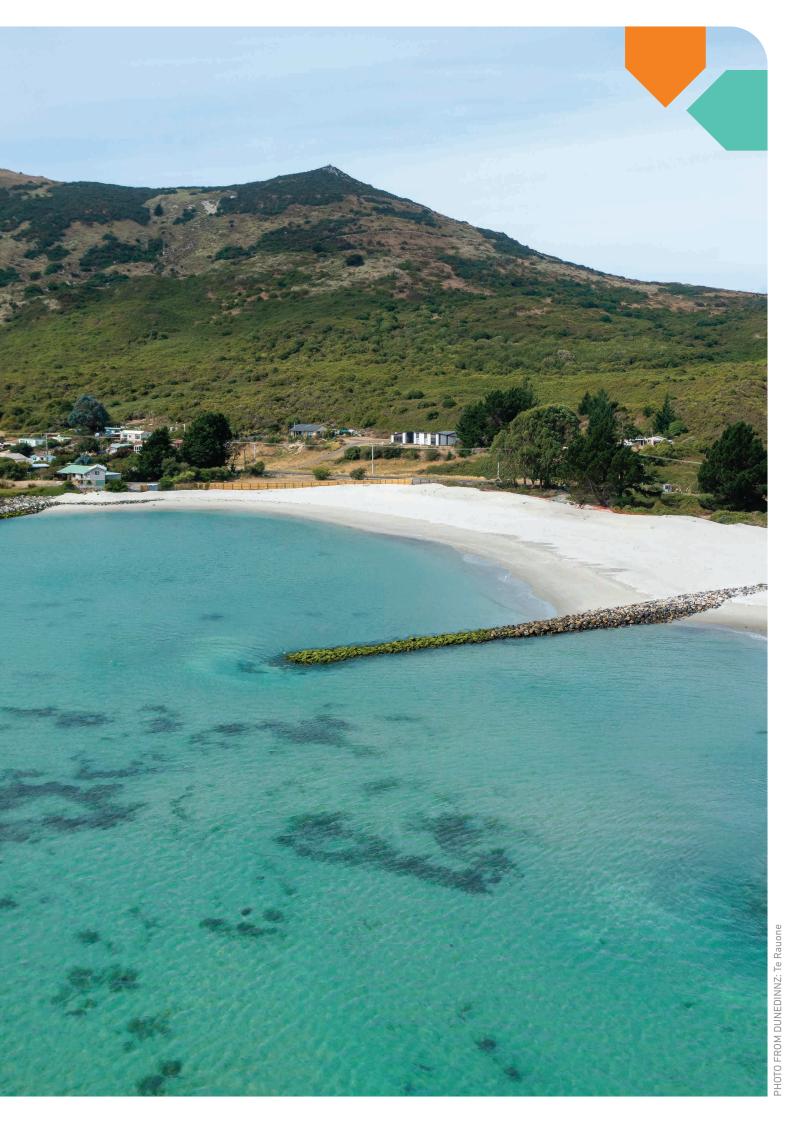
A highlight of this year has been our work at Te Rauone Reserve. Sculptures were installed in August 2023. The structures incorporate a kōwhaiwhai pattern referencing the importance of tuaki in feeding generations of Te Rauone residents. They were designed by local artists Kirsten Parkinson (Kāi Tahu) and Aroha Novak (Ngāi Te Rangi, Ngāti Kahungunu) and fabricated and installed by local company Zeal Steel. The Harington Point community, Te Rūnaka o Ōtākou, Portobello School and DCC staff planted more than 3,000 plants at the reserve to restore the dunes.

In November 2023, we opened the Tunnel Beach carpark in time for the summer tourism season. This project was a collaboration between the DCC, the Department of Conservation (DOC) and Te Rūnaka o Ōtākou. DOC has since realigned the walking track to make it easier to use. With high visitor numbers over the summer, the carpark reduces congestion along Tunnel Beach Road.

Our gardens achieved national and international recognition this year. Lan Yuan was awarded a six-star rating by the New Zealand Gardens Trust, and the Botanic Garden achieved accreditation as a six-star Garden of International Significance and accreditation from the Zoo and Aquarium Association of Australasia.

In this year, we opened a new basketball court in Waldronville and a new modular pump track at Waikouaiti.





He pūroko whakapūmautaka Our commitment to sustainability

Sustainability is a principle for the DCC, under which we lead Dunedin in its strategies and work to become a sustainable city.

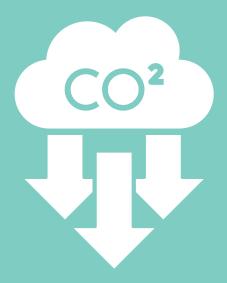
We have worked to reduce emissions since June 2019, when the Council declared a climate emergency, adopted Zero Carbon targets for Dunedin (net zero emissions by 2030, with a separate Government-aligned target for biogenic methane), and provided seed-funding to develop a work programme to slow down climate change. The 10 Year Plan 2021-31 then resourced the Zero Carbon work programme, including strategic projects to reduce emissions both across the city and within the DCC.

At the same time, we are responding and adapting to the climate disruptions and effects that are felt across our city. The DCC's main focus for adaptation for the past year has been South Dunedin, where 13,000 people live and work on land that will be significantly challenged by rising sea levels and groundwater, and by increases in rainfall, storm intensity and coastal erosion. We are integrating the lessons from our work in South Dunedin into city-wide adaptation planning for all council infrastructure and services.

Further detail about our Zero Carbon work can be found in Section 2 of this report.







Highlights from the 2023/24 financial year

We developed the Zero Carbon Plan 2030 with input from key stakeholders and community groups.1

The plan sets out the key shifts Dunedin needs to make if it is to achieve its Zero Carbon targets by 2030, and areas in which the DCC can act. The plan was adopted in September 2023 and an implementation plan was developed for 2023/24. Many actions have been progressed or finished. Some are ongoing and will continue into the 2025/26 year. Other actions have been delayed or discontinued for various reasons, including central government policy changes. A report on the implementation plan will be presented to Council in the new financial year.

A city-wide footprint of greenhouse gas emissions is completed every three years.

The last footprint was completed for 2021/22 and showed a total amount of emissions of 1,542,500 tonnes of carbon dioxide equivalents or 11.5 tonnes per person. About a third of these greenhouse gases were taken out of the atmosphere by forests in the Dunedin area.

The DCC adopted a new emissions management and reduction plan, providing a tangible pathway of emissions reduction to 2030/31.

This will be reviewed periodically, with the first review scheduled for October 2025.

The DCC measures (and has verified) its emissions as an organisation.

We are continuing to refine how we measure our emissions. In the 2023/24 financial year, we expanded the number of suppliers reporting their emissions to the DCC and developed wastewater treatment emissions reporting using real-time data to enable a more thorough understanding of emissions from this source.

We are continuing to build emissions reduction considerations into DCC activities, which is an important part of implementing DCC's Zero Carbon Policy.

We now have guidelines for staff in different work areas (including policy/ strategy/plan development, events, small projects and infrastructure projects) and a procurement approach that comprehensively considers emissions reduction. Work is progressing on embedding emissions reduction considerations in processes for managing projects and organisational development.

Progress was made on Zero Carbon Plan projects, including projects to facilitate establishment of a car share service in the city, and a pilot programme to help local businesses measure and reduce emissions.



Major work programmes that will reduce city-wide emissions, such as the Waste Futures programme, are progressing well.

Zero Carbon Alliance partners (the DCC, Otago Regional Council, the University of Otago, Otago Polytechnic (Dunedin campus) and Health New Zealand have been working together to reduce emissions from waste and staff travel to work.



Both DCC and ORC approved the first long list of potential adaptation approaches for South Dunedin in December 2023.

More than 500 community groups and city residents gave feedback on the approaches through an expo in March 2024, stalls at community festivals, surveys and workshops.



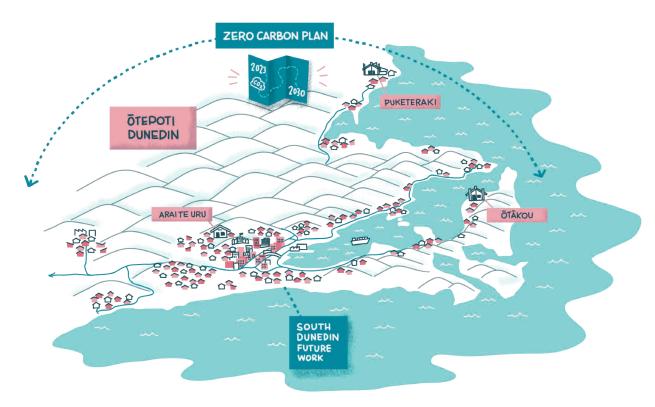
South Dunedin Future, a joint programme with the Otago Regional Council, is progressing strongly.

We are at the halfway point in developing a climate adaptation strategy for the area by 2026. The programme team has led a wide range of community engagement, technical and strategic activities. We are advancing this work in partnership with mana whenua and community and government stakeholders. A team of three engineering services firms led by WSP supports the programme's technical work.



The DCC has played an active role in the development of new national climate adaptation legislation and policy, which is changing rapidly in response to shifts in Government priorities and the continuing impact of major flooding in Auckland and Hawke's Bay in 2023.

We submitted to the Government's national enquiry into climate adaptation, attended meetings with the Ministry for the Environment and hosted a three-day fact-finding mission from He Pou a Rangi, the Climate Change Commission.



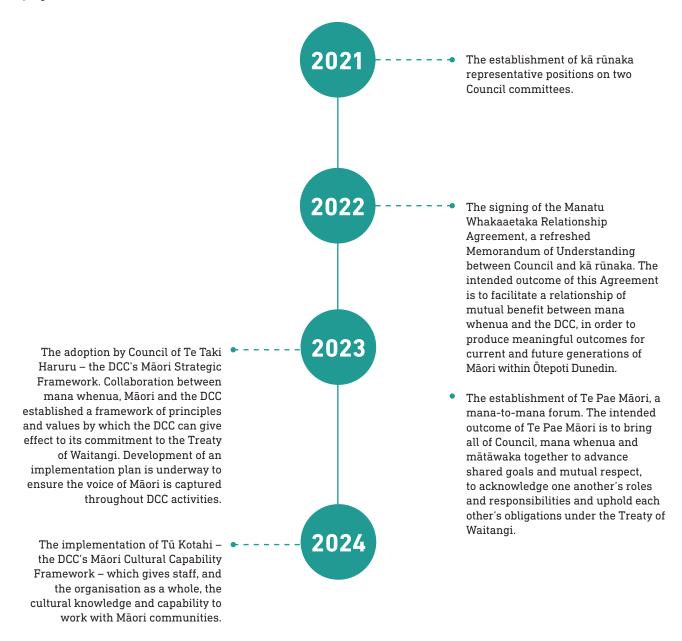
Te ārahi me te whakarite i kā hua pai ake mā te Māori | Leading and developing better outcomes for Māori

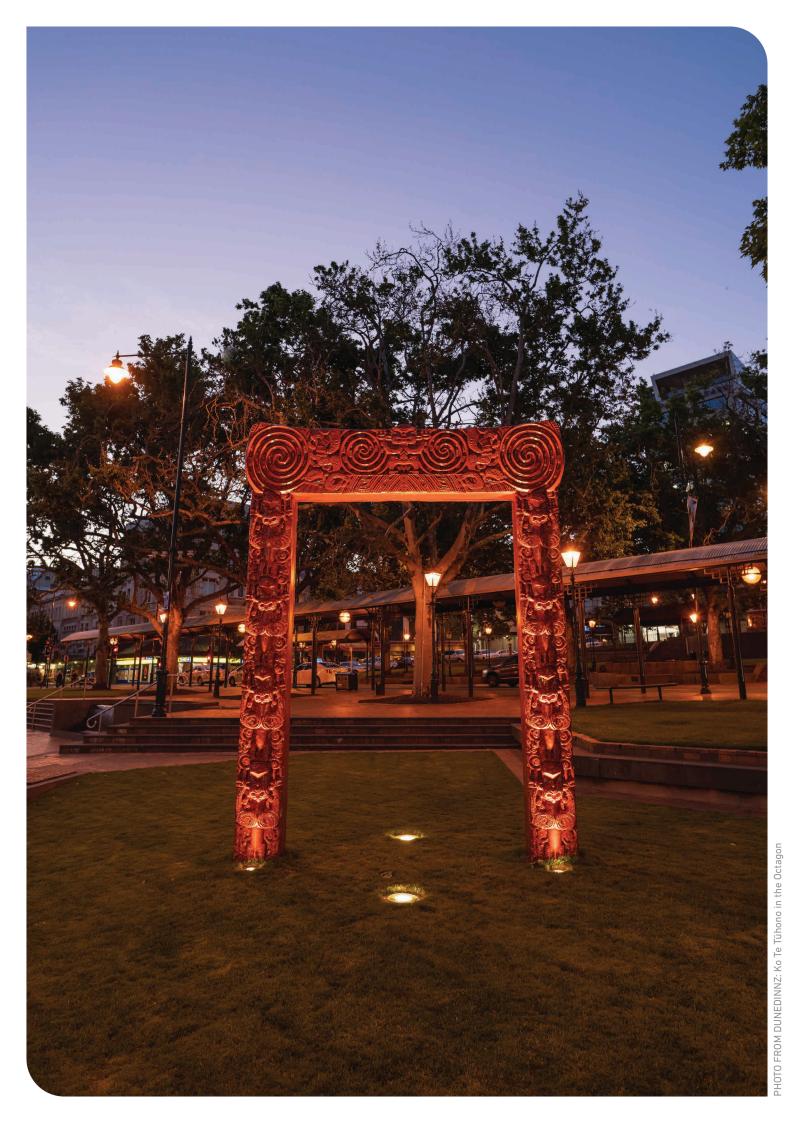
For many years, the DCC, mana whenua and Māori have been on a long journey towards a more meaningful partnership.

At a governance level, the DCC's partnership has been expressed through a 2003 relationship protocol agreed between Kāi Tahu ki Otago (now Aukaha Ltd) and the DCC; a 2006 Memorandum of Understanding agreed between Council, Te Rūnaka o Ōtākou, Kāti Huirapa Rūnaka ki Puketeraki and Āraiteuru Marae; and the 2006 establishment of the Māori Participation Working Party as a forum for Council and Māori to discuss strategic opportunities.

Key roles in the DCC over recent years have been instrumental in leading and developing the Māori work programme, which has laid the foundations for the DCC to progress its commitment to the Treaty of Waitangi. These key roles include the executive-level role of Manahautū Māori (established in 2020) alongside two further key senior roles – Manager of Māori Partnerships (established in 2021) and Pou Arahi/Manager of Māori Capability (established in 2023).

Significant developments in recent years are progressing the DCC's Treaty of Waitangi commitments across our governance arrangements. These include:





Kā poari hapori

Community Boards as at 30 June 2024

Community Boards

Mosgiel -Taieri

Andrew Simms (Chair) Kathryn Anderson Austen Banks Regan Horrell Dean McAlwee **Brian Peat** Cr Cherry Lucas

Otago Peninsula

Paul Pope (Chair) Hoani Langsbury Lox Kellas Stacey Kokaua-Balfour Cheryl Neill Edna Stevenson Cr Andrew Whiley

Saddle Hill

Paul Weir (Chair) Scott Weatherall Pim Allen Christina McBratney Keith McFayden John Moyle Cr Kevin Gilbert

Strath Taieri

Barry Williams (Chair) David (Jock) Frew Terina Geddes Tony Markham **Robin Thomas** Anna Wilson Cr Bill Acklin

Waikouaiti Coast

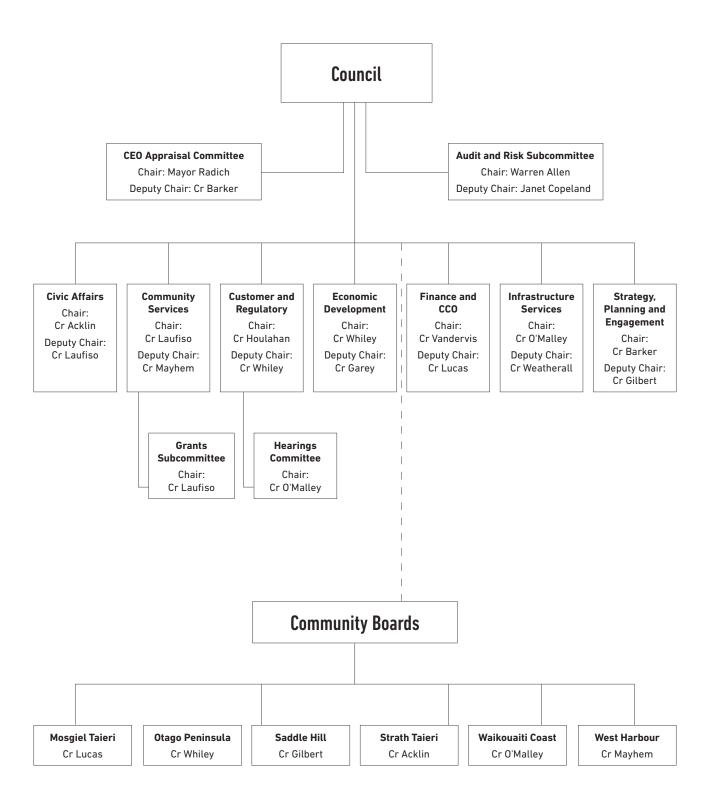
Alasdair Morrison (Chair) **Andy Barratt** Sonya Billyard Mark Brown Chris McBride Geraldine Tait Cr Jim O'Malley

West Harbour

Ange McErlane (Chair) Wayne Sefton Barbara Anderson Duncan Eddy Kristina Goldsmith Jarrod Hodson Cr Mandy Mayhem

Te aka o Te Kōmiti Kaunihera

Council Committee structure as at 30 June 2024



Kā mahi Tahua **Financial trends**

This section presents a summary of the financial results for the years ending 30 June 2020–2024.

Council Financial Results

	2024	2023	2022	2021	2020
	\$000	\$000	\$000	\$000	\$000
Financial performance					
Rates revenue	203,946	191,150	179,556	163,492	156,949
Other revenue	151,506	142,885	137,988	143,080	121,968
Total revenue	355,452	334,035	317,544	306,572	278,917
Personnel and operational expenses	249,905	245,529	215,305	207,846	195,590
Interest expense	24,203	15,540	8,560	8,007	9,822
Depreciation expense	117,100	110,128	81,349	74,283	73,097
Total expenditure	391,208	371,197	305,214	290,136	278,509
Surplus (deficit) before taxation	(35,756)	(37,162)	12,330	16,436	408
Cash flow position					
Cash flows from operating activities	87,356	79,504	81,134	75,567	66,379
Cash flows from investing activities	(218,086)	(208,405)	(139,387)	(110,990)	(87,922)
-					
Cash flows from financing activities	130,200	126,000	62,300	28,000	25,000
Financial position					
Total assets	5,025,332	4,896,492	4,720,644	3,859,662	3,429,429
Term loans	595,027	460,273	334,273	271,973	243,973
Total equity	4,348,770	4,354,978	4,309,630	3,512,539	3,121,579
and the second second					
Financial ratios	. 00/		0.50/	0 (0)	0.5%
Interest expense as % of total revenue	6.8%	4.7%	2.7%	2.6%	3.5%
Interest expense as % of rates revenue	11.9%	8.1%	4.8%	4.9%	6.3%
Debt as % of total revenue	167%	138%	105%	89%	87%
Other information					
Waipori Fund investment	103,137	97,691	95,361	100,179	92,658
Revenue from Dunedin City Holdings Limited	16,902	11,402	5,902	5,902	5,902
Total capital expenditure	205,805	207,152	144,176	110,820	92,316

Consolidated Financial Results

	2024 \$000	2023 \$000	2022 \$000	2021 \$000	2020 \$000
Financial performance					
Rates revenue	203,946	191,150	179,556	163,492	156,949
Other revenue	436,114	427,764	391,895	416,869	354,035
Total revenue	640,060	618,914	571,451	580,361	510,984
Personnel and Operational expenses	478,178	467,120	425,803	397,611	391,759
Interest expense	54,481	38,414	23,021	22,722	26,691
Depreciation expense	151,779	143,719	113,229	104,696	102,592
Total expenditure	684,438	649,253	562,053	525,029	521,042
Surplus (deficit) before taxation	(44,378)	(30,339)	9,398	55,332	(10,058)
Cash flow position					
Cash flows from operating activities	141,737	114,630	122,304	110,786	77,352
Cash flows from investing activities	(332,373)	(314,004)	(230,138)	(186,754)	(133,095)
Cash flows from financing activities	195,877	193,550	104,170	40,270	92,111
Financial position					
Total assets	6,216,676	6,003,410	5,785,482	4,816,643	4,318,243
Term loans	1,288,827	1,084,286	891,651	819,465	790,609
Total equity	4,638,360	4,636,327	4,614,332	3,737,762	3,283,790
Financial ratios					
Interest expense as % of total revenue	8.51%	6.21%	4.03%	3.92%	5.28%
Interest expense as % of rates revenue	26.71%	20.10%	12.82%	13.90%	17.20%
Debt as % of total revenue	201%	175%	156%	141%	155%

Credit Rating

The achievement of a good credit rating is an indication of prudent financial management and is an important factor in obtaining finance at a competitive interest rate. The Council as a Group is assessed by the rating agency Standard & Poor's $(S\&P's).\ Below\ is\ the\ rating\ history\ for\ the\ Group.\ The\ most\ recent\ and\ full\ S\&P's\ rating\ report\ is\ available\ on\ the\ S\&P's\ website.$

Standard & Poor's Credit Rating

13/12/2023 13/12/2022 15/12/2021 11/12/2020 Issuer credit rating as of: 19/2/2024 Rating: AA/Negative/A-1+ AA/Stable/A-1+ AA/Stable/A-1+ AA/Stable/A-1+ AA/Stable/A-1+



Section contents

He ratoka, he mahi Services and activities	29
Huringa āhuranga Zero carbon	30
Disclosure of Significant Judgements	33
Residents' Opinion Survey 2023/24	35
Te hapori me te whakamahere kaupapa Community and planning	36
Te whakatupu ohaoha Economic development	40
$K\bar{a}$ wharepukapuka, $k\bar{a}$ where taoka Galleries, libraries and museums	43
Ratoka whakahaere, ratoka tautoko Governance and support services	48
Kā wāhi whenua Property	51
Ratoka waeture Regulatory services	56
Taunaha whenua, papa rēhia Reserves and recreational facilities	60
Kā huanui me kā ara hīkoi Roading and footpaths	64
He putaka wai Water supply	70
Pūnaha parakaika me te parawai Sewerage and sewage	76
Wai marakai Stormwater	80
Rautaki nara Waste management	83

He ratoka, he mahi Services and activities

This section provides information on the activities and services that the DCC provides. It describes:

- · how the services and activities contribute to our community outcomes
- · how performance is measured
- the costs for providing the services and activities.

The services and activities that the DCC provides are grouped into 12 groups of activity. The community outcomes that they mainly contribute to are described within each activity.

The activity group structure is as follows:

Group of activity	Services and activities	
Community and planning	City development Resource consents	Community development and events
Economic development	Economic development Marketing Dunedin	Ōtepoti isite Visitor Information Centre
Galleries, libraries and museums	Dunedin Public Art Gallery Dunedin Public Libraries Lan Yuan Chinese Garden	Olveston Historic Home Toitū Otago Settlers Museum
Governance and support services	Civic and administration Civil defence	Customer services agency
Property	Commercial property Community housing	Operational property
Regulatory services	Building services Compliance solutions	Parking operations Parking services (enforcement)
Reserves and recreational facilities	Aquatic services Botanic Garden	Cemeteries and crematorium Parks and reserves
Roading and footpaths	Transport	
Three Waters – Water supply	Water supply	
Three Waters – Sewerage and sewage	Wastewater	
Three Waters – Stormwater	Stormwater	
Waste management	Waste and environmental solutions	

The information in this section of this Annual Report (pages 33 to 86) constitutes Council's Statement of Service Performance information.

The Statement of Service Performance is compliant with the following legislation and regulations:

- Local Government Act 2002
- · Requirements of the Department of Internal Affairs for Local Government, including the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP)
- PBE FRS 48 Service Performance Reporting Standard (accounting standards).

Huringa āhuranga Zero carbon

Dunedin City Wide Zero Carbon targets

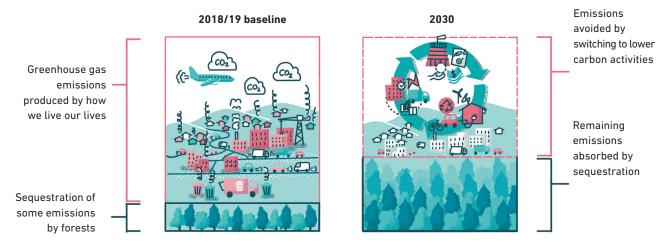
In 2019, the Council declared a climate emergency and brought forward its climate mitigation targets for the city as a whole. There are two targets as follows:

Target 1:

• Net zero carbon by 2030 (excluding biogenic methane): Net zero carbon means that any greenhouse gases (excluding biogenic methane) emitted into the atmosphere in Ōtepoti Dunedin are in balance with the amount of carbon absorbed out of the atmosphere by trees, also known as sequestration.



Dunedin can achieve net zero carbon (excluding biogenic methane) through reducing its total emissions by 40% and increasing its carbon sequestration by 64% upon 2018/19 levels. This would require significant reductions in emissions from transport, stationary energy, agriculture, and industrial processes and product use.



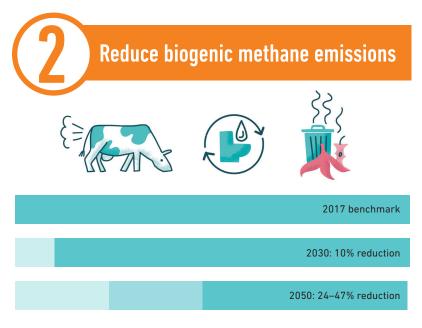
Net zero carbon means that any greenhouse gases (excluding biogenic methane) we emit into the atmosphere in Dunedin are in balance with the amount of carbon absorbed out of the atmosphere by trees, also known as sequestration.

Target 2:

· Reduce biogenic methane emissions:

Biogenic methane is methane produced and released from living organisms like plants and animals. In 2021/22, 85% of the Dunedin City Territorial Area biogenic methane was generated by ruminant animals in agriculture, and 15% generated by waste to landfill and wastewater. The city's biogenic methane reduction targets are the same as the central government targets:

- 10% reduction from 2017 levels by 2030.
- 24-47% reduction from 2017 levels by 2050.



Dunedin's biogenic methane reduction targets are the same as the central government targets

The Zero Carbon Plan sets out how Dunedin can achieve these two targets if everyone works together across the city.

The good news is, people and businesses in Dunedin have already been taking action.

Addressing climate change will take all of us. Work is underway at all levels - from international agreements, to national and city-level action, to organisations and households.

These two targets apply to the Dunedin City Territorial Area. Emissions are calculated using a predominately productionbased methodology – the Global Protocol for Community-Scale Greenhouse Gas Inventories BASIC+. Emissions include those from stationary energy (e.g., electricity, coal, or biomass), transport, waste, industrial processes and product use, and the agriculture and forestry sectors.

The Global Protocol for Community-Scale Greenhouse Gas Inventories BASIC+ is a production-based methodology which means it focusses on the emissions produced within the territorial area (such as petrol vehicles, livestock, and burning LPG in the city). It also includes emissions from electricity use and cross-boundary transport.

Globally produced emissions that relate to consumption in the city are excluded (e.g., embodied emissions relating to products produced elsewhere but consumed within the geographic area, such as imported food products, cars, phones, clothes etc.).

The city's emission footprint is calculated every three years, with the most recent footprint being calculated for the 2021/2022 financial year. The next scheduled footprint calculation will be completed for 2024/25.

Dunedin City Council emissions reduction targets

The DCC also has targets for its own organisation's gross emissions, as follows:

- By 2026/27, achieve a 30% reduction in annual tCO2e emissions from the 2018/19 baseline of 84,216
- By 2030/31, achieve a 42% reduction in annual tCO2e emissions from the 2018/19 baseline of 84,216.

The first target is intended to provide an interim measure of how the DCC is tracking in order to meet the longer term target.

In setting the 2030/31 target, the DCC considered the Science Based Target Initiative guidance on the level of emissions reduction required for DCC as an organisation to contribute towards efforts to keep global warming below 1.5°C above pre-industrial levels. However, the DCC has not sought accreditation from the Science Based Target Initiative for its organisational emissions reduction targets.

Approach to emissions reduction

In 2022, the DCC adopted a Zero Carbon Policy, which directs the DCC to prioritise gross emissions reduction to meet both city and Council targets.

In 2023, the DCC adopted Zero Carbon 2030 – an emissions reduction plan for Dunedin City. The Zero Carbon Plan focuses on reducing gross emissions where possible, rather than relying on sequestration alone. This aligns with the Zero Carbon Policy, best practice for developed countries, and with what scientists suggest is necessary to avoid the worst impacts of climate change.

Modelling undertaken when developing the Zero Carbon Plan has set out a pathway for achieving city-wide emissions reduction targets. The modelling included a degree of emissions reduction expected to be achieved through government policies as of mid-2023, as well as additional emissions reductions influenced locally by the DCC, businesses and communities.

The modelling includes a 40% reduction of gross emissions from 2018/19 levels by 2030/31 and sets out the changes required from each key sector to deliver these reductions. The modelling balances remaining emissions with a 64% increase in sequestration relative to 2018/19 sequestration levels, noting that sequestration increased by 36% from 2018/19 to 2021/22. In addition to Zero Carbon Plan implementation actions to reduce gross emissions, work is currently underway to identify options for sequestering or offsetting emissions.

DCC measures its organisational emissions annually. In 2023/24 the DCC adopted a new Emissions Management and Reduction Plan that identifies projects to reduce its emissions. Modelling suggests that, should all the Reduction Plan's actions be implemented, DCC's emissions would fall by 38%. Further work is therefore required to identify opportunities that will ensure the DCC can reduce emissions by the remaining 4% to meet its 42% target.

DCHL companies have been directed by the DCC to reduce their organisational footprint. The companies have also committed to working alongside the DCC to support city wide emissions reduction, as set out in the DCHL Carbon Reduction roadmap.

Progress to date

There has been some progress towards both city and organisation targets:

City emissions

- Between 2018/19 and 2021/22, total gross emissions in Dunedin decreased from 1,697,047 tC02e to 1,542,500 tC02e, a decrease of 9% (154,546 tCO2e)
- Each sector reduced its emissions between 2018/19 and 2021/22
- · Over this time, the population of the city increased by 2%, resulting in per capita gross emissions in Dunedin reducing by 11% between 2018/19 and 2021/22 (from 13.0 to 11.5 tCO2e per person per year), in line with the decrease in total gross

As noted above, the next calculation of the city footprint will be for the 2024/25 year.

DCC emissions

• As of 2022/23, DCC emissions had reduced by 27.67% compared to the 2018/19 baseline.

Disclosure of Significant Judgements

The Council's 10 year plan 2021–31 "tō tātou eke whakamuri – the future of us" outlines the services and activities the Dunedin City Council will provide, the projects that will be carried out and the level of service that the community can expect over the 10 year period. The plan also sets out how much things will cost, how they will be paid for, and their impact on rates and debt. The 10 year plan takes account of the social, economic, environmental and cultural interests of Dunedin's communities and the needs of future generations.

The 10 year plan 2021–31 sets out 12 groups of activities. For each activity group, details are provided on the community outcomes that its activities will contribute to. Also provided are levels of service statements, performance measures and targets. These describe the services that Council will provide to the community, and how Council will measure that it has achieved what it said it would.

Under the Local Government Act 2002, Council is required to have prescribed performance measures for the following group of activities: water supply, sewerage, stormwater drainage and the provision of roading and footpaths. These prescribed measures enable comparison of performance between all local authorities.

Performance measures for other activities of Council cover both output and outcome measurements of progress towards the levels of service provided for in the 10 year plan 2021–31.

The Council uses its judgement when selecting the measure used to monitor performance.

The purpose of this part of the Annual Plan is to report back to the community on how Council has performed in delivering the services it said it would.

In preparing the Statement of Service Performance, Council has provided comparative information for all performance measures. In one instance, Council has used its judgement to change the methodology for measuring achievement of its targets. In doing so, it has also restated the comparative data for the measure. Details of this changes is as follows:

Activity	Levels of service, measures, and targets	Amendment of comparative data
Roading	Level of Service: The use of electric vehicles (EVs) is supported. Performance measure: The number of	In 2022/23, all hybrids were included in the total number of vehicles registered in Dunedin, with the number reported as 6,127 vehicles.
	electric vehicles (plug in hybrids and pure EVs including heavy vehicles) registered in Dunedin is increasing.	This number has been reduced to 2,365 to reflect "plug in hybrids" only, to align with the performance measure.
	Target: Increase year on year.	

In the 2022/23 year, there are two activities where Council did not comply with statutory or mandated performance measurement. These are discussed below.

Activity	Levels of service, measures, and targets	Non-compliance detail – prior year only
Complaints about Water, Stormwater and Wastewater (prior year only)	Performance measure: The total number of complaints received about any of the following: Drinking water clarity Drinking water taste Drinking water odour Drinking water pressure or flow Continuity of supply Sewage odour Sewage systems faults Sewage system blockages Stormwater system	The Department of Internal Affairs has guidance on classifying and counting the complaints for the prescribed performance measures for water, stormwater and wastewater. Complete records for all complaints made to the DCC were not available for the 2022/23 year, so it was not possible to determine the accuracy of count results or classification of complaints between categories for these performance measures.
Roading (prior year only)	Level of Service: The transport network facilitates comfortable travel. Performance measure: The average quality of ride on local sealed road network measured by smooth travel exposure. Target: Smooth travel exposure ≥80%	Traffic count data is used in the calculation for Smooth Travel Exposure. Traffic count data loaded in the 2022/23 financial year were incorrect, and this impacted the Smooth Travel Exposure calculation. It was not possible to confirm the accuracy of the performance result of 75.6% of Smooth Travel Exposure provided in this report for the 2022/23 year. It is not believed that this had a material impact on the 2022/23 STE result.

As part of its development of the 9 year plan 2025–34, Council is reviewing its levels of service statements, performance measures and targets. It is intending to improve describing the services that it will deliver, how much it will deliver and the targets for delivery. There will be a greater focus on output measures, rather than outcome measurements, e.g., satisfaction measured through the Residents Opinion Survey. While taking account of community views, judgement will be used to determine the number of performance measures for the next 9 year plan, how they will be measured, and the frequency of measurement.

Residents' Opinion Survey

One of the main ways the DCC measures its performance is through the Residents' Opinion Survey (ROS).

The survey uses a sequential mixed-mode methodology and is conducted continuously over the year.

Residents are randomly selected from the electoral roll to participate in the survey. Selected residents are sent a letter that invites them to complete the survey online. After two weeks, people who haven't responded are sent a reminder postcard and then a paper questionnaire a further one and a half weeks later.

In 2023/24, 1,334 responses were obtained over the course of 12 months, giving a response rate of 29% and a margin of error of +/- 2.7% at a confidence interval of 95%. Post data collection, the sample has been weighted to known population distributions according to the 2018 Census using age, gender, ethnicity and location.

Technical note: Not all survey respondents answered all questions. The 2023/24 ROS has been conducted using standard analytical methods. Satisfaction with facilities are reported for respondents who have used that facility in the previous 12 months. Where a respondent has answered 'don't know', their response is not included in the percentage calculations.

The full results of the ROS are available at www.dunedin.govt.nz/council/residents-opinion-survey

Te hapori me te whakamahere kaupapa Community and planning

Services and activities

The community and planning group delivers activities and services related to:

- · Community development and events
- · City development
- · Resource consents.

The DCC promotes the sustainable management of Dunedin's natural and physical resources. This includes developing, reviewing and administering the District Plan, Spatial Plan and related policies, and processing applications for resource consents under the District Plan. The DCC also provides heritage, biodiversity and urban design advice to the Council and residents and administers the heritage fund.

The community and planning group provides advice and support to community and sector groups to help them realise their vision for a better future. Working in partnership with the community, the group administers grants, supports community projects, and organises community events. The community and planning group contributes to the vibrancy of the city for Dunedin residents and visitors and works with community groups to provide a better quality of life, while developing and delivering the city's key strategies.

Community outcomes

The community and planning group contributes to the following community outcomes:

- · A creative city with a rich and diverse arts and culture scene
- A successful city with a diverse, innovative, and productive economy
- · A supportive city with caring communities and a great quality of life
- · A sustainable city with healthy and treasured natural environments
- · A compact city with a vibrant CBD and thriving suburban and rural centres

Highlights for the 2023/24 year

We provided support to the Dunedin Youth Council (DYC) during the year. The DYC annual hui identified strategic goals for the year ahead, including better interschool relationships, improved safety and wellbeing at the bus hub, preventing drinkdriving and getting home safe after a night out.

We provided support to the Dunedin Former Refugee Steering Group, the Disability Issues Advisory Group and the Social Wellbeing Advisory Group. Regular workshops and meetings were held for place-based community groups, the Ōtepoti Community Support Network and the Ōtepoti Pasifika Communities Support Network.

Events held during the year included the FIFA™ Women's World Cup Australia & New Zealand 2023 tournament that attracted 82,600 spectators and 17,128 visitors to the city, the Women's World Cup Trophy Tour, the P!nk concert, and 15 free civic events, such as the New Year's Eve celebrations and Mana Moana festivities.

The Enviroschools team supported over 35 schools in Ōtepoti, working with teachers and students to transform their environmental ideas into actions.

Taskforce Green supported more than 120 projects across Dunedin, contributing more than 24,000 volunteer hours to the city.

In partnership with the Keep Dunedin Beautiful Trust, education workshops on waste minimisation and recycling, and sustainability were held. We also coordinated clean-up events, tree plantings and beautification programmes such as graffiti removal and community murals.

The Future Development Strategy was completed in partnership with the Otago Regional Council and mana whenua. Work has started on an implementation plan to track progress on the actions outlined in the Strategy.

Eleven appeals on the 2GP and six appeals on Variation 2 were resolved during the year, leaving four 2GP appeals and eight Variation 2 appeals remaining.

The Heritage Action Plan was adopted by Council in December 2023. The Implementation Plan is still to be finalised but major actions related to the District Plan and a review of the fees for resource consents for earthquake strengthening are underway.

Union Street East has new plantings, trees, furniture, and cycle stands. A landscaping plan for the proposed park and ride facility on Burns Street in Mosgiel has been developed.

We processed 93% (787 out of 850) of non-notified and notified resource consent applications within the statutory time limits. We responded to 2,572 enquiries and processed 314 subdivision certificates within the statutory time limit (93% or 314 out of 338).

Just over \$894,000 in grants funding was distributed to the community via the Community, City Service, Place Based, Small Projects and Neighbourhood grants. The Biodiversity Fund awarded \$92,908 for biodiversity enhancement projects and the Dunedin Heritage Fund distributed \$680,700.

Over \$600,000 in event grants funding was allocated in this financial year. Of this, approximately \$79,000 supported community events, while \$526,000 was designated for major community and premier events. We supported 32 applications for local community events, 12 major community events, and four premier events.

Measuring performance

Measure	Data Source	Target 2023/24	Actual 2023/24	Actual 2022/23	Achievement
Level of service: Advice and support is provided to the community and key stakeholders, and grants funding and contract support is appropriately administered and monitored					
Percentage of customers satisfied with advice, support and assistance provided by the Community Development Team	Annual survey	≥95%	Not measured	92%	Note 1
Level of service: Council funded events meet the	needs of resid	dents			
Percentage of residents satisfied with city festivals and events	ROS	≥70%	60%	61%	Not achieved 1
Level of service: Residents are satisfied with the	look and feel	of the city			
Percentage of residents satisfied with the overall look and feel of the city	ROS	≥75%	60%	58%	Not achieved 2
Level of service: Resource consents are processed efficiently and meet statutory timeframes and customer information needs are met					
Percentage of resource consents processed within statutory timeframes	Internal data	100%	93%	93%	Not achieved 3

ROS Residents' Opinion Survey

Notes

1 The survey was not completed in the 2023/24 year.

Explanations

- 1 The time since Covid-19 has been challenging for the events sector in Dunedin and globally, with many events not being able to deliver to previous levels.
- 2 The percentage of residents satisfied with the look and feel of the city has improved by 2% since 2022/23. With respect to the amenity of private land, a District Plan review process is underway to review the effectiveness of how the Plan manages the design of multi-unit housing.
- 3 Of the 850 applications processed, 787 were granted within the statutory maximum number of working days.

Capital Expenditure

New Capital	Note	2023/24 Actual \$000	2023/24 Budget \$000
City Development – Street Trees and Furniture		-	100
City Development – Minor Amenity Centres Upgrades	1	-	400
		-	500
Renewals			
Community Development and Events – Task Force Green		3	5
Total Capital		3	505

Explanation of Variance

1 Centres Programme will be considered as part of the 9 year plan 2025-34.

Community and planning

	2023 Long-term plan \$000	2024 Long-term plan \$000	2024 Actual \$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	12,660	12,754	14,479
Targeted rates	-	-	-
Subsidies and grants for operating purposes	144	148	326
Fees and charges	1,582	1,729	1,860
Internal charges and overheads recovered	209	214	626
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	14,595	14,845	17,291
Application of operating funding			
Payments to staff and suppliers	12,544	12,726	15,814
Finance costs	24	42	-
Internal charges and overheads applied	2,018	2,069	2,139
Other operating funding applications	-	-	-
Total application of operating funding (B)	14,586	14,837	17,953
Surplus (deficit) of operating funding (A-B)	9	8	(662)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	902	363	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	
Total sources of capital funding (C)	902	363	_
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	970	400	-
- to replace existing assets	1	5	3
Increase (decrease) in reserves	-	-	-
Increase (decrease) of investments	(60)	(34)	(665)
Total application of capital funding (D)	911	371	(662)
Surplus (deficit) of capital funding (C-D)	(9)	(8)	662
Funding balance ((A-B)+(C-D))			

Te whakatupu ohaoha **Economic development**

Services and activities

The economic development group delivers activities and services related to:

- · Business development
- · Marketing Dunedin
- Ötepoti Dunedin isite Visitor Information Centre

The DCC supports and encourages business vitality, alliances for innovation, a hub of skills and talent, linkages beyond our borders and a compelling destination to make Dunedin a great place to live, work, study, visit and invest in.

The economic development group works in partnership with other agencies to promote the city, attract visitors and migrants, and encourage and support business, job growth and entrepreneurial activity.

Community outcomes

The economic development group contributes to the following community outcomes:

- · A creative city with a rich and diverse arts and culture scene
- · A successful city with a diverse, innovative, and productive economy
- · A supportive city with caring communities and a great quality of life

Highlights for the 2023/24 year

The Mayor led a civic and business delegation to China in November 2023.

The Otepoti Dunedin Destination Management Plan was adopted by Council in October 2023, and Dunedin's destination marketing awareness campaign was launched in December 2023. The 'It's Just Dunedin' campaign was launched, nationally and in Australia. "It's Just Dunedin" juxtaposes the beauty and grandness of Dunedin's offerings against the wry humour the Dunedin brand is known for.

A refit of the isite was completed in this financial year, opening in November 2023 in time for the summer and cruise seasons.

Over the 2023/24 cruise ship season, 117 ships visited Ōtepoti Dunedin, bringing 192,736 passengers and 82,947 crew to the city.

With industry and clinicians, Enterprise Dunedin continued to progress work on the development of digital interactive health, building on developing a serious games industry from Dunedin and Centre of Digital Excellence (CODE).

Enterprise Dunedin continued to support film activity in the city and region. 81 enquiries were received and 19 film permits were issued. Enterprise Dunedin organised workshops to support business vitality in the screen sector.

In partnership with the Start Up Dunedin Trust, Good Food Dunedin created online resources to support the development of new food businesses in the city.

JobDUN's 2023/24 season saw 15 businesses registered and internships offered for the JobDUN internship programme.

During the year, Project China Dunedin supported five Dunedin secondary school students and a teacher to attend the Shanghai Youth International Summer Camp, Otago Polytechnic to advance their partnership with Huali University in Guangzhou for delivery of joint education programmes, and Kaans Catering with introductions to potential business partners in Shanghai.

During the year, Study Dunedin conducted familiarisation visits by international education agents, worked with ESOL providers, and organised a civic welcome for international students, a sports day and a marae visit. We also conducted research into the provision of homestay accommodation, which is a constraint in the sector.

Measuring performance

Measure	Data Source	Target 2023/24	Actual 2023/24	Actual 2022/23	Achievement
Level of service: Enterprise Dunedin provides business sector support and coordinates the marketing of the city for tourism and education and attracting investment and skilled migrants					
Percentage of residents satisfied with the Council's support for economic development	ROS	≥50%	35%	41%	Not achieved 1
Dunedin's share of national visitor spend	MBIE TECTs	Grow 10% year on year	Domestic = 3.3% (no change) International = 2.0% (no change)	3%	Not achieved 2
Level of service: The isite Visitor Information Centre provides an accessible, accurate tourism information and booking service					
Percentage of external customers satisfied with the isite Visitor Information Centre experience	Independent external survey	≥90%	Not measured	89%	Note 1

ROS Residents' Opinion Survey

Notes

1 The external survey is no longer undertaken.

Explanations

- 1 Perceptions and economic confidence are influenced by factors and pressures such as high inflation and interest rates set by the Reserve Bank.
- 2 MBIE notes that Domestic and International spend cannot be added together but need to be measured separately. We will review this measure in the 9 year plan 2025-34. Whilst the borders have reopened, travel to New Zealand is still slow to return to pre-Covid levels.

Capital Expenditure

N	ote 2023/24	2023/24
	Actua	l Budget
	\$000	\$000
New Capital		
Destination Marketing — Digital Content — Camera & Video Gear	14	<u> </u>
	14	-
Renewals		
Visitor Centre – isite Octagon Premises Refresh	471	500
Total Capital	485	500

Economic development

Sources of operating funding General rates, uniform annual general charges, rates penalties 5,037 5,145 4,876 Targeted rates 500 500 500 Subsidies and grants for operating purposes - - 145 Fees and charges 431 442 612 Internal charges and overheads recovered 3 3 9 Local authorities fuel tax, fines, infringement fees, and other receipts - - - Total operating funding (A) 5,971 6,090 6,142 Application of operating funding Payments to staff and suppliers 4,776 4,872 4,994 Finance costs 8 8 8 - Internal charges and overheads applied 1,146 1,175 1,170 Other operating funding applications - - - Cinternal charges and overheads applied 5,930 6,055 6,164 Surplus (deficit) of operating funding (B) 5,930 6,055 6,164 Surplus (deficit) of operating funding (C-B) - </th <th></th> <th>2023 Long-term plan \$000</th> <th>2024 Long-term plan \$000</th> <th>2024 Actual \$000</th>		2023 Long-term plan \$000	2024 Long-term plan \$000	2024 Actual \$000
General rates, uniform annual general charges, rates penalties 5,037 5,145 4,876 Targeted rates 500 500 500 Subsidies and grants for operating purposes - - 145 Fees and charges 431 442 612 Internal charges and overheads recovered 3 3 9 Local authorities fuel tax, fines, infringement fees, and other receipts - - - Total operating funding (A) 5,971 6,090 6,142 Application of operating funding (A) Payments to staff and suppliers 4,776 4,872 4,994 Finance costs 8 8 - Internal charges and overheads applied 1,146 1,175 1,70 Other operating funding applications - - - Finance costs 8 8 - Internal charges and overheads applied 1,146 1,175 1,70 Other operating funding (B) 5,930 6,055 6,164 Supplied (efficit) of operating funding (A-B				
Targeted rates 500 500 500 Subsidies and grants for operating purposes - - 1.45 Fees and charges 431 442 612 Internal charges and overheads recovered 3 3 9 Local authorities fuel tax, fines, infringement fees, and other receipts - - - Total operating funding (A) 5,971 6,990 6,142 Application of operating funding (A) Application of operating funding (A) Payments to staff and suppliers 4,776 4,872 4,994 Finance costs 8 8 8 - Internal charges and overheads applied 1,146 1,175 1,70				
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Internal charges and overheads recovered 3 3 3 9 Local authorities fuel tax, fines, infringement fees, and other receipts - - - - Total operating funding (A) 5,971 6,090 6,142 Application of operating funding		-	-	
Decided authorities fuel tax, fines, infringement fees, and other receipts				
	-	3	3	9
Application of operating funding Payments to staff and suppliers 4,776 4,872 4,994		-	-	
Payments to staff and suppliers 4,776 4,872 4,994 Finance costs 8 8 - Internal charges and overheads applied 1,146 1,175 1,170 Other operating funding applications - - - - Total application of operating funding (B) 5,930 6,055 6,164 Surplus (deficit) of operating funding (A-B) 41 35 (22) Sources of capital funding - - - 203 Development and financial contributions - - - - - Development and financial contributions - - - - - - Increase (decrease) in debt - - - - - - Gross proceeds from sale of assets -	Total operating funding (A)	5,971	6,090	6,142
Payments to staff and suppliers 4,776 4,872 4,994 Finance costs 8 8 - Internal charges and overheads applied 1,146 1,175 1,170 Other operating funding applications - - - - Total application of operating funding (B) 5,930 6,055 6,164 Surplus (deficit) of operating funding (A-B) 41 35 (22) Sources of capital funding - - - 203 Development and financial contributions - - - - - Development and financial contributions - - - - - - Increase (decrease) in debt - - - - - - Gross proceeds from sale of assets -				
Finance costs 8 8 - Internal charges and overheads applied 1,146 1,175 1,170 Other operating funding applications - - - Total application of operating funding (B) 5,930 6,055 6,164 Surplus (deficit) of operating funding (A-B) 41 35 (22) Sources of capital funding - - - 203 Development and financial contributions - - - 203 Development and financial contributions - - - - - - - 203 -				
Internal charges and overheads applied Other operating funding applications		•	,	4,994
Other operating funding applications -		_	_	-
Total application of operating funding (B) 5,930 6,055 6,164 Surplus (deficit) of operating funding (A-B) 41 35 (22) Sources of capital funding Subsidies and grants for capital expenditure - - 203 Development and financial contributions - - - - Increase (decrease) in debt - - - - Gross proceeds from sale of assets - - - - Lump sum contributions - - - - Total sources of capital funding (C) - - 2 - Application of capital funding Capital expenditure - - - - Low meet additional demand - - - - - Capital expenditure - - - - - to improve the level of service - - - - - to replace existing assets 5 16 485 Increase (decrease) of investments 36		1,146	1,175	1,170
Surplus (deficit) of operating funding (A-B) Sources of capital funding Subsidies and grants for capital expenditure 203 Development and financial contributions		-	-	
Sources of capital funding Subsidies and grants for capital expenditure	Total application of operating funding (B)	5,930	6,055	6,164
Subsidies and grants for capital expenditure Development and financial contributions Increase (decrease) in debt Gross proceeds from sale of assets Lump sum contributions Total sources of capital funding (C) Application of capital funding Capital expenditure to meet additional demand response to replace existing assets Increase (decrease) in reserves Increase (decrease) of investments Total application of capital funding (D) Augusta to the first to the fir	Surplus (deficit) of operating funding (A-B)	41	35	(22)
Development and financial contributions Increase (decrease) in debt Increase (decrease) in reserves Increase (decrease) of investments Increase (decrease) of investments Increase (decrease) of capital funding (D) Increase (deficit) of capital funding (C-D) Increase (deficit) of capital funding	Sources of capital funding			
Increase (decrease) in debt Gross proceeds from sale of assets	Subsidies and grants for capital expenditure	-	-	203
Gross proceeds from sale of assets Lump sum contributions	Development and financial contributions	-	-	-
Lump sum contributions Total sources of capital funding (C) 203 Application of capital funding Capital expenditure - to meet additional demand	Increase (decrease) in debt	-	-	-
Total sources of capital funding (C) 203 Application of capital funding Capital expenditure - to meet additional demand to improve the level of service to replace existing assets 5 16 485 Increase (decrease) in reserves Increase (decrease) of investments 36 19 (304) Total application of capital funding (D) 41 35 181 Surplus (deficit) of capital funding (C-D) (41) (35) 22	Gross proceeds from sale of assets	-	-	-
Application of capital funding Capital expenditure - to meet additional demand to improve the level of service to replace existing assets 5 16 485 Increase (decrease) in reserves Increase (decrease) of investments 36 19 (304) Total application of capital funding (D) 41 35 181 Surplus (deficit) of capital funding (C-D) (41) (35) 22	Lump sum contributions	-	-	
Capital expenditure - to meet additional demand - to improve the level of service - to replace existing assets 5 16 485 Increase (decrease) in reserves Increase (decrease) of investments 36 19 (304) Total application of capital funding (D) 41 35 181 Surplus (deficit) of capital funding (C-D) (41) (35) 22	Total sources of capital funding (C)	-	-	203
- to meet additional demand	Application of capital funding			
- to improve the level of service - to replace existing assets 5 16 485 Increase (decrease) in reserves Increase (decrease) of investments 36 19 (304) Total application of capital funding (D) 41 35 181 Surplus (deficit) of capital funding (C-D) (41) (35) 22	Capital expenditure			
- to replace existing assets Increase (decrease) in reserves Increase (decrease) of investments 36 19 (304) Total application of capital funding (D) 41 35 181 Surplus (deficit) of capital funding (C-D) (41) (35) 22	- to meet additional demand	-	-	-
Increase (decrease) in reserves Increase (decrease) of investments 36 19 (304) Total application of capital funding (D) 41 35 181 Surplus (deficit) of capital funding (C-D) (41) (35) 22	- to improve the level of service	-	-	-
Increase (decrease) of investments 36 19 (304) Total application of capital funding (D) 41 35 181 Surplus (deficit) of capital funding (C-D) (41) (35) 22	- to replace existing assets	5	16	485
Total application of capital funding (D) 41 35 181 Surplus (deficit) of capital funding (C-D) (41) (35) 22	Increase (decrease) in reserves	-	-	-
Surplus (deficit) of capital funding (C-D) (41) (35) 22	Increase (decrease) of investments	36	19	(304)
	Total application of capital funding (D)	41	35	181
Funding balance ((A-B)+(C-D)) – – –	Surplus (deficit) of capital funding (C-D)	(41)	(35)	22
	Funding balance ((A-B)+(C-D))	_	_	_

Kā wharepukapuka, kā whare taoka Galleries, libraries and museums

Services and activities

The Galleries, libraries and museums group delivers activities and services related to:

- Dunedin Public Libraries (including City of Literature)
- · Dunedin Public Art Gallery
- · Toitū Otago Settlers Museum
- · Lan Yuan Chinese Garden
- · Olveston Historic Home.

The DCC maintains and preserves a rich heritage of stories, treasures and knowledge through its cultural institutions. Our art collections are held in accessible, safe, high quality environments, providing ample opportunities for our residents and visitors to experience visual arts and culture. The Council is one of four local authorities in Otago that contribute to the management and funding of the Otago Museum under the Otago Museum Trust Board Act 1996.

Community outcomes

The Galleries, libraries and museums group contributes to the following community outcomes:

- · A creative city with a rich and diverse arts and culture scene
- · A supportive city with caring communities and a great quality of life
- · A successful city with a diverse, innovative, and productive economy

Highlights for the 2023/24 year

Key exhibitions at the Dunedin Public Art Gallery over the year included Huikaau - where currents meet, developed in partnership with members of the hapori from Te Rūnaka o Ōtākou and Kāti Huirapa Rūnaka ki Puketeraki, and a retrospective exhibition of Marilynn Webb's work.

The update of the transport and technology exhibition at Toitū was completed in November 2024.

Lan Yuan was awarded a six-star rating by the New Zealand Gardens Trust, joining the Dunedin Botanic Gardens as one of New Zealand's top garden experiences.

The Otepoti Live Music Action Plan was adopted in September 2023. We provide advice and support for music makers, including Pāsifika performance groups, the Dunedin Symphony Orchestra, solo artists, venues and music event organisers, and we regularly promote music events and musicians.

The City of Literature celebrated several international days by sharing the work of local writers and artists with communities around the world. For International Mother Language Day on 21 February 2024, we were proud to share a waiata, 'Huia Te Aroha', written in te reo Māori by young musicians.

City of Literature South D Poet Lorikeet Jenny Powell offered free workshops in a collaboration with SuperGrans for World Poetry Day (21 March), and we sent books to be displayed in a trade fair as part of Jakarta Content Week. We also contributed an original artwork by David Elliot to Nottingham City of Literature to commemorate the bicentenary of Lord Byron's death.

The Creative Partnerships team delivered a series of six Creative Capability Workshops for early and mid-career artists.

We also completed nine new free online resources for our creative communities. The resources provide advice and tips on gigs, murals and funding applications and these are hosted on The Big Idea's new learning hub.

Work is underway on the South Dunedin Library and Community Complex project to develop a facility that will have accessible spaces (physical, sensory and cognitive). The focus is to make the environment usable and welcoming for all.

Te Pahi Pukapuka, our electric Bookbus, took part in the annual Christmas Parade, the South Dunedin Street Festival, Moana Nui and the Blueskin Bay A&P show.

Heritage library exhibitions highlighted some of the treasures held in the McNab and Reed collections, including a rare first edition (1873) of Sir Walter Buller's A History of the Birds of New Zealand and a single leaf of the famed Gutenberg Bible.

Staff rediscovered a cache of uncatalogued autographed letters and signatures in the A.H. Reed collection, many with Reed's calligraphic hand offering biographical details on figures such as Manning, Livingstone and Nightingale.

Work is underway on Te Puawai o ngā wharepukapuka ō Ōtepoti, a strategic project to reimagine the future of the library.

Measuring Performance

Measure	Data	Target	Actual	Actual	Achievement
	Source	2023/24	2023/24	2022/23	
Level of service: Library facilities are accessible, community	and collection	s are maintaine	ed and update	ed to meet th	e needs of the
Percentage of residents who visit Dunedin Public Libraries at least once in a year	ROS	≥60%	59%	60%	Not achieved 1
Percentage of residents who visited and were satisfied with Dunedin Public Libraries	ROS	≥90%	91%	89%	Achieved
Total number of visits to Dunedin Public Libraries annually	Internal data	≥1.1 million	643,688	773,841	Not achieved 2
Number of participants in lifelong learning programmes conducted by the library annually	Internal data	≥35,000	29,530	27,150	Not achieved 3
Level of service: The Dunedin Public Art Gallery p	rovides acces	s to a diverse vi	isual art expe	erience which	meets the
expectations of visitors and the collection is man	aged accordin	g to internation	al best practi	ce	ı
Percentage of residents who visit Dunedin Public Art Gallery at least once in a year	ROS	≥40%	45%	47%	Achieved
Percentage of residents who visited and were satisfied with to their visit to the Dunedin Public Art Gallery	ROS	≥90%	87%	87%	Not achieved 4
Total number of visits to Dunedin Public Art Gallery annually	Internal data	≥195,000	170,276	188,943	Not achieved 5
Level of visitor satisfaction with Dunedin Public Art Gallery	Visitor surveys	≥90%	95%	93%	Achieved
Percentage of designated exhibition galleries that are committed to displays from the permanent collection (in order to provide access to the city's holding of nationally significant art)	Internal data	≥40%	60%	58%	Achieved
Level of service: The Toitū Otago Settlers Museum which meets the expectations of visitors	n (Toitū) facilit	ies provide acce	ess to a diver	se social hist	ory experience
Percentage of residents who visit Toitū at least once a year	ROS	≥75%	63%	61%	Not achieved 6
Percentage of residents who visited and were satisfied with their visit to Toitū	ROS	≥95%	93%	93%	Not achieved 7
Total number of visits to Toitū annually	Internal data	≥250,000	312,105	210,135	Achieved
Number of special exhibitions, public programs and events staged per year at Toitū and at Lan Yuan Chinese Garden	Annual status analysis	≥100	145	102	Achieved
Level of visitor satisfaction with Toitū	Trip Advisor	≥4.5 out of 5 stars (as at 30 June each year)	5.0	5.0	Achieved
Level of service: Visitors enjoy an authentic Chine	ese architectur	ral and cultural	experience		
Percentage of residents who visit Lan Yuan Chinese Garden at least once a year	ROS	≥15%	26%	26%	Achieved
Percentage of residents who visited and were satisfied with their visit to Lan Yuan Chinese Garden	ROS	≥85%	87%	89%	Achieved
Total number of visits to Lan Yuan Chinese Garden annually	Internal data	≥40,000	31,419	29,308	Not achieved 8
Level of visitor satisfaction with Lan Yuan Chinese Garden	Trip Advisor	≥4.0 out of 5 stars (as at 30 June each year)	4.0	4.5	Achieved

Measure	Data Source	Target 2023/24	Actual 2023/24	Actual 2022/23	Achievement	
Level of service: Visitors enjoy an authentic expe	Level of service: Visitors enjoy an authentic experience at Olveston Historic House					
Percentage of residents who visit Olveston at least once a year	ROS	≥10%	12%	11%	Achieved	
Percentage of residents who visited and were satisfied with their visit to Olveston	ROS	≥90%	93%	90%	Achieved	
Total number of visits to Olveston annually	Internal data	≥35,000	24,455	22,886	Not achieved 9	
Level of visitor satisfaction with Olveston	Trip Advisor	≥4.5 out of 5 stars (as at 30 June each year)	4.5 stars	4.7	Achieved	

ROS Residents' Opinion Survey

Explanations

- Visitation at the City Library was impacted by building upgrade work in 2024 and unplanned closures of community libraries and floors in the City Library over the 2023/24 year.
- 3 The total number of participants in library programmes is below target but has increased 10.8% on the previous year. While there is a downward trend in visits to the library, more physical and digital items were issued. Library staff are currently undertaking work to understand and address library service levels to ensure they continue to meet the changing needs of the community.
- 4, 5 DPAG Visitation: Art Gallery visitation has been affected by the closure of Nova Café.
- The number of visitors has increased by 2% on the 2022/23 year, and satisfaction has remained the same. 6, 7
- 8 The number of visitors to Lan Yuan has increased on the previous year.
- 9 While Olveston total numbers have not been achieved, they are now at 80% of the pre Covid-19 levels of 2018/19 and up 7% on 2022/23.

Capital Expenditure

	Note	2023/24 Actual \$000	2023/24 Budget \$000
New Capital			
Dunedin Public Art Gallery – Minor Capital Works		59	40
Dunedin Public Art Gallery – Acquisitions – DPAG Society Funded		32	30
Dunedin Public Art Gallery – Acquisitions – Rates Funded		109	110
Dunedin Public Art Gallery – Art in Public Places		66	100
Dunedin Public Art Gallery – Acquisitions Donation Funded		-	35
Dunedin Public Libraries – Heritage Collection Purchases		35	66
Toitū Otago Settlers Museum — Minor Capital Works		24	40
Toitū Otago Settlers Museum — Acquisitions — Rates Funded		8	100
		333	521
Renewals			
Dunedin Public Art Gallery – Exhibition Lighting		49	49
Dunedin Public Art Gallery – Heating and Ventilation		60	62
Dunedin Public Libraries – Minor Capital Equipment		40	58
Dunedin Public Libraries – Acquisitions – Operational Collection		967	967
Olveston House – Minor Capital Works		76	77
Toitū Otago Settlers Museum — Plant Renewal		47	82
Toitū Otago Settlers Museum – Asset Renewals	1	262	-
Toitū Otago Settlers Museum — Minor Equipment Renewals		2	196
Toitū Otago Settlers Museum – Gallery Furniture and Office/Gallery Renewal	2	-	515
	_	1,503	2.006
Total Capital	_	1.836	2,527

Explanation of variance

- 1 Upgrade of the NZR Garagen was partially funded through a donation from the Otago Motor Club Trust.
- $2\,$ $\,$ New Theatrette project has been reprofiled in the 2024/25 year.

Galleries, libraries and museums

	2023 Long-term plan \$000	2024 Long-term plan \$000	2024 Actual \$000
	\$000	\$000	\$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	24,454	24,907	27,062
Targeted rates	-	-	-
Subsidies and grants for operating purposes	326	334	349
Fees and charges	1,919	1,955	1,632
Internal charges and overheads recovered	21	22	161
Local authorities fuel tax, fines, infringement fees, and other receipts	-	3	
Total operating funding (A)	26,720	27,221	29,204
Application of operating funding			
Payments to staff and suppliers	18,675	18,918	20,277
Finance costs	337	367	650
Internal charges and overheads applied	6,694	6,941	6,949
Other operating funding applications	-	-	
Total application of operating funding (B)	25,706	26,226	27,876
Surplus (deficit) of operating funding (A-B)	1,014	995	1,328
Sources of capital funding			
Subsidies and grants for capital expenditure	31	32	216
Development and financial contributions	-	-	-
Increase (decrease) in debt	1,123	951	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	_
Total sources of capital funding (C)	1,154	983	216
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	832	1,455	819
- to replace existing assets	1,420	621	1,017
Increase (decrease) in reserves	-	-	
Increase (decrease) of investments	(84)	(98)	(292)
Total application of capital funding (D)	2,168	1,978	1,544
Surplus (deficit) of capital funding (C-D)	(1,014)	(995)	(1,328)
Funding balance ((A-B)+(C-D))	-	_	_

Ratoka whakahaere, ratoka tautoko **Governance and support services**

Services and activities

The governance and support services group delivers activities and services related to:

- · Civic affairs and administration services
- Communications and marketing
- · Customer services.

The governance and support services group provides technical and administrative support for the DCC. In some instances, the group provides an external service to residents and the public (e.g. the DCC website). The support services are largely funded by an internal charge to the other activity groups. The charge is based on an allocation method that endeavours to reflect the true cost to the key delivery activities.

Community outcomes

The governance and support services group contributes to the following community outcomes:

- · A healthy city with reliable and quality water, wastewater and stormwater
- · A compact city with a vibrant CBD and thriving suburban and rural centres
- · A successful city with a diverse, innovative and productive economy
- · A creative city with a rich and diverse arts and culture scene
- · A connected city with a safe, accessible and low-carbon transport system
- · A sustainable city with healthy and treasured natural environments
- · An active city with quality and accessible recreational spaces and opportunities
- · A supportive city with caring communities and a great quality of life

Highlights for the 2023/24 year

In the 2023/24 financial year, our Customer Services team answered 95,634 phone calls, 58,051 emails and welcomed 11,218 customers in the Plaza. We improved more than 50 online forms and processes, making it faster and easier for customers to access DCC services. We also launched a new customer connection platform, which handles all incoming traffic and gives us better data on customer needs and DCC response times.

Measuring Performance

Measure	Data Source	Target 2023/24	Actual 2023/24	Actual 2022/23	Achievement	
Level of service: The information required to participate in the democratic process is appropriately available						
Percentage of non-public material that is assessed for proactive release to the public during each Council Committee meeting round	Internal data	100%	100%	100%	Achieved	
Percentage of LGOIMA official information requests that are responded to within 20 working days	Internal data	100%	92%	86%	Not achieved 1	
Percentage of residents satisfied with the amount of public consultation undertaken	ROS	≥50%	35%	37%	Not achieved 2	
Level of service: The information residents	require is appropi	riately availa	ble			
Percentage of residents satisfied with the Council's website	ROS	≥65%	59%	57%	Not achieved 3	
Level of service: Staff communicate with residents appropriately						
Percentage of residents satisfied with how staff communicate	ROS	≥80%	75%	56%	Not achieved 4	

Explanations

- 1 The DCC received 219 LGOIMA requests and responded to 198 of these within 20 working days.
- 2 Public consultation undertaken during the year included the Signal Hill, Town Belt and Harbour Reserves Management Plans, the Annual Plan 2024/25, and the Future Development Strategy.
- 3 The total amount of feedback received during the year via the website has doubled from the previous year. The updated Rates page and the new kerbside service contributed to the increase in feedback. The focus has shifted to different pages on the website, which provides us with valuable feedback to keep making improvements on how we present information online.
- 4 While the target has not been achieved, there has been a 19% increase in the level of satisfaction with how staff have communicated.

Capital Expenditure

	Note	2023/24	2023/24
		Actual	Budget
		\$000	\$000
New Capital			
Fleet Operations – EV Charging Infrastructure		-	100
Information Solutions – Internal Services Workstream	1	92	668
Information Solutions – Internal Legacy Corrections		-	100
Information Solutions – Value Added External Services	2	458	1,150
		550	2,018
Renewals			
Fleet Operations – Fleet Replacement		572	500
Information Solutions – Internal Services Workstream	3	26	600
Information Solutions – Internal Legacy Corrections		902	1,106
	_	1,500	2,206
Total Capital		2,050	4,224

Explanation of variance

- 1 CSA call centre software and contract management software were both delivered under budget.
- 2 This variance reflects savings in the e-services programme.
- 3 Payroll replacement program phase two was delayed.

Governance and support services

Funding balance ((A-B)+(C-D))	_	_	_
Surplus (deficit) of capital funding (C-D)	(1,025)	(977)	(4,023)
Total application of capital funding (D)	2,501	2,200	4,404
Increase (decrease) of investments	(2,651)	(2,714)	2,354
Increase (decrease) in reserves	-	-	-
- to replace existing assets	3,143	2,856	1,500
- to improve the level of service	2,009	2,058	550
- to meet additional demand	-	-	-
Capital expenditure			
Application of capital funding			
Total sources of capital funding (C)	1,476	1,223	381
Lump sum contributions	-	-	-
Gross proceeds from sale of assets	120	120	-
Increase (decrease) in debt	1,356	1,103	-
Development and financial contributions	_	_	-
Subsidies and grants for capital expenditure	_	_	381
Sources of capital funding	1,023	711	4,023
Surplus (deficit) of operating funding (A-B)	1,025	977	4,023
Total application of operating funding (B)	43,523	44,028	50,806
Other operating funding applications	-	-	-
Internal charges and overheads applied	6,960	7,134	9,929
Finance costs	1,442	1,479	2,217
Payments to staff and suppliers	35,121	35,415	38,660
Application of operating funding			
Total operating funding (A)	44,548	45,005	54,829
Local authorities fuel tax, fines, infringement fees, and other receipts		-	
Internal charges and overheads recovered	26,353	27,012	28,423
Fees and charges	9,645	9,335	21,981
Subsidies and grants for operating purposes	-	-	2,185
Targeted rates	518	523	370
General rates, uniform annual general charges, rates penalties	8,032	8,135	1,870
Sources of operating funding			
	4000	4000	4000
	Long-term plan \$000	Long-term plan \$000	Actual \$000
	Lang town plan	Lang town plan	A atrial

Kā wāhi whenua | Property

Services and activities

The property group delivers activities and services related to:

- · Community housing
- · Property management (including investment, operational and community property)
- · Land and lease management.

The DCC manages property to maintain core services, provide community housing and provide non-rates revenue.

The property portfolio includes community housing units for qualifying residents, arts and culture facilities like the Regent Theatre, sports facilities like Edgar Centre and the Ice Sports Stadium, and investment properties that provide non-rates revenue.

Property management is essential to the DCC's provision of services to the community in economic development, arts and culture, community housing, and libraries and museums.

Community outcomes

The property group contributes to the following community outcomes:

- · A creative community with a rich and diverse arts and culture scene
- · A supportive city with caring communities and a great quality of life
- · An active city with quality and accessible recreational spaces and opportunities
- · A compact city with a vibrant CBD and thriving suburban and rural centres

Highlights for the 2023/24 year

The DCC Community Housing Policy (2022) ensures housing applicants with urgent or physically accessible housing needs are prioritised for a DCC community house. During the year, applicants in priority group 1 were housed, or offered a house, within three months of joining the waitlist and priority group 2 were housed, or offered a house, within six months of joining the waitlist.

All DCC **community housing** units meet the Healthy Homes Standards. The final community housing unit was upgraded in July 2024, one year ahead of the 1 July 2025 deadline. Healthy Home Standards set minimum requirements for heating, ventilation, insulation and draft exclusion for all residential tenancies.

The **investment portfolio** occupancy rate remained stable at 96% for the year, and the weighted average lease term increased from 4.9 to 6.4 years, an increase primarily driven by negotiated longer lease terms.

The heritage restoration project of the exterior of the **Dunedin Railway Station** won both the New Zealand Institute of Architects Southern Region Heritage Category and the National Master Builders Association Category for Heritage Restoration in May 2024.

More **public toilets** were added to the portfolio in the 23/24 year. These are located at Tunnel Beach, Signal Hill, and Queens Gardens

Licence plate recognition software (which reduces paper waste) was installed in the Great King Street car park in March 2024. Licence plate recognition software will be installed in Moray Place and Wall Street car parks in the 2024/25 year.

Measuring performance

Measure		Data Source	Target 2023/24	Actual 2023/24	Actual 2022/23	Achievement
Level of service: The operating expenses	housing provided by	the Council meets t	he needs of	tenants and re	ntal values will r	not exceed
Percentage occupand provided rental hous	•	Internal data	≥94%	99%	99%	Achieved
Percentage of tenant Council provided ren		Tenant survey	≥95%	100%	99%	Achieved
Level of service: Cou	ncil investment prope	rties are appropria	itely manage	d		
Percentage overall o investment propertie	' '	Internal data	≥95%	96%	96%	Achieved
Level of service: Cou	ncil operational prope	erties are appropri	ately manage	ed		
Percentage of servic times met	e request response	Internal data	≥75%	77%	78%	Achieved
Level of service: The	impact of Council ope	erations on the envi	ronment are	managed		
The amount of energ properties is reducin		Internal data	Reducing year on year	47.9 GWh	48.8 GWh	Achieved
The amount of energy generated from fossil fuels in	Energy from LPG	Internal data	Reducing year on year	13.7 GWh	11.7 GWh	Not achieved 1
DCC properties	Energy from diesel		Reducing year on year	2.4 GWh	3.7 GWh	Achieved
Level of service: The number of public toilets throughout Dunedin will increase						
Provide a changing places bathroom in the central city area		Internal data	By 30 June 2022	Not achieved	Not achieved	Not achieved 2
Increase in the numb	per of public toilets	Internal data	2 new toilets each year	3	Not achieved	Achieved

Explanations

- 1 Moana Pool uses more than half of the DCC's LPG use. The purchase of LPG increased in the 2023/24 year because of the maintenance work on the west wall of the facility, which meant that the heat recovery system was shut down for most of the year. The heat recovery system takes warm air from poolside and recycles it to help heat the pool. When the heat recovery system is not running, the LPG boiler has to work harder to heat the pools.
- 2 The provision of a changing places bathroom in the central city is delayed as staff explore alternative locations. The revised project is planned to start in the 2025/26 financial year.

Capital Expenditure

	Note	2023/24	2023/24
		Actual	Budget
		\$000	\$000
New Capital			
Housing – Housing Growth	1	398	1,350
Operational – South Dunedin Library and Community Complex	2	3,090	100
Operational – Asset Renewals		7	-
Community - Public Toilets	3	978	1,505
Commercial – Commercial Property Purchases	4	13,232	
		17,705	2,955
Renewals			
Timing adjustment – Asset Renewals		-	(1,000)
Housing – Asset Renewals	5	1,257	1,000
Housing – Healthy Homes Upgrades	6	2,365	1,100
Housing – Palmyra Refurbishment		(61)	-
Housing – Fitzroy St Housing Upgrade	7	212	1,500
Operational – Asset Renewals	8	1,698	3,152
Operational – Town Hall/Municipal Chamber Exterior and Lift	9	554	2,300
Operational – Dunedin Public Art Gallery Refurbishment		(23)	221
Operational – Olveston House Renewal	10	316	600
Operational – Civic Centre – Exterior, Roof	11	4,848	6,250
Operational – Asbestos Remediation	12	-	250
Community – Asset Renewals	13	776	350
Community – Railway Station Exterior and Lift		1,056	1,100
Community – Public Toilet Renewals		267	250
Community – Edgar Centre Refurbishment		12	-
Community – Tarpits		76	-
Community – Community Halls Renewal		240	250
Investment – Asset Renewals		874	650
Investment – Lift Replacements	14	(97)	719
Investment – Seismic Remediation	15	4,546	3,300
Commercial – Asset Renewals	16	32	2,065
	_	18,948	24,057
	_	10,7-20	
Total Capital	_	36,653	27,012

Explanation of variance

- 1 Delayed timing of project. Design work complete.
- 2 The project is progressing ahead of original plan.
- 3 Delayed timing of some projects. New toilets now operational include Signal Hill, Tunnel Beach and Queens Gardens.
- 4 Unbudgeted property purchase (Forbury Park).
- 5 Electrical switchboard upgrade required for heatpump installation. This was part of the Healthy Homes requirement.
- 6 Multi-year project now completed. Expenditure originally planned for 3 years from 2021-2024. Project timing meant that the majority of actual expenditure occurred in the 2023/24 year.
- 7 Delayed timing of project. Design now completed.
- 8 Underspend offset by overspend in other portfolios.
- 9 Delayed timing of physical works. Detailed planning underway.

- 10 Retaining wall works complete. Remaining budget moved to 2024/25 (electrical upgrade).
- 11 Delayed timing of project.
- 12 Asbestos remediation is undertaken as required. No works were required this year.
- 13 Additional expenditure required for Ravensbourne Hall waterproofing and Regent Theatre compliance.
- 14 Delayed timing of project.
- 15 414 Moray Place required additional strengthening work which was identified in the planning stage.
- 16 Underspend offset by overspend in other portfolios.

Property

	2023 Long-term plan \$000	2024 Long-term plan \$000	2024 Actual \$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	9,661	11,906	15,874
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	17,646	18,165	17,330
Internal charges and overheads recovered	7,873	8,150	7,614
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	35,180	38,221	40,818
Application of operating funding			
Payments to staff and suppliers	20,283	21,637	22,794
Finance costs	1,522	1,878	3,563
Internal charges and overheads applied	2,631	2,697	2,601
Other operating funding applications	-	-	-
Total application of operating funding (B)	24,436	26,212	28,958
Surplus (deficit) of operating funding (A-B)	10,744	12,009	11,860
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	295	302	170
Increase (decrease) in debt	11,822	13,202	26,199
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of capital funding (C)	12,117	13,504	26,369
Application of capital funding			
Capital expenditure			
- to meet additional demand	582	537	347
- to improve the level of service	9,486	9,891	18,686
- to replace existing assets	13,613	16,295	17,620
Increase (decrease) in reserves	-	-	-
Increase (decrease) of investments	(820)	(1,210)	1,576
Total application of capital funding (D)	22,861	25,513	38,229
Surplus (deficit) of capital funding (C-D)	(10,744)	(12,009)	(11,860)
Funding balance ((A-B)+(C-D))		_	

Ratoka waeture | Regulatory services

The regulatory services group delivers activities and services related to:

- · Animal services
- · Building services
- · Environmental health and alcohol licencing
- · Parking services (enforcement).

The regulatory services group plays an important role in protecting the safety and wellbeing of Ōtepoti Dunedin's residents. Many of the staff are the first point of contact for our community. Our work ensures that DCC fulfils its responsibilities for a range of national regulatory frameworks, bylaws and services. The group:

- · Provides public education and monitors the care, wellbeing and control of dogs and other animals to ensure public safety
- · Provides building services that support customers to meet statutory building requirements and ensure that buildings are healthy, durable and safe
- · Monitors, promotes and enforces legal standards to protect public health and prevent ill-health
- · Reduces alcohol-related harm through education, monitoring and enforcing standards within licensed premises

Community outcomes

The regulatory services group contributes to the following community outcomes:

- · A supportive city with caring communities and a great quality of life
- · A sustainable city with healthy and treasured natural environments

Highlights for the 2023/24 year

During the year, 65 classes in 19 Dunedin schools received dog education sessions to help young people understand how to be safe around dogs. We also created dog education videos for the website to help dog owners manage some difficult dog behaviours.

Long-life metal dog registration tags were introduced and will save around 19,000 non-recyclable plastic tags going to the landfill each year. We contributed \$20,000 to the SPCA Snip n Chip programme, subsidising the microchipping and neutering of 200 cats.

We ran food safety seminars, which helped 194 food businesses with changes introduced by the Ministry for Primary Industries. An information session on applying for their three-yearly alcohol licence was attended by 42 clubs.

We have been actively promoting safe parking around sportsgrounds and schools - to safeguard pedestrians, sportsground users, school children and road users.

During the year, we provided 49 Building Services training sessions to 674 attendees from a wide range of fields, including Otago Polytechnic students, local Independently Qualified Persons, and architectural practices and designers.

The Building Consent Authority (BCA) retained accreditation following the biennial audit by International Accreditation New Zealand in September 2023. The BCA was noted as low risk.

Our first dataset under new reporting requirements showed that the median processing time for building consents in Dunedin was 10 days and for Code Compliance Certificates it was 11 days.

We completed 168 searches on the Hazardous Activities and Industries List (HAIL). These are requests for information about how the use of a site may have resulted in contaminants in the soil.

Measuring Performance

Measure	Data Source	Target 2023/24	Actual 2023/24	Actual 2022/23	Achievement	
Level of service: Legislative standards and	d bylaws are enfo	ced to protec	t the public			
Percentage of residents satisfied with the control of roaming dogs	ROS	≥60%	63%	66%	Achieved	
Percentage of "A" graded food premises	Internal data	≥70%	Not measured	95%	Note 1	
Percentage of residents satisfied with the control of noise	ROS	≥60%	59%	58%	Not achieved 1	
Level of service: Statutory timeframes for	processing of bui	lding consent	applications a	nd certifications	are met	
Percentage of building consent applications processed in accordance with statutory timeframes	Internal data	100%	97.5%	92.9%	Not achieved 2	
Percentage of Code Compliance Certificates issued in accordance with statutory timeframes	Internal data	100%	97.8%	97.9%	Not achieved 3	
Level of service: Monitoring of legislative	standards and byl	aws is undert	aken to protect	the public		
Percentage of registered health premises inspected in accordance with statutory timeframes	Internal data	100%	100%	93%	Achieved	
Number of alcohol licensing monitoring visits completed each quarter	Internal data	≥50 compliance visits per quarter	80 for the year	80 for the year	Not achieved 4	
Level of service: Car parking is available, meets the needs of users and parking regulations are enforced						
Percentage of residents satisfied with availability of metered on-street parking in the central city	ROS	≥40%	23%	22%	Not achieved 5	

ROS Residents' Opinion Survey

Notes

1 Since the Food Grading Bylaw was revoked on 1 January 2024, this target is no longer measured.

Explanations

- 1 Staff continue to work with various stakeholders to implement the Live Action Plan for the Central Business District, that also addresses the matter of noise.
- 2 97.5% (1,958 of 2,009) of building consents were processed within the statutory timeframes.
- 3 97.8% (1,775 of 1,815) code compliance certificates were processed within the statutory timeframe.
- 4 The number of monitoring visits has been maintained at 80 visits.
- 5 Staff are working on projects that will provide better data on meter utilisation and provide tools to support parking management.

Capital Expenditure

	Note	2023/24	2023/24
		Actual	Budget
		\$000	\$000
Renewals			
Compliance Solutions – Animal Services Body Worn Camera Renewals		7	12
Parking Operations – Parking Meter Renewals	1	(1)	317
Parking Operations – Car Park Buildings Equipment		80	250
Parking Services – Electronic Ticket Writers Renewals		5	26
		91	605
Total Capital	_	91	605

Explanation of variance

1 Parking meter renewal funding was not required in the 2023/24 year. Planned off-street carpark resurfacing and carpark barrier arms were delayed to 2024/25.

Regulatory services

	2023 Long-term plan	2024 Long-term plan	2024 Actual
	\$000	\$000	\$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	16,313	16,605	15,754
Internal charges and overheads recovered	105	108	252
Local authorities fuel tax, fines, infringement fees, and other receipts	2,335	2,342	2,318
Total operating funding (A)	18,753	19,055	18,324
Application of operating funding			
Payments to staff and suppliers	11,329	11,517	12,805
Finance costs	4	11	-
Internal charges and overheads applied	5,863	6,010	5,977
Other operating funding applications		-	
Total application of operating funding (B)	17,196	17,538	18,782
Surplus (deficit) of operating funding (A-B)	1,557	1,517	(458)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	249	214	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	_	-	
Total sources of capital funding (C)	249	214	
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	366	343	91
Increase (decrease) in reserves	-	-	-
Increase (decrease) of investments	1,440	1,388	(549)
Total application of capital funding (D)	1,806	1,731	(458)
Surplus (deficit) of capital funding (C-D)	(1,557)	(1,517)	458
Funding balance ((A-B)+(C-D))	_	-	_

Taunaha whenua, papa rehia Reserves and recreational facilities

Services and activities

The reserves and recreational facilities group includes delivers and services related to the city's:

- · Aquatic services
- · Botanic Garden
- · Cemeteries and crematorium
- · Parks and recreation.

The DCC operates four community swimming pools and more than 100 playgrounds, sportsgrounds, parks and reserves. They are maintained every day to meet the leisure, fitness and lifestyle needs of Dunedin residents. The DCC also maintains open green spaces and reserves like the Botanic Garden and other important facilities like cemeteries and crematoriums.

Green spaces, aquatic facilities and the other activities in this group are central to the wellbeing of Dunedin's communities. Our parks, pools, gardens and reserves provide many opportunities for Dunedin's communities to enjoy nature and stay fit, active and connected.

Community outcomes

The reserves and recreational facilities group contributes to the following community outcomes:

- · An active city with quality and accessible recreational spaces and opportunities
- · A supportive city with caring communities and a great quality of life
- · A sustainable city with healthy and treasured natural environments

Highlights for the 2023/24 year

Work at Te Rauone Reserve, has included the installation of sculptures designed by local artists. More than 3,000 plants were planted by the community, Te Rūnaka o Ōtākou, schoolchildren and DCC staff to restore the dunes.

The opening of the Tunnel Beach carpark – a collaboration between the DCC, the Department of Conservation (DOC) and Te Rūnaka o Ōtākou – reduced congestion along Tunnel Beach Road over the busy 2023/24 summer tourism season.

With DOC, we run a Community Ranger summer programme. Three Community Rangers worked together to promote responsible camping and appropriate behaviour around wildlife. They gave information to visitors, monitored compliance with camping regulations, and facilitated communication between the DCC and DOC.

Despite higher numbers over the 2023/24 season, freedom camping compliance patrols reduced from six months to three months due to improved compliance. Our 'education-first' approach improved compliance and resulted in fewer infringement notices.

In its first year of operation, more than 150,000 people visited Te Puna o Whakaehu. The pool placed first in the Public Architecture category at the Te Kāhui Whaihanga NZ Institute of Architects Southern Architecture Awards in May, receiving praise for its cultural elements and harmonious integration with the street and surrounding countryside. Two new accessible change rooms were completed at Moana Pool – both rooms have beds and one has a hoist.

During the year, the Botanic Garden achieved accreditation as a Six Star Garden of International Significance and accreditation from the Zoos and Aquarium Association of Australasia. Seventeen kākā chicks were raised and fledged at the aviary in the 2023/24 breeding season - two have gone to Project Janszoon in Abel Tasman National Park, 12 are destined for Orokonui Sanctuary, and DOC will assign the remaining three to other facilities. Bequest funding enabled us to construct a new gazebo in the Rhododendron Dell. Five Sunday Sounds events were held in February and March 2024.

A highlight for City Sanctuary - Predator Free Dunedin was the successful nesting of titipounamu in predator-proof nesting boxes in the Ross Creek reserve. In its fourth year of operation, City Sanctuary has predator control traplines in all of the city's reserves and a residential trapping programme across the city. We support nearly 200 volunteers, 500 backyard trappers and seven community trapping groups. The increase in volunteers has seen an increase of catch rates to 4,793 in the from July 2023 to June 2024, up 1,110 from the catch rate in the previous financial year.

We opened two new play spaces – a new basketball court in Waldronville and a new kitset pump track at Waikouaiti.

Floodlights were upgraded at the Tahuna Park, Caledonian and Logan Park sports grounds. We also relaid the playing surface on Ocean Grove Domain for the 2024 winter season.

Measuring Performance

Measure		Data Source	Target 2023/24	Actual 2023/24	Actual 2022/23	Achievement
Level of service:	Aquatic facilities are access			2023/24	2022/23	
Percentage of res	sidents who visit a DCC t least once in a year	ROS	≥50%	51%	48%	Achieved
Number	Moana Pool	Internal	≥600,000	605,898	579,868	Achieved
of annual attendances at	St Clair Hot Saltwater Pool	data	≥36,000	Not measured	51,476	Note 1
DCC swimming pools:	Te Puna o Whakaehu		≥44,000	160,251	0	Achieved
poots.	Port Chalmers Pool		≥14,500	Not measured	12,199	Note 1
Level of service:	Aquatic facilities are well m	aintained and	d meet the need	ds of users		
Percentage of use	ers satisfied with Moana	ROS	≥85%	72%	80%	Not achieved 1
	ers satisfied with ming pools (St Clair Salt ına o Whakaehu and Port	ROS	≥85%	83%	76%	Not achieved 2
Level of service:	The Botanic Garden and its f	acilities are	well maintaine	d and meet the r	needs of users	
· ·	sidents who visit the t least once in a year	ROS	≥75%	75%	77%	Achieved
Percentage of use Botanic Garden	ers satisfied with the	ROS	≥90%	93%	95%	Achieved
Level of service:	Parks and reserves facilities	s are accessi	ble to everyone	•		
9	spondents that agree sites satisfactorily accessible	ROS	≥80%	68%	66%	Not achieved 3
Level of service:	Parks and reserves facilities	s are well ma	intained and m	neet the needs o	f users	
Percentage of use	ers satisfied with DCC	ROS	≥80%	66%	67%	Not achieved 4
Percentage of us	ers satisfied with DCC	ROS	≥80%	74%	74%	Not achieved 5
Percentage of use	ers satisfied with DCC	ROS	≥80%	83%	83%	Achieved
Percentage of us	ers satisfied with DCC coastal reserves	ROS	≥80%	87%	85%	Achieved
Level of service:	Cemetery and crematorium	services med	et the needs of	funeral director	s and the berea	ved
Percentage of us cemeteries	ers satisfied with	ROS	≥80%	77%	77%	Not achieved 6

ROS Residents' Opinion Survey

Notes

1 Port Chalmers and St Clair pools each had a new point of sale system this season. There has been an error in capturing visitor numbers. Revenue suggests visitation for both pools was similar to the 2022/23 year.

Explanations

- 1 The level of satisfaction with Moana Pool was affected by master plan works which causes disruptions such as pool and change room closures, changes to the available pool space, and programming changes).
- 2 83% of ROS participants were satisfied with the community swimming pools, being an increase of 7% on the prior year. Explanations for the decrease in satisfaction have not been provided.
- 3 Accessibility is a high priority as we progressively upgrade our facilities, playgrounds and open space areas. We expect this result to improve as upgrades are completed.
- 4 An operational upgrade of playgrounds is being developed.

- 5 The sports facilities review identified areas for improvement, which include field drainage, lighting and change facilities. We are progressively improving these elements through the annual sports facilities renewals programme.
- 6 Feedback received throughout the year indicates a good level of satisfaction with cemeteries. Staff will continue to consider the ROS results and identify areas that could be improved.

Capital Expenditure

	Note	2023/24 Actual	2023/24 Budget
		\$000	\$000
New Capital			
Aquatic Services – Mosgiel Pool		137	-
Aquatic Services – Moana Pool Improvements	1	-	625
Cemeteries and Crematorium – City Wide Beam Expansion		188	40
Cemeteries and Crematorium – Cemetery and Crematorium Improvements		102	45
Cemeteries and Crematorium – Cemetery Strategic Development Plan		4	250
Parks and Recreation – Track Network Development		44	50
Parks and Recreation – Playground Improvements		737	761
Parks and Recreation – Recreation Facilities Improvements	2	908	210
St Clair-St Kilda Coastal Plan – St Kilda Transition Plan		-	2
Botanic Gardens - Botanic Garden Improvements		109	125
		2,229	2,108
Renewals			
Aquatic Services – Moana Pool Renewals	3	3,359	4,874
Aquatic Services – Port Chalmers Pool Renewals		-	53
Aquatic Services – Hydroslide Renewal	4	(85)	7,550
Aquatic Services – St Clair Pool Renewals	5	(154)	1,097
Cemeteries and Crematorium – Structures Renewals		237	368
Parks and Recreation – Greenspace Renewals		258	480
Parks and Recreation – Playground Renewals	6	371	1,051
Parks and Recreation – Recreation Facilities Renewals		1,859	1,938
St Clair-St Kilda Coastal Plan – Kettle Park Transition Plan	7	415	158
Botanic Gardens – Botanic Garden Renewals	8	30	402
		6,290	17,971
Total Capital	_	8,519	20,079

Explanation of variance

- New capital budget not required for the Moana Pool redevelopment. Work is being undertaken in the Moana Pool renewals project.
- 2 Tunnel Beach project carryover from the 2022/23 year.
- 3 Project budget reprofiled in the 2024/25 Annual Plan.
- 4 This renewal was cancelled. The existing hydroslide will be maintained.
- 5 This renewal was cancelled. The plan is to maintain existing assets.
- 6 Project budget reprofiled in the 2024/25 Annual Plan.
- 7 St Clair Geocortex bags (sand sausages) and beach access ramp renewals were undertaken.
- 8 Project budget reprofiled in the 2024/25 Annual Plan.

Reserves and recreational facilities

Sources of operating funding Sources of operating funding Sources of operating funding Sources of capital funding (C) Sources of capital funding (C-D) Sour		2023 Long-term plan	2024 Long-term plan	2024 Actual
General rates, uniform annual general charges, rates penalties 28,620 30,964 31,260 Targeted rates 5,212 5,342 5,618 Subsidies and grants for operating purposes 293 300 6187 Fees and charges 5,918 6,647 6,373 Internal charges and overheads recovered - - - Local authorities fuel tax, fines, infringement fees, and other receipts 31 32 2 Total operating funding (A) 40,074 43,285 43,863 Application of operating funding 29,754 31,238 32,544 Finance costs 1,425 1,642 1,642 Internal charges and overheads applied 3,111 3,189 3,159 Other operating funding applications - - - Total application of operating funding (B) 34,290 36,069 37,468 Surplus (deficit) of operating funding (A-B) 5,784 7,216 6,395 Surplus (deficit) of operating funding (A-B) 13,16 3,899 1,902 Subsidies and grants for capital expenditur		\$000	\$000	\$000
General rates, uniform annual general charges, rates penalties 28,620 30,964 31,260 Targeted rates 5,212 5,342 5,618 Subsidies and grants for operating purposes 293 300 610 Fees and charges 5,918 6,647 6,373 Internal charges and overheads recovered - - - Local authorities fuel tax, fines, infringement fees, and other receipts 31 32 2 Total operating funding (A) 40,074 43,285 43,863 Application of operating funding 29,754 31,238 32,544 Finance costs 1,425 1,642 1,642 Internal charges and overheads applied 3,111 3,189 3,159 Other operating funding applications - - - Total application of operating funding (B) 34,290 36,069 37,468 Surplus (deficit) of operating funding (A-B) 5,784 7,216 6,395 Sources of capital funding - - - - Subsidies and grants for capital expenditure	Sources of operating funding			
Targeted rates		28,620	30,964	31,260
Fees and charges 5,918 6,647 6,373 Internal charges and overheads recovered -	Targeted rates	5,212	5,342	5,618
Internal charges and overheads recovered	Subsidies and grants for operating purposes	293	300	610
Cocal authorities fuel tax, fines, infringement fees, and other receipts 31 32 2 2 2 2 2 2 2 2	Fees and charges	5,918	6,647	6,373
Application of operating funding Application of operating funding	Internal charges and overheads recovered	-	-	-
Application of operating funding Payments to staff and suppliers 29,754 31,238 32,544 Finance costs 1,425 1,642 1,765 Internal charges and overheads applied 3,111 3,189 3,159 Other operating funding applications - - - Total application of operating funding (B) 34,290 36,069 37,468 Surplus (deficit) of operating funding (A-B) 5,784 7,216 6,395 Sources of capital funding - - - Subsidies and grants for capital expenditure - - - Development and financial contributions 264 269 233 Increase (decrease) in debt 11,316 3,899 1,902 Gross proceeds from sale of assets - - - Lump sum contributions - - - Total sources of capital funding (C) 11,580 4,168 2,135 Application of capital funding - - - - Total application of capital funding	Local authorities fuel tax, fines, infringement fees, and other receipts	31	32	2
Payments to staff and suppliers 29,754 31,238 32,544 Finance costs 1,425 1,642 1,765 Internal charges and overheads applied 3,111 3,189 3,159 Other operating funding applications - - - Total application of operating funding (B) 34,290 36,069 37,468 Surplus (deficit) of operating funding (A-B) 5,784 7,216 6,395 Surces of capital funding - - - Subsidies and grants for capital expenditure - - - Development and financial contributions 264 269 233 Increase (decrease) in debt 11,316 3,899 1,902 Gross proceeds from sale of assets - - - Lump sum contributions - - - Total sources of capital funding (C) 11,580 4,168 2,135 Application of capital funding 861 406 309 - to meet additional demand 861 406 309 - to replace ex	Total operating funding (A)	40,074	43,285	43,863
Payments to staff and suppliers 29,754 31,238 32,544 Finance costs 1,425 1,642 1,765 Internal charges and overheads applied 3,111 3,189 3,159 Other operating funding applications - - - Total application of operating funding (B) 34,290 36,069 37,468 Surplus (deficit) of operating funding (A-B) 5,784 7,216 6,395 Surces of capital funding - - - Subsidies and grants for capital expenditure - - - Development and financial contributions 264 269 233 Increase (decrease) in debt 11,316 3,899 1,902 Gross proceeds from sale of assets - - - Lump sum contributions - - - Total sources of capital funding (C) 11,580 4,168 2,135 Application of capital funding 861 406 309 - to meet additional demand 861 406 309 - to replace ex				
Finance costs	Application of operating funding			
Name	Payments to staff and suppliers	29,754	31,238	32,544
Other operating funding applications -	Finance costs	1,425	1,642	1,765
Total application of operating funding (B) 34,290 36,069 37,468 Surplus (deficit) of operating funding (A-B) 5,784 7,216 6,395 Sources of capital funding 30,000 30,000 30,000 30,000 30,000 30,000 30,000 30,000 30,000 30,000 30,000 30,000 30,000 30,000 20,000 20,000 20,000 30,000 40,000 20,000 30,000 40,000 30,000 40,000 30,000 40,000 30,000 40,000 30,000 40,000 30,000 40,000 30,000 40,000 30,000 40,000 30,000 40,000 <t< td=""><td>Internal charges and overheads applied</td><td>3,111</td><td>3,189</td><td>3,159</td></t<>	Internal charges and overheads applied	3,111	3,189	3,159
Surplus (deficit) of operating funding (A-B) 5,784 7,216 6,395 Sources of capital funding Subsidies and grants for capital expenditure - - - Development and financial contributions 264 269 233 Increase (decrease) in debt 11,316 3,899 1,902 Gross proceeds from sale of assets - - - Lump sum contributions - - - Total sources of capital funding (C) 11,580 4,168 2,135 Application of capital funding 861 406 309 - to meet additional demand 861 406 309 - to improve the level of service 8,907 1,926 2,203 - to replace existing assets 9,857 8,988 6,007 Increase (decrease) in reserves - - - Increase (decrease) of investments (2,261) 64 11 Total application of capital funding (D) 17,364 11,384 8,530 Surplus (deficit) of capital funding (C-D) (5,784) (7,216)	Other operating funding applications	-	-	
Sources of capital funding Subsidies and grants for capital expenditure	Total application of operating funding (B)	34,290	36,069	37,468
Sources of capital funding Subsidies and grants for capital expenditure	Surplus (deficit) of operating funding (A-R)	5 78/	7 214	£ 395
Subsidies and grants for capital expenditure - - - Development and financial contributions 264 269 233 Increase (decrease) in debt 11,316 3,899 1,902 Gross proceeds from sale of assets - - - - Lump sum contributions - - - - Total sources of capital funding (C) 11,580 4,168 2,135 Application of capital funding (C) Capital expenditure - - - - - to meet additional demand 861 406 309 - to improve the level of service 8,907 1,926 2,203 - to replace existing assets 9,857 8,988 6,007 Increase (decrease) in reserves - - - Increase (decrease) of investments (2,261) 64 11 Total application of capital funding (D) 17,364 11,384 8,530 Surplus (deficit) of capital funding (C-D) (5,784) (7,216) (6,395)	Surptus (deficit) or operating funding (A-b)	3,704	7,210	0,373
Development and financial contributions 264 269 233 Increase (decrease) in debt 11,316 3,899 1,902 Gross proceeds from sale of assets - - - Lump sum contributions - - - Total sources of capital funding (C) 11,580 4,168 2,135 Application of capital funding Capital expenditure - - - - - to meet additional demand 861 406 309 - to improve the level of service 8,907 1,926 2,203 - to replace existing assets 9,857 8,988 6,007 Increase (decrease) in reserves - - - Increase (decrease) of investments (2,261) 64 11 Total application of capital funding (D) 17,364 11,384 8,530 Surplus (deficit) of capital funding (C-D) (5,784) (7,216) (6,395)	Sources of capital funding			
Increase (decrease) in debt 11,316 3,899 1,902 Gross proceeds from sale of assets - - - Lump sum contributions - - - Total sources of capital funding (C) 11,580 4,168 2,135 Application of capital funding Capital expenditure - to meet additional demand 861 406 309 - to improve the level of service 8,907 1,926 2,203 - to replace existing assets 9,857 8,988 6,007 Increase (decrease) in reserves - - - Increase (decrease) of investments (2,261) 64 11 Total application of capital funding (D) 17,364 11,384 8,530 Surplus (deficit) of capital funding (C-D) (5,784) (7,216) (6,395)	Subsidies and grants for capital expenditure	-	-	-
Gross proceeds from sale of assets - - - Lump sum contributions - - - - Total sources of capital funding (C) 11,580 4,168 2,135 Application of capital funding Capital expenditure -	Development and financial contributions	264	269	233
Lump sum contributions -	Increase (decrease) in debt	11,316	3,899	1,902
Total sources of capital funding (C) Application of capital funding Capital expenditure - to meet additional demand - to improve the level of service - to replace existing assets - to replace existing assets - 1 Increase (decrease) in reserves Increase (decrease) of investments Total application of capital funding (D) Surplus (deficit) of capital funding (C-D) 11,580 4,168 2,135 4,168 2,135 4,168 2,135 4,168 2,135 4,168 4,16	Gross proceeds from sale of assets	-	-	-
Application of capital funding Capital expenditure - to meet additional demand - to improve the level of service - to replace existing assets - to replace existing assets Increase (decrease) in reserves Increase (decrease) of investments - (2,261) - Total application of capital funding (D) - Total application of capital funding (C-D) - (5,784) - (7,216) - (6,395)	Lump sum contributions	-	-	-
Capital expenditure - to meet additional demand - to improve the level of service - to improve the level of service - to replace existing assets - to replace existing assets - Total application of capital funding (D) Surplus (deficit) of capital funding (C-D)	Total sources of capital funding (C)	11,580	4,168	2,135
Capital expenditure - to meet additional demand - to improve the level of service - to improve the level of service - to replace existing assets - to replace existing assets - Total application of capital funding (D) Surplus (deficit) of capital funding (C-D)				
- to meet additional demand 861 406 309 - to improve the level of service 8,907 1,926 2,203 - to replace existing assets 9,857 8,988 6,007 Increase (decrease) in reserves - - - Increase (decrease) of investments (2,261) 64 11 Total application of capital funding (D) 17,364 11,384 8,530 Surplus (deficit) of capital funding (C-D) (5,784) (7,216) (6,395)	Application of capital funding			
- to improve the level of service 8,907 1,926 2,203 - to replace existing assets 9,857 8,988 6,007 Increase (decrease) in reserves Increase (decrease) of investments (2,261) 64 11 Total application of capital funding (D) 17,364 11,384 8,530 Surplus (deficit) of capital funding (C-D) (5,784) (7,216) (6,395)				
- to replace existing assets 9,857 8,988 6,007 Increase (decrease) in reserves Increase (decrease) of investments (2,261) 64 11 Total application of capital funding (D) 17,364 11,384 8,530 Surplus (deficit) of capital funding (C-D) (5,784) (7,216) (6,395)	- to meet additional demand	861		309
Increase (decrease) in reserves	•		1,926	
Increase (decrease) of investments (2,261) 64 11 Total application of capital funding (D) 17,364 11,384 8,530 Surplus (deficit) of capital funding (C-D) (5,784) (7,216) (6,395)		9,857	8,988	6,007
Total application of capital funding (D) 17,364 11,384 8,530 Surplus (deficit) of capital funding (C-D) (5,784) (7,216) (6,395)		-	-	-
Surplus (deficit) of capital funding (C-D) (5,784) (7,216) (6,395)		(2,261)	64	11
	Total application of capital funding (D)	17,364	11,384	8,530
Funding balance ((A-B)+(C-D)) – – –	Surplus (deficit) of capital funding (C-D)	(5,784)	(7,216)	(6,395)
	Funding balance ((A-B)+(C-D))			

Kā huanui me kā ara hīkoi **Roading and footpaths**

Services and activities

The roading and footpaths group delivers activities and services related to transport.

The DCC plans, constructs, maintains and upgrades Dunedin's roads and footpaths. This includes making sure street lighting is adequate, traffic signals and road marking are functioning and clear, and cycleways and footpaths work well for Dunedin's communities.

The transport network is vital to Dunedin's economy and contributes to the lifestyle of every Dunedin resident as they move about the city. The DCC maintains and upgrades the transport network to meet all relevant legislative requirements.

Community outcomes

The roading and footpaths group contributes to the following community outcomes:

- · A connected city with a safe, accessible and low-carbon transport system
- · A supportive city with caring communities and a great quality of life
- · A successful city with a diverse, innovative and productive economy
- · An active city with quality and accessible recreational spaces and opportunities
- · A sustainable city with healthy and treasured natural environments
- · A compact city with a vibrant CBD and thriving suburban and rural centres

Highlights for the 2023/24 year

The Portobello to Port Chalmers length of the shared path, Te Aka Ōtākou was completed during the year. This included the link between the Water of Leith bridge and St Andrew Street, along with a section of Portobello Road between Sandpiper and Frances Streets.

The Union Street bus super stop and five school road safety improvement projects were completed.

Work to protect Kettle Park from erosion has begun, with the installation of sand-filled geofabric bags in front of the historic landfill site. This work is expected to be finished in mid-2025.

Detailed design for the Dunedin Tunnels Trail project - a shared path connecting Mosgiel and Dunedin via two disused historic rail tunnels – was completed and analysis is now underway to establish costs.

The draft Traffic and Parking Bylaw has been completed and the review process is underway. Work has also started on the Parking Strategy.

Measuring performance

Measure		Data Source	Target 2023/24	Actual 2023/24	Actual 2022/23	Achievement
Level of service	: The transport network facilitates	efficient trave	l			
Percentage of re roading and mai	sidents satisfied with overall ntenance	ROS	≥60%	26%	27%	Not achieved 1
Average travel	Route 1-St Clair to Octagon	Travel Time Survey	<15 mins	11:16 mins	11.05 mins	Achieved
time by car on	Route 2-Normanby to Octagon		<15 mins	12:54 mins	15.32 mins	Achieved
five key urban routes at peak	Route 3-Mosgiel to Octagon		<22 mins	19.30 mins	20.41 mins	Achieved
time (7.30-	Route 4-Brockville to Octagon		<15 mins	9:25 mins	8.15 mins	Achieved
9.00am)	Route 5-Waverley to Octagon		<15 mins	13:00 mins	12.32 mins	Achieved
Average travel	Route 1-St Clair to bus hub	Measured	29 mins	20.25 mins	19.25 mins	Achieved
time by bus	Route 2-Normanby to bus hub	by ORC	27 mins	20.00 mins	16.75 mins	Achieved
on key urban routes at peak time	Route 3-Mosgiel to bus hub (via Fairfield and Green Island)		37 mins	41.00 mins	40.50 mins	Not achieved 2
	Route 4-Brockville to bus hub		20 mins	16.25 mins	18.50 mins	Achieved
	Route 5-Waverley to bus hub		28 mins	25.00 mins	23.50 mins	Achieved

Measure	Data Source	Target 2023/24	Actual 2023/24	Actual 2022/23	Achievement
Level of service: The transport network facilitates	active travel				
Percentage of residents satisfied with the suitability of the road network for cyclists throughout the city	ROS	≥30%	30%	28%	Achieved
Percentage of residents satisfied with condition of footpaths throughout the city	ROS	≥60%	36%	35%	Not achieved 3
Percentage of residents satisfied with the ease of pedestrian access throughout the city	ROS	≥65%	54%	56%	Not achieved 4
Percentage of residents satisfied with condition of the streetlights throughout the city	ROS	≥75%	61%	61%	Not achieved 5
Average cycle count movements in the city where cycle counters are available	Cycle Counters	Grow year on year	132 average daily movements per counter	118 average daily movements per counter	Achieved
Level of service: The transport network facilitates	accessibility				
Percentage of residents satisfied with parking availability in the central city	ROS	≥45%	19%	21%	Not achieved 6
Level of service: The transport network facilitates	s safe travel				
The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network expressed as number (DIA measure)	Waka Kotahi NZTA Dunedin City Road Safety Report	Reducing each year	A decrease of 11 from previous financial year	An increase of 17 from previous financial year	Achieved
Level of service: The transport network facilitates	comfortable t	ravel			
The average quality of ride on local sealed road network measured by smooth travel exposure (DIA measure)	RAMM, NZTA	Smooth travel exposure ≥80%	74.1%	75.6%	Not achieved 7
Level of service: The transport network facilitates	sustainable m	naintenance			
Percentage of sealed road network that is resurfaced (DIA measure)	Work Achieved reports	Target (m2) equating to 6%of network	4.6% of the network	6.0% of the network	Not achieved 8
Percentage of footpaths within the level of service standard adopted by the Council Asset Management Plan (DIA measure)	RAMM	<15% of network is rated poor or very poor	9.9%	7.3%	Achieved
Level of service: The network is maintained in a re	esponsive man	ner			
Percentage of service requests relating to roads and footpaths to which the response is provided within five working days (DIA measure)	Customer Service Agency Records	≥90%	91%	85%	Achieved
Level of service: The use of electric vehicles (EVs)	is supported				
The number of publicly available fast charging stations for EVs in Dunedin is increasing	Waka Kotahi NZTA	Increase year on year	6 EV charging stations	6 EV charging stations	Not achieved 9
The number of electric vehicles (plug in hybrids and pure EVs including heavy vehicles) registered in Dunedin is increasing	Ministry of Transport/ Te Manatū Waka	Increase year on year	2,915	*2,365	Achieved

Measure		Data Source	Target 2023/24	Actual 2023/24	Actual 2022/23	Achievement
Annual sales volumes of petrol and diesel in Dunedin city	Petrol	Annual Dunedin Energy	Decrease year on year	**42.92 million litres	53.97 million litres	Achieved
	Diesel	Study/ Dunedin Greenhouse Gas Inventory		**75.30 million litres	94.2 million litres	
Level of service: Minimising transport disruption during and after the construction of the new Dunedin Hospital rebuild will be supported through the Shaping Future Dunedin Project						
Provide an alternative route (harbour arterial route) that bypasses the central city		Internal data	By 30 June 2027	ln progress	In progress	Note 1
Provide a Parking Wayfinding System to direct drivers to selected off street parking facilities		Internal data	By 30 June 2027	ln progress	In progress	Note 2
Provide bus priority at the intersections where bus delays are currently experienced in the Princes Street (Kensington to Moray Place) and Andersons Bay Road (Caversham Motorway to Princes Street) areas		Internal data	By 30 June 2024	Completed	In Progress	Note 3
Provide a safe route for cyclists and pedestrians from the Anzac Avenue and Thomas Burns shared path to the Hospital and central city, and from the Harbour walkway/cycleway to the city centre and tertiary areas		Internal data	By 30 June 2026	In progress	In progress	Note 4
Provide Park and Burnside	d Ride sites at Mosgiel and	Internal data	By 30 June 2024	In progress	In progress	Note 5
	facilities for secure storage n, the central city and South al	Internal data	By 30 June 2026	In progress	In progress	Note 6

ROS Residents' Opinion Survey

Explanations

- 1 The 10 year plan 2021-31 provides for an increase in the renewals budget for roading and footpaths. Note that even with these increases, there will be a shortfall in achieving the levels of service provided for in asset management plans. Areas of dissatisfaction include the condition of footpaths and roads throughout the city, and flow of traffic at peak times.
- 2 The reduction of speed limits through the centre of Green Island to 30km/hr is affecting travel time.
- 3 Investment in footpath renewals increased from the 2022/23 year to address poor footpath condition across the network.
- 4 The Central City George Street upgrade project has improved safe and accessible access for pedestrians in the retail quarter. The complexity and scale of work caused disruption while the project was being carried out.
- 5 Requests for additional streetlights or changes to current lighting are low.
- 6 The Retail Quarter Project resulted in a reduction of 21 car parks within the centre city area, partially offset by eight additional mobility parks. Parking strategies are being developed as part of city parking management project.
- 7 While a survey of the smooth travel exposure has not been undertaken, the data has been updated to take account of travel counts during the year. Additional heavy traffic and roadworks causing traffic diversions have contributed to the decrease in smooth travel exposure.
- 8 Increased costs has meant that the target amount of resealing has not been met.
- 9 No new charging stations were installed during the year.

^{*} In 2022/23 all hybrids were included in the total. The comparitive for 2022/23 has been updated from 6,127 to 2,365 to reflect plug in hybrids only, aligning with the measure.

^{**} The annual sales volume of petrol and diesel in Dunedin is calculated using Stats NZ Vehicle Kilometre Data. Data for 2023/24 is not yet available, so the calculations provided are based on the 2022/23 Stats NZ data.

Notes

- 1 The project is on hold while priority was given to the Retail Quarter work. Designs are complete.
- 2 A Draft Traffic and Parking bylaw has been completed and is being reviewed by external Legal Advisors. A Parking Strategy is underway, and a draft is expected later in the year. Licence Plate Recognition is a requirement for future parking wayfinding signs to identify parking spaces.
- 3 Construction 100% completed. New bus stops, pedestrian crossings and footpath extensions have been constructed.
- 4 The Harbour Link Cycleway Project is complete between the Water of Leith bridge and St Andrew Street, completing Te Aka Ōtākou (The Otago Vine) shared walking and cycling pathway.
- 5 Detailed design and pre-implementation work is underway and near completion. Work is progressing with KiwiRail on an easement agreement. Implementation has been re-phased.
- 6 Low-cost, high-quality options for bike hubs have been scoped.

Capital Expenditure

	Note	2023/24 Actual \$000	2023/24 Budget \$000
New Capital			
Shaping Future Dunedin – Harbour Arterial Efficiency Improvements	1	107	3,202
Shaping Future Dunedin – Central City Parking Management	2	-	1,550
Shaping Future Dunedin – Central City Bike Hubs – Parking and Facilities	3	5	750
Shaping Future Dunedin – Princes St Bus Priority and Corridor Safety Plan		72	200
Shaping Future Dunedin – Central City Cycle and Pedestrian Improvements	4	1,658	3,050
Shaping Future Dunedin – Mosgiel and Burnside Park and Ride	5	436	1,600
Transport – Central City Upgrade	6	26,879	10,915
Transport – Dunedin Urban Cycleways	7	4,570	3,494
Transport – Peninsula Connection	8	918	1,500
Transport – Low Cost, Low Risk Improvements	9	3,027	2,000
Transport – Kettle Park Transition Plan	10	1,215	-
Transport – LED Street Lights		(156)	-
Transport – Other Unsubsidised New Capital		1	-
Transport – Mosgiel West Plan Change Area	_	101	_
		38,833	28,261
Renewals			
Transport – Footpath Renewals		4,664	4,514
Transport – Major drainage control	11	3,158	3,944
Transport – Minor Capital Works	12	926	-
Transport – Pavement Renewals	13	9,067	7,859
Transport – Structure Component Replacement	14	789	2,050
Transport – Traffic Services Renewal		808	797
Transport – Pavement Rehabilitation	15	2,051	1,593
Transport – Gravel Road Re metaling	16	915	1,326
Transport – Unsubsidised resealing renewal	_	142	_
		22,520	22,083
Total Capital	_	61,353	50,344

Explanation of variance

- 1 Project budget reprofiled in the 2024/25 Annual Plan.
- 2 Project budget reprofiled in the 2024/25 Annual Plan.
- 3 Project delayed while cost effective options are investigated.
- 4 Project budget reprofiled in the 2024/25 Annual Plan.
- 5 Project budget reprofiled in the 2024/25 Annual Plan.
- 6 This projects timeframe was accelerated and completed in the 2023/24 year.
- 7 Completion of the Harbourlink project was not budgeted in the 2023/24 year.
- 8 This project is almost complete but final work on the Boardwalk is rephased to future years.
- 9 Additional funding was made available from NZTA Waka Kotahi to deliver the 'Transport Choices' school safety programme.
- 10 Council approved an overspend of up to \$5 million to complete immediate works to mitigate the risk of landfill discharge by using geotextile bags for high risk areas, while the long-term remediation strategy for the Kettle Park landfill was being refined.
- 11 Budget was under spent due to renewals spend being focussed on pavement renewals which were prioritised to meet network needs.
- 12 This unbudgeted expenditure related to emergency works following a flooding event.
- 13 Renewals spend focussed on pavement renewals which were prioritised to meet network needs.
- 14 Programme rationalised to offset unbudgeted expenditure on emergency works.
- 15 Expenditure on pavement rehabilitation was prioritised to meet the needs of the network.
- 16 Budget was under spent due to renewals spend being focussed on pavement renewals which were prioritised to meet network needs.

Roading and footpaths

Funding balance ((A-B)+(C-D))	_	-	
Surplus (deficit) of capital funding (C-D)	(4,936)	(5,700)	(3,682)
Total application of capital funding (D)	32,852	38,445	63,875
Increase (decrease) of investments	(10,100)	(11,401)	2,522
Increase (decrease) in reserves	-	-	-
- to replace existing assets	26,272	31,410	36,746
- to improve the level of service	15,220	16,653	22,205
- to meet additional demand	1,460	1,783	2,402
Capital expenditure			
Application of capital funding			
Total sources of capital funding (C)	27,916	32,745	60,193
Lump sum contributions		-	
Gross proceeds from sale of assets	-	-	-
Increase (decrease) in debt	12,264	15,457	34,267
Development and financial contributions	481	492	380
Subsidies and grants for capital expenditure	15,171	16,796	25,546
Sources of capital funding			
Surplus (deficit) of operating funding (A-B)	4,936	5,700	3,682
Total application of operating funding (B)	28,903	30,158	34,607
Other operating funding applications	-	-	
Internal charges and overheads applied	1,876	1,923	2,096
Finance costs	2,266	2,661	5,614
Payments to staff and suppliers	24,761	25,574	26,897
Application of operating funding			
Total operating funding (A)	33,839	35,858	38,289
Local authorities fuel tax, fines, infringement fees, and other receipts	873	899	878
Internal charges and overheads recovered	-	-	328
Fees and charges	1,162	1,196	3,481
Subsidies and grants for operating purposes	10,383	10,593	9,682
Targeted rates	32	34	38
General rates, uniform annual general charges, rates penalties	21,389	23,136	23,882
Sources of operating funding			
	\$000	\$000	\$000
	Long-term plan	Long-term plan	Actual
	2023	2024	2024

He putaka wai | Water supply

Services and activities

The water supply group delivers activities and services related to water supply.

The DCC collects, stores and treats raw water to make it of a standard that is safe to drink. We supply water in adequate quantities for drinking and other uses to Dunedin homes, businesses and fire hydrants, for use by Dunedin's communities and firefighters. It is supplied through a reticulated water system of pipelines that distribute water from treated water reservoirs to property boundaries. Some residents use bore, surface or other sources of water to meet their needs.

The DCC's reticulated water system ensures that every customer connected to the network receives adequate quantities of safe water with a minimal impact on the environment and at an acceptable financial cost.

Community outcomes

The water supply group contributes to the following community outcomes:

- · A sustainable city with healthy and treasured natural environments
- · A healthy city with reliable and quality water, wastewater and stormwater systems
- · A supportive city with caring communities and a great quality of life

Highlights for the 2023/24 year

During the year we completed an upgrade of the Waikouaiti water treatment plant intake on the Waikouaiti River. The intake is now operational, with some minor works still to be completed. The design and construction of this upgrade meet the requirements of local iwi, neighbouring landowners and the Otago Regional Council. The window for doing work in the river was tight to keep fish passages open.

In February 2024, we commenced a five-year term contract for a programme of renewals and upgrades to water supply pump stations.

We completed small but important health and safety improvements at our water treatment plants, including the installation of ramps to make it easier to move heavy tanks, and staircases to provide safer access around plant and equipment.

During the year, we installed 8.5km of water mains across the city, including in Wingatui, Waikouaiti, Sawyers Bay, North East Valley and the central city.

We completed our first annual Drinking Water Quality Assurance Rule reporting under the new Taumata Arowai requirements. This work included implementing a new software system for monitoring and reporting on drinking water compliance.

Measuring performance

Measure		Data Source	Target 2023/24	Actual 2023/24	Actual 2022/23	Achievement
Level of service: The water tastes and looks pleasant and is supplied at adequate pressure						
Percentage of residents satisfied with water pressure and quality		ROS	≥70%	72%	72%	Achieved
Level of service: The water is safe to drink						
The extent to which the drinking water supply complies with:	a) Part 4 of drinking water standards (bacteria compliance criteria)*	Internal reporting	100%	48.3%**	81%*	Not achieved 1
	b) Part 5 of drinking water standards (protozoa compliance criteria)*		100%	57.8%**	98.6%*	Not achieved 2

DCC did not meet all compliance targets due to issues with water sampling schedules and data recording/verification at times during the year. There were also two instances where drinking water sampled from the network did not meet the minimum level of Free Available Chlorine (FAC). DCC determined that the circumstances relating to the reported noncompliances were not likely to have resulted in the supply of unsafe drinking water to consumers. See explanations 1 and 2 for further information.

Measure		Data Source	Target 2023/24	Actual 2023/24	Actual 2022/23	Achievement
Level of service:	Service calls are responded	to promptly				
attends a call out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times	a) Attendance for urgent call outs: from the time that notification is received, to the time that the service personnel reach the site	Internal data	<60 minutes	43 minutes	49 minutes	Achieved
	b) Resolution of urgent call outs: from the time that notification is received to the time that service personnel confirm resolution of the fault or interruption		<240 minutes	89 minutes	95 minutes	Achieved
(DIA measure)	c) Attendance for non- urgent callouts: from the time that notification is received, to the time that the service personnel reach the site		<1 day (1,440 minutes)	0.73 days (1,056 minutes)	0.91 days (1,306 minutes)	Achieved
	d) Resolution of non- urgent callouts: from the time that notification is received to the time that service personnel confirm resolution of the fault or interruption		<1.67 days (2,400 minutes)	1.0 days (1,446 minutes)	1.83 days (2,631 minutes)	Achieved
The total	Level of service: The water	tastes and l	ooks pleasant			
number of complaints received about	Drinking water clarity	Internal reporting	Not applicable	77 complaints	119 complaints	Not applicable
any of the	Drinking water taste		Not applicable	7 complaints	9 complaints	Not applicable
following:	Drinking water odour		Not applicable	1 complaint	2 complaints	Not applicable
(DIA measure)	Level of service: Water is s	upplied at ad	lequate pressure)	ı	
	The total number of complaints received about drinking water pressure or flow	Internal reporting	Not applicable	97 complaints	161 complaints	Not applicable
	Level of service: The water	supply is re	liable			
	The total number of complaints received about continuity of supply	Internal reporting	Not applicable	353 complaints	531 complaints	Not applicable
	Level of service: The Counc	il is respons	ive to customer	concerns		
	Response to any of these issues per 1,000 connections to the networked reticulation system	Internal reporting	Not applicable	0.58 per 1,000 connections	0.24 per 1,000 connections	Not applicable
	Total complaints expressed per 1,000 connections to networked reticulation system		<15 per 1,000 connections	11.82 per 1,000 connections	18.1 per 1,000 connections	Achieved

Measure	Data Source	Target 2023/24	Actual 2023/24	Actual 2022/23	Achievement
Level of service: Water resources are used e	ficiently and	sustainably			
The average consumption of drinking water per day per resident within the DCC district.	Internal reporting	<240 litres	276 litres per day	280 litres per day	Not achieved 3
The percentage of real water loss from the networked reticulation system (including a description of the methodology to calculate this).		≤20%	15%	15%	Achieved
Calculation method: 1. Treatment plant production minus non-domestic minus domestic minus known unbilled = Estimated non-revenue water					
Estimated non-revenue water divided by periods' treatment plan production Percentage real water loss					

ROS Residents' Opinion Survey

Total number of rated properties for water supply as at 30 June 2024: 45,248.

- This measure refers to the Drinking-water Standards for New Zealand 2005 (Revised 2018 DWSNZ 2018). The Drinking Water Quality Assurance Rules 2022 (DWQAR 2022) and the Water Services (Drinking Water Standards for New Zealand) Regulations 2022 (DWS 2022) replaced the DWSNZ 2018 on 14 November 2022. For the 2023/24 year, compliance has been assessed against the parts of the DWQAR 2022 and DWS 2022 that are equivalent to part 4 and part 5 of the DWSNZ 2018.
- ** The compliance percentage represents the proportion of the serviced population that was supplied drinking water from a fully compliant drinking water supply for the entire year. Compliance also includes instances when the initial assessment of requirements relevant to the WTP or Zone indicated achievement criteria were not met, but were found to be achieved $following\ assessment\ of\ additional\ technical\ information\ and/or\ circumstances.$

Explanation for not achieved

1 Drinking water safety

Non-compliance with distribution zone bacterial and residual disinfection monitoring rules

This table shows non-compliances with distribution zone bacterial and residual disinfection monitoring rules due to errors in scheduling of monitoring and in implementation of the monitoring schedule. Quality assurance measures

have been put in place to avoid future error	rs.
Exceedance(s) of the maximum interval between Free Available Chlorine (FAC) samples:	 Kinmont (population 341) December 2023 – one instance of exceeding the maximum interval between FAC samples (maximum interval of four days exceeded by one day) Low Levels / Peninsula (population 37,726) July 2023 – one instance of exceeding the maximum interval between FAC samples (maximum interval of three days exceeded by one day) August 2023 – one instance of exceeding the maximum interval between FAC samples (maximum interval of three days exceeded by two days)
Instances of not taking the minimum number of FAC samples per week:	Green Island (population 10,199) October 2023 – one instance of exceeding the maximum interval between samples – maximum interval of nine days exceeded by four days Quarry Hill (population 9,535) October 2023 – one instance of exceeding the maximum interval between samples – maximum interval of nine days exceeded by four days Wingatui (population 1,124) October 2023 – one instance of exceeding the maximum interval between samples – maximum interval of nine days exceeded by four days December 2023 – one instance of exceeding the maximum interval between samples – maximum interval of nine days exceeded by three days) Outram (population 750) August 2023 – one instance of exceeding the maximum interval between samples – maximum interval of nine days exceeded by seven days)
Instances of not taking the minimum number of E.coli and total coliforms samples per month:	Wingatui (population 1,124) • December 2023 Outram (population 750) • August 2023

The Low Levels / Peninsula distribution zone (population 37,726) did not meet the relevant bacterial compliance requirements due to FAC results <0.1 mg/L on 17 September and 17 December 2023. In both instances, DCC activated response actions following receipt of the results.

• DCC investigations found the low FAC results were unlikely to indicate an elevated risk to public health.

DCC identified remedial actions to reduce the risk of reoccurrence.

Non-compliance with bacterial treatment rules

- The Southern Water Treatment Plant (population 47925) was unable to demonstrate compliance with the bacterial treatment rules in January and February 2024 due to data integrity issues where water quality data was unable to be collected and verified. The Southern Water Treatment Plant achieved the bacterial treatment rule requirements for 364 out of 366 days (99.5%)
- The Outram Water Treatment Plant (population 750) was unable to demonstrate compliance with the bacterial treatment rules in December 2023, and January and February 2024 due to data integrity issues where water quality data was unable to be collected and verified. The Outram Water Treatment Plant achieved the bacterial treatment rule requirements for 361 out of 366 days (98.6%).

While the Southern and Outram Water Treatment Plants did not meet the bacterial performance requirements, the DCC determined that the circumstances relating to the data integrity issues were unlikely to have resulted in the supply of unsafe drinking water to consumers.

2 Non-compliance with protozoal treatment rules

- · The Southern Water Treatment Plant (population 47925) was unable to demonstrate compliance with the protozoal treatment rules in February and March 2024 due to data integrity issues where water quality data was unable to be collected and verified. The Southern Water Treatment Plant achieved the protozoal treatment rule requirements for 364 out of 366 days (99.5%).
- The Outram Water Treatment Plant (population 750) was unable to demonstrate compliance with the protozoal treatment rules in December 2023, and January and February 2024 due to data integrity issues where water quality data was unable to be collected and verified. The Outram Water Treatment Plant achieved the protozoal treatment rule requirements for 361 out of 366 days (98.6%).
- While the Southern and Outram Water Treatment Plants did not meet the protozoal performance requirements, the DCC determined that the circumstances relating to the data integrity issues were unlikely to have resulted in the supply of unsafe drinking water to consumers.

3 Drinking water consumption

Increased consumption and demand for water was experienced for much of the first 6 months of 2024. Falling reservoir levels resulted in restrictions on water use in Port Chalmers, Outram, Waikouaiti and Karitane during this time period.

Capital Expenditure

	Note	2023/24 Actual \$000	2023/24 Budget \$000
New Capital			
Water New Capital Other	1	586	-
New Capital Supporting Growth	2	(1)	288
Water Supply Resilience	3	1,542	-
Water Supply - Port Chalmers Water Supply	4	121	1,570
	_	2,248	1,858
Renewals			
Careys Bay Renewals	5	3	663
Central City Renewals	6	4,131	3,333
Other Water Renewals	7	20,791	18,877
Water Supply Resilience	8	3,790	9,370
Dam Safety Action Plan		143	-
Renewals Supporting Growth		-	234
	_	28,858	32,477
Total Capital	_	31,106	34,335

Explanation of variance

- 1 New watermains and filling station spend was ahead of budget for the year.
- 2 Reduced spend on growth utilised by water new capital other budget.
- 3 Water condition assessments, new water plant projects and State Highway 88 improvement projects were ahead of budget.
- 4 Delayed timing of project.
- 5 Delayed timing of project.
- 6 Central City upgrade project is now complete.
- 7 Renewals expenditure was ahead of budget for the year especially in North East Valley, Sawyers Bay and Ramrock Road.
- 8 Waikouaiti water treatment plant upgrade and West Taieri water treatment plant condition assessment projects were delayed with work on water condition assessment renewals advancing.

Dunedin City Council: Funding impact statement for the year ended 30 June 2024 for

Water supply

	2023	2024	2024
	Long-term plan	Long-term plan	Actual
	\$000	\$000	\$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	25,466	25,813	27,862
Subsidies and grants for operating purposes	-	-	113
Fees and charges	6,122	6,281	6,692
Internal charges and overheads recovered	-	-	348
Local authorities fuel tax, fines, infringement fees, and other receipts		-	
Total operating funding (A)	31,588	32,094	35,015
Application of operating funding	10.051	4 / 000	45.050
Payments to staff and suppliers	13,951	14,339	17,979
Finance costs	1,191	1,252	3,302
Internal charges and overheads applied	1,559	1,598	1,448
Other operating funding applications	-	-	
Total application of operating funding (B)	16,701	17,189	22,729
Surplus (deficit) of operating funding (A-B)	14,887	14,905	12,286
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	801	819	2,102
Increase (decrease) in debt	1,985	2,280	16,718
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of capital funding (C)	2,786	3,099	18,820
Application of equital funding			
Application of capital funding			
Capital expenditure - to meet additional demand	1 201	1 /05	2 270
- to improve the level of service	1,281 2,006	1,485	2,279
·		2,040	13,212
- to replace existing assets	4,998	5,210	15,615
Increase (decrease) in reserves		-	-
Increase (decrease) of investments	9,388	9,269	
Total application of capital funding (D)	17,673	18,004	31,106
Surplus (deficit) of capital funding (C-D)	(14,887)	(14,905)	(12,286)
Funding balance ((A-B)+(C-D))	_	_	

Pūnaha parakaika me te parawai Sewerage and sewage

Services and activities

The sewerage and sewage group delivers activities and services related to wastewater, which is the dirty water discharged from toilets, kitchens, bathrooms and laundries in dwellings and commercial premises. It also includes trade waste discharged from industrial premises into public sewers. The DCC collects domestic and trade wastewater via its systems of sewers and pumping stations, and transfers it to the wastewater treatment plants, where it is treated to a standard acceptable for discharge to the environment.

The DCC protects public health and safety by delivering effective wastewater services to every customer connected to the network with a minimal impact on the environment and at an acceptable financial cost.

Community outcomes

The sewerage and sewage group contributes to the following community outcomes:

- · A sustainable city with healthy and treasured natural environments
- · A healthy city with reliable and quality water, wastewater and stormwater systems
- · A supportive city with caring communities and a great quality of life

Highlights for the 2023/24 year

A new process to remove ammonia and total nitrogen was implemented at the Warrington wastewater treatment plant, improving the quality of treated wastewater.

The rebuild of components of the high rate activated sludge plant at the Tahuna wastewater treatment plant was successfully completed. This was a challenging project due to the need to keep the plant operating and compliant while the work was done. The sludge incinerator at this plant also underwent its biennial shutdown for maintenance this year.

Other improvements at our wastewater treatment plants included the installation of a new office and storage space at the Tahuna office, new portacom offices for the maintenance team at the Musselburgh pump station, and health and safety improvements to ramps and staircases.

We completed renewals at four wastewater pumping stations, and a five year term contract for a programme of renewals and upgrades was set in February 2024.

Wastewater pipelines were renewed in the Central City, Sawyers Bay and in Carr Street, North East Valley, along with stormwater pipes. The Sawyers Bay project was a finalist in the Otago Civil Contractors Awards. We installed a total of 2.1km of wastewater pipelines in the 2023/24 financial year.

Measuring Performance

Measure	Data Source	Target 2023/24	Actual 2023/24	Actual 2022/23	Achievement
Level of service: Sewage is managed without	t adversely a	ffecting the qual	ity of the receivi	ng environmen	it
The number of dry weather sewerage overflows from the sewerage system, expressed per 1000 sewerage connections to that sewerage system. (DIA measure)	Internal data	0	2.56 overflows per 1,000 connections	3.58 overflows per 1,000 connections	Not achieved 1
Compliance with DCC resource consents for discharge from its sewerage system measured by the number of abatement notices, infringement notices, enforcement orders and convictions. (DIA measure)		0	1	1	Not achieved 2

Measure		Data Source	Target 2023/24	Actual 2023/24	Actual 2022/23	Achievement
Level of service:	Service calls are responded	to promptly				
Where the DCC attends to sewerage overflows resulting from	a) Attendance time: from the time notification is received to the time that service personnel reach the site; and	Internal data	<60 minutes	39 minutes	36 minutes	Achieved
a blockage or other fault in the sewerage system, the following median response times are measured (DIA measure):	b) Resolution time: from the time notification is received to the time that service personnel confirm resolution of the blockage or other fault		<240 minutes	124 minutes	125 minutes	Achieved
Level of service:	The wastewater service is re	eliable and th	ne Council is resp	oonsive to custo	mer concerns	
Percentage of res	sidents satisfied with the n	ROS	≥65%	68%	68%	Achieved
The total	Sewage odour	Internal	Not applicable	16	5	Not applicable
number of	Sewerage system faults	data	Not applicable	81	86	Not applicable
complaints received about any of the	Sewerage system blockages		Not applicable	122	158	Not applicable
following: R (DIA measure) W e:	Response to issues with the sewage system expressed per 1,000 connections to the sewerage system		Not applicable	0.02 per 1,000 connections	0.02 per 1,000 connections	Not applicable
	All of the above complaints expressed per 1,000 connections to the territorial authority's sewerage system		<5 per 1,000 connections	4.67 per 1,000 connections	5.8 per 1,000 connections	Achieved

ROS Residents' Opinion Survey

Total number of rated properties for wastewater as at 30 June 2024: 50,093

Explanations

- 1 Four non-network dry weather overflow events occurred in 2023/24:
 - · A dry weather overflow in Marne St Pump Station on 31 December 2023, due to an electrical or mechanical fault of the valve actuator
 - A dry weather overflow in Challis point Pump Station on 30 January 2024 when the high-level alarm was accidentally turned off during work on the DCC's SCADA automation system
 - · A dry weather overflow occurred at Kaikorai Valley constructed sewerage overflow on 21 May
 - · A dry weather overflow occurred at Kaikorai Valley constructed sewerage overflow on 17 June
 - · Other dry weather overflows occurred on private property
- 2 On 22 February 2024, ORC issued Abatement Notice EN.RMA.24.0003 for exceeding the Oxides of Nitrogen limit specified in condition 3 of the consent RM12.139.01, which authorises the discharge of contaminants into the air from Tahuna WWTP. The DCC is required to comply with the consent limit by 2 December 2024.

Capital Expenditure

	Note	2023/24 Actual \$000	2023/24 Budget \$000
New Capital			
Wastewater New Capital Other	1	1,589	576
Metro Wastewater Treatment Plant Resilience		667	980
New Capital Supporting Growth		311	288
		2,567	1,844
Renewals			
Central City Renewals	2	2,825	4,192
Other Wastewater Renewals	3	13,899	13,214
Wastewater Pumpstation Renewals	4	4,493	3,473
Metro Wastewater Treatment Plant Resilience	5	4,278	12,150
Rural Wastewater Schemes	6	3,950	2,513
Renewals Supporting Growth		-	234
Biofilter Media Replacement		409	250
	_	29,854	36,026
Total Capital	_	32,421	37,870

Explanation of variance

- 1 Integrated catchment model and minor plant expenditure was ahead of budget.
- 2 Central City upgrade project is now complete.
- 3 Renewals expenditure was ahead of budget for the year especially in North East Valley and Sawyers Bay.
- 4 The pumpstation upgrade programme was ahead of budget.
- 5 Delay in the Tahuna, Green Island and Mosgiel treatment plants resilience projects.
- 6 Seacliff wastewater scheme project was ahead of budget.

Dunedin City Council: Funding impact statement for the year ended 30 June 2024 for

Sewerage and sewage

	2023	2024	2024
	Long-term plan	Long-term plan	Actual
	\$000	\$000	\$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	32,436	32,931	35,996
Subsidies and grants for operating purposes	41	42	85
Fees and charges	886	909	837
Internal charges and overheads recovered	-	-	348
Local authorities fuel tax, fines, infringement fees, and other receipts		-	
Total operating funding (A)	33,363	33,882	37,266
Application of according founding			
Application of operating funding	45.400	4=	40.70/
Payments to staff and suppliers	15,403	15,666	19,704
Finance costs	1,200	1,323	3,489
Internal charges and overheads applied	2,995	3,069	2,781
Other operating funding applications	-	-	
Total application of operating funding (B)	19,598	20,058	25,974
Surplus (deficit) of operating funding (A-B)	13,765	13,824	11,292
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	1,066	1,090	575
Increase (decrease) in debt	3,343	5,256	20,554
Gross proceeds from sale of assets	-	-	_
Lump sum contributions	-	-	_
Total sources of capital funding (C)	4,409	6,346	21,129
Application of capital funding			
Capital expenditure			
- to meet additional demand	1,692	2,316	1,715
- to improve the level of service	2,656	4,129	3,942
- to replace existing assets	11,052	7,284	26,764
Increase (decrease) in reserves	-	-	-
Increase (decrease) of investments	2,774	6,441	
Total application of capital funding (D)	18,174	20,170	32,421
Surplus (deficit) of capital funding (C-D)	(13,765)	(13,824)	(11,292)
Funding balance ((A-B)+(C-D))			

Wai marakai | Stormwater

Services and activities

The stormwater group delivers activities and services related to managing stormwater.

Stormwater is rainwater that flows across the ground and does not get absorbed into the soil. It flows into stormwater pipes and streams, and from there into the sea. The DCC owns and maintains a large network of pipes, pumping stations and other infrastructure to safely dispose of stormwater.

Effective management of stormwater is essential to prevent the flooding of properties and businesses. Controls are also necessary to ensure that stormwater does not become excessively contaminated and pollute watercourses, the harbour and the ocean. By managing stormwater adequately for Dunedin communities, we can protect public safety with a minimal impact on the environment.

Community outcomes

The sewerage and sewage group contributes to the following community outcomes:

- · A sustainable city with healthy and treasured natural environments
- · A healthy city with reliable and quality water, wastewater and stormwater systems
- · A supportive city with caring communities and a great quality of life

Highlights for the 2023/24 year

We installed 2.8km of stormwater pipes during the year. Refurbishment and upgrading of stormwater pipes in the Central City were a focus, along with the renewal of stormwater pipes in Sawyers Bay and Carr Street, North East Valley, which was done in conjunction with wastewater pipe renewals.

We completed new network hydraulic models for our stormwater networks in North East Valley and Kaikorai Valley. These models help us to identify high risk flood hazard areas for further investigation and potential future flood alleviation works.

An investigation of private stormwater infrastructure in Dunedin was also completed. This study gives us a better understanding of the extent of this private infrastructure, its importance to the stormwater network and the service it provides, along with the implications of it being in private ownership.

Measuring Performance

Measure		Data Source	Target 2023/24	Actual 2023/24	Actual 2022/23	Achievement
Level of service: Stor	mwater services perfor	m adequately	y and reliably			
Percentage of resider the stormwater syste		ROS	≥50%	54%	56%	Achieved
System and adequacy (DIA measure)	The number of flooding events that occur in the DCC district	Internal data	0	0	1	Achieved
	For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected to the stormwater system)	Internal data	0	0	3	Achieved
Level of service: Stor	mwater is managed wit	hout adverse	ly affecting the o	quality of the rec	eiving environm	ent
Compliance with	Abatement notices	Internal	0	0	0	Achieved
the territorial	Infringement notices	data	0	0	0	Achieved
authority's resource consents for	Enforcement notices		0	0	0	Achieved
consents for discharge from its stormwater system, measured by the number of (DIA measure):	Successful prosecutions		0	0	0	Achieved

Measure	Data Source	Target 2023/24	Actual 2023/24	Actual 2022/23	Achievement
Level of service: Service calls are responded	to promptly				
The median response time to attend a flooding event, measured from the time that notification is received to the time that service personnel reach the site (DIA measure)	Internal data	<60 minutes	0 minutes (No flooding events in 2023/24)	62 minutes	Achieved
The number of complaints received about the performance of the stormwater system, expressed per 1000 properties connected to the stormwater system (DIA measure)	Internal data	<1 per 1,000 connections	0.71 complaints per 1,000 connections	1.09 per 1,000 connections	Achieved

^{*}R0S Residents' Opinion Survey

Total number of rated properties for stormwater at 30 June 2024: 49,488

Capital Expenditure

	Note	2023/24 Actual \$000	2023/24 Budget \$000
New Capital			
South Dunedin Flood Alleviation		249	119
Stormwater New Capital Other	1	3,027	8,655
New Capital Supporting Growth		466	362
		3,742	9,136
Renewals			
Central City Renewals	2	8,215	11,211
Other Stormwater Renewals	3	4,409	1,973
Renewals Supporting Growth		131	233
Mosgiel Stormwater Pumpstation and Network		6	250
Stormwater Pumpstation Renewal		1	
		12,762	13,667
Total Capital		16,504	22,803

Explanation of Variance

- 1 Delayed start to the next phase of the Bath Street project.
- 2 Central City upgrade project is now complete.
- 3 Renewals expenditure was ahead of budget for the year especially in North East Valley and Sawyers Bay.

Dunedin City Council: Funding impact statement for the year ended 30 June 2024 for

Stormwater

unding balance ((A-B)+(C-D))	_	-	_
Surplus (deficit) of capital funding (C-D)	(5,524)	(5,635)	(1,075
otal application of capital funding (D)	20,188	18,161	16,504
ncrease (decrease) of investments	(975)	(1,017)	
ncrease (decrease) in reserves	-	-	
to replace existing assets	13,800	11,430	11,340
to improve the level of service	4,704	5,154	2,931
to meet additional demand	2,659	2,594	2,233
Capital expenditure			
Application of capital funding			
otal sources of capital funding (C)	14,664	12,526	15,429
.ump sum contributions	-	_	
Gross proceeds from sale of assets	-	_	
ncrease (decrease) in debt	14,026	11,875	15,099
Development and financial contributions	638	651	330
Subsidies and grants for capital expenditure	-	_	
Sources of capital funding			
Surplus (deficit) of operating funding (A-B)	5,524	5,635	1,075
otal application of operating funding (B)	5,338	5,875	9,491
Other operating funding applications	-	-	-
nternal charges and overheads applied	509	522	473
inance costs	689	1,059	2,793
Payments to staff and suppliers	4,140	4,294	6,225
Application of operating funding			
Total operating funding (A)	10,862	11,510	10,566
ocal authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
nternal charges and overheads recovered	-	-	348
ees and charges	126	130	49
Subsidies and grants for operating purposes	-	-	2
argeted rates	10,736	11,380	10,167
General rates, uniform annual general charges, rates penalties	-	-	
Sources of operating funding			
	\$000	\$000	\$000

Rautaki para | Waste management

Services and activities

The waste management group delivers activities and services related to waste and environmental solutions.

The DCC runs a collection, resource recovery and residual disposal service for domestic and some commercial residents in Dunedin. We work to promote public health and minimise impacts on the environment. Our service's facilities range from large waste management facilities like the Green Island landfill to small facilities like the inner-city recycling hub on Vogel Street. We also provide education on waste minimisation and public education on the DCC's sustainability practices. The waste management group supports community projects and administers a range of community grants supporting waste minimisation.

Community outcomes

The waste management group contributes to the following community outcomes:

- · A sustainable city with healthy and treasured natural environments
- · A supportive city with caring communities and a great quality of life

Highlights for the 2023/24 year

During the year we rolled-out the new kerbside collection system. Delivery of green-lidded bins for food and green waste, along with red-lidded general waste bins to replace the DCC black plastic rubbish bags began in March 2024. These bins complement the existing kerbside bins for mixed recycling and glass. By the end of June 2024, approximately 160,000 bins were delivered to more than 52,000 properties, ready for the new services to begin on 1 July 2024.

Starting in October 2023, we built an enclosed Organics Receivals Building at the Green Island landfill to manage the food and garden waste collected in the new system, along with any green waste dropped off by the public. Green waste is consolidated and shredded in the building, then transported by truck to the Enviro NZ plant in Timaru for composting. We will be working over the next two years to build a full composting and material recovery facility at Green Island.

A review of the current DCC Waste Minimisation and Management Plan (WMMP) is underway. From late 2023 to mid-2024, we ran initial stakeholder engagement sessions with private waste companies, the construction and demolition sector, community and not-for-profit organisations, businesses and the tertiary precinct.

Measuring Performance

Measure	Data Source	Target 2023/24	Actual 2023/24	Actual 2022/23	Achievement				
Level of service: Refuse collection and kerbside recycling meet customer expectations									
Overall satisfaction with rubbish disposal services	ROS	≥70%	62%	62%	Not achieved 1				
Level of service: Waste minimisation targets	are met								
The amount of municipal solid waste per person	Internal data	Reduce by ≥15% by 2030 compared to 2015 baseline to less than 638kg per person per annum	508	451	Achieved				
The amount of municipal solid waste disposed to landfill and incineration	Internal data	Reduce by ≥50% by 2030 compared to 2015 baseline to less than 47,264 tonnes per annum	68,320	60,288	Not achieved 2				
Increase in the amount of diversion of recyclable or reusable materials	Internal data	Increase to 70% by 2030	30%	16%	Not achieved 3				

Explanations

- 1 The primary causes of dissatisfaction for 2023/24 were the continued use of pre-paid plastic rubbish bags for kerbside waste collection, and the lack of organic collection services. New services were introduced on 1 July 2024 that replaced pre-paid plastic rubbish bags with general waste wheelie bins and introduced a collection service for food and garden organics.
- 2. The amount of municipal solid waste disposed to landfill has increased following the closure of the privately owned Wickliffe Street Transfer Station on 2 December 2023. It is expected that this target will be achieved following the introduction of kerbside collection services for food and garden organics on 1 July 2024.
- 3 The diversion of recyclable or reusable material has increased to 30% as new initiatives have been introduced but is still significantly below the target of 70%. It is expected that the introduction of food and garden organics collections, plus establishment of a construction and demolition sorting facility during 2025/26 will significantly increase the diversion of materials away from landfill.

Capital Expenditure

	Note	2023/24 Actual \$000	2023/24 Budget \$000
New Capital			
Waste Futures – Organics Facility	1	6,338	2,550
Waste Futures – Construction and Demolition Facility		157	300
Waste Futures – Material Recovery Facility	2	1,354	3,143
Waste Futures – Smooth Hill Landfill		177	200
Waste Futures – New Collection System (Waste, Recycling, Organics and Glass)	3	5,864	1,000
Waste Futures – Granulation Facility		-	200
Waste Futures – Bulk Waste System		191	300
Waste and Environmental Solutions – Green Island Landfill and Transfer Station		7	-
Waste and Environmental Solutions – Green Island Landfill Aftercare		128	250
Waste and Environmental Solutions – Green Island Landfill Leachate System	4	186	500
Waste and Environmental Solutions – Green Island Landfill Gas Collection System	5	123	2,500
Waste and Environmental Solutions – Community Recycling Hubs		2	90
Waste and Environmental Solutions – Sawyers Bay Closed Landfill		14	-
Waste and Environmental Solutions – Green Island Landfill Educational Facility		-	50
		14,541	11,083
Renewals			
Waste and Environmental Solutions – Green Island Landfill and Transfer Station		39	159
Waste and Environmental Solutions – Kerbside Bin Replacements		119	211
Waste and Environmental Solutions – Green Island Leachate System Pump and Pumpstation		24	16
Waste and Environmental Solutions – Public Place Recycling and Rubbish Bins		85	125
Waste and Environmental Solutions – Waikouaiti Transfer Station		(24)	21
Waste and Environmental Solutions – North Taieri Closed Landfill		-	11
Waste and Environmental Solutions – Sawyers Bay Closed Landfill		-	30
Waste and Environmental Solutions – Forester Park Landfill Culvert Pipe			F0
Renew/Line/Re-route		-	50
	_	243	623
Total Capital	_	14,784	11,706

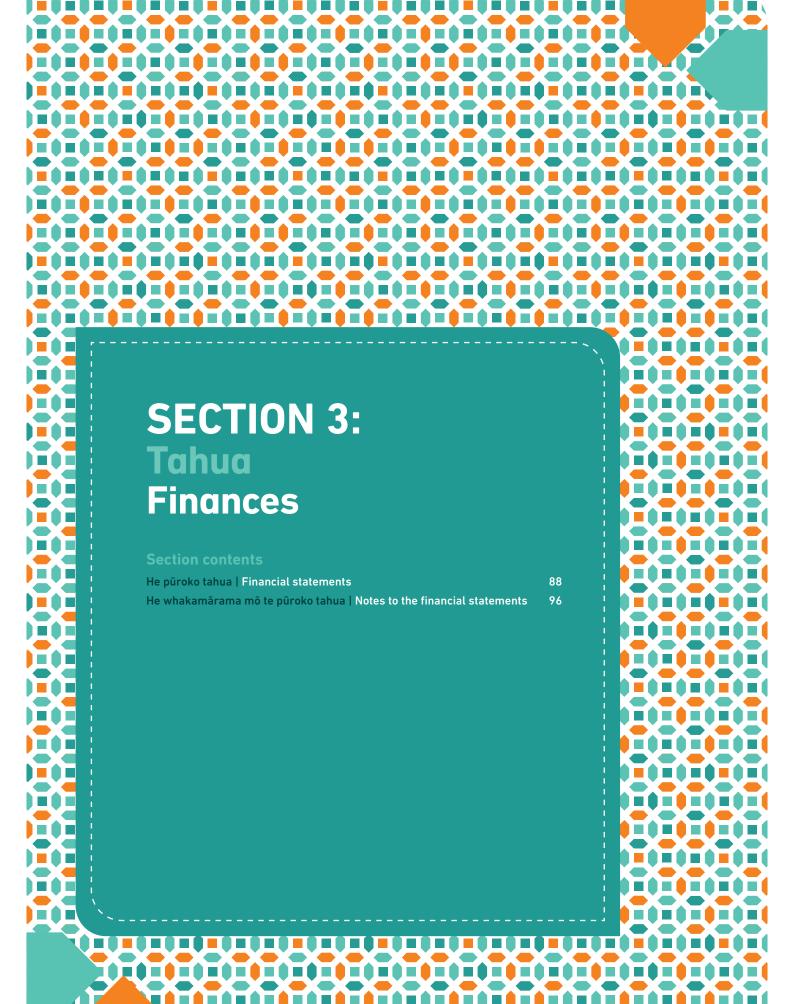
Explanation of Variance

- 1 Significant escalation in construction costs occurred between setting the budget in 2021 and the procurement process occurring in 2023.
- 2 Delayed timing of expenditure for the new Green Island Resource Recovery Park due to delays in obtaining the required Resource Consents.
- 3 Additional cost of manufacturing the new kerbside bins, including storage, freight and distribution costs. Offset partially by an increase in funding from the Ministry for the Environment.
- 4 Delayed timing of expenditure due to Resource Consenting process to extend the closure date of the Green Island landfill.
- 5 Delayed timing of expenditure due to Resource Consenting process to extend the closure date of the Green Island landfill.

Dunedin City Council: Funding impact statement for the year ended 30 June 2024 for

Waste management

	2023 Long-term plan	2024 Long-term plan	2024 Actual
	\$000	\$000	\$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	11	11	978
Targeted rates	7,774	12,492	4,768
Subsidies and grants for operating purposes	-	-	-
Fees and charges	11,955	11,578	16,356
Internal charges and overheads recovered	1,721	1,764	1,144
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	21,461	25,845	23,246
Application of according funding			
Application of operating funding	15 510	22.222	27.720
Payments to staff and suppliers	15,713	22,332	24,620
Finance costs	728	1,071	810
Internal charges and overheads applied	923	946	879
Other operating funding applications	- 48.077		
Total application of operating funding (B)	17,364	24,349	26,309
Surplus (deficit) of operating funding (A-B)	4,097	1,496	(3,063)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	1,030
Development and financial contributions	-	-	-
Increase (decrease) in debt	17,434	6,659	11,827
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of capital funding (C)	17,434	6,659	12,857
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	18,744	7,285	14,520
- to replace existing assets	294	481	264
Increase (decrease) in reserves	-	-	-
Increase (decrease) of investments	2,493	389	(4,990)
Total application of capital funding (D)	21,531	8,155	9,794
Surplus (deficit) of capital funding (C-D)	(4,097)	(1,496)	3,063
Funding balance ((A-B)+(C-D))	_		_



He pūroko tahua | Financial statements

Dunedin City Council

Statement of comprehensive revenue and expense for the year ended 30 June 2024

			COR	E COUNCIL	CONSOLIDATED		
	Note	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000	
Revenue continuing operations							
Rates revenue	2	203,946	203,358	191,150	203,946	191,150	
Development and financial contributions	3	3,790	3,844	2,839	3,790	2,839	
Subsidies and grants	4	41,764	37,507	50,049	41,813	50,049	
Financial revenue	5	24,838	20,785	18,353	9,348	7,888	
Other revenue	6	81,114	74,119	71,644	381,163	364,830	
Total operating revenue		355,452	339,613	334,035	640,060	616,756	
Expenses							
Other expenses	7	164,974	143,607	169,400	317,289	318,521	
Personnel expenses	13	83,091	81,212	75,285	156,798	145,739	
Audit fees	8	399	366	346	1,349	1,206	
Financial expenses	9	25,644	26,281	16,038	57,011	40,068	
Depreciation and amortisation	10	117,100	117,128	110,128	151,779	143,719	
Total operating expenses		391,208	368,594	371,197	684,226	649,253	
Operating surplus (deficit) from operations		(35,756)	(28,981)	(37,162)	(44,166)	(32,497)	
Share of associate surplus (deficit)		-	-	-	(212)	2,158	
Surplus (deficit) before taxation		(35,756)	(28,981)	(37,162)	(44,378)	(30,339)	
Less taxation	14	(545)	(370)	(781)	9,612	3,144	
Surplus (deficit) after taxation		(35,211)	(28,611)	(36,381)	(53,990)	(33,483)	
Surplus (deficit) attributable to:							
Dunedin City Council and Group		(35,211)	(28,611)	(36,381)	(53,990)	(33,483)	

Explanations of major variances against budget are provided in Note 40.

Statement of other comprehensive revenue and expense for the year ended 30 June 2024

		CORE COUNCIL			CONSOLIDATED		
	Note	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000	
Other comprehensive revenue and expense							
Gain (loss) on property, plant and equipment revaluations		29,003	120,000	81,709	29,003	81,709	
Gain (loss) on forestry land revaluations		-	-	-	2,830	(1,949)	
Gain (loss) of comprehensive revenue in associates		-	-	-	3,089	21	
Gain (loss) of cash flow hedges at fair value through other comprehensive revenue and expense		-	-	20	(4,949)	11,632	
Gain (loss) on carbon credit revaluation		-	-	-	26,012	(43,458)	
Gain (loss) on recognition of Dunedin Heritage Fund CCO		-	-	-	188	-	
Income tax on other comprehensive income		-	-	-	(150)	7,523	
Total other comprehensive revenue and expense		29,003	120,000	81,729	56,023	55,478	
Surplus (deficit) after taxation		(35,211)	(28,611)	(36,381)	(53,990)	(33,483)	
Total comprehensive revenue and expense		(6,208)	91,389	45,348	2,033	21,995	
Total comprehensive revenue and expense attributable to:							
Dunedin City Council and Group		(6,208)	91,389	45,348	2,033	21,995	

Statement of changes in equity for the year ended 30 June 2024

			CORE COUNCIL		CONSOLIDATED	
	Note	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Movements in equity						
Opening equity		4,354,978	4,399,089	4,309,630	4,636,327	4,614,332
Total comprehensive revenue and expense		(6,208)	91,389	45,348	2,033	21,995
Closing equity		4,348,770	4,490,478	4,354,978	4,638,360	4,636,327

The accompanying notes and accounting policies form an integral part of these financial statements.

Statement of financial position as at 30 June 2024

			COF	RE COUNCIL	CONSOLIDATED		
	Note	Actual	Budget	Actual	Actual	Actual	
		2024	2024	2023	2024	2023	
		\$000	\$000	\$000	\$000	\$000	
Current assets							
Cash and cash equivalents	16	8,555	11,590	9,085	27,272	20,530	
Other current financial assets	20	13,749	4,380	4,396	13,749	4,509	
Derivative financial instruments	36	-	-	-	554	695	
Trade and other receivables	17	29,558	17,713	25,707	59,164	58,204	
Current tax asset		512	370	359	512	359	
Inventories	18	586	318	346	7,717	7,914	
Non-current assets held for sale	19	-	-	905	3,208	905	
Prepayments		1,769	500	1,750	4,022	4,316	
Total current assets		54,729	34,871	42,548	116,198	97,432	
Non-current assets							
Term receivables	17	-	-	-	-	-	
Other non-current financial assets	20	197,292	201,068	200,351	92,566	91,500	
Shares in subsidiary companies	21	136,339	136,339	133,789	-	-	
Derivative financial instruments	36	-	-	-	30,509	36,596	
Investments accounted for using the equity method	22	-	-	-	44,320	42,693	
Intangible assets	32	5,806	4,388	3,948	13,172	10,738	
Intangible assets - carbon credits	34	-	-	-	72,641	51,516	
Investment property	31	110,826	118,375	110,520	110,826	110,520	
Forestry assets	33	-	-	-	183,383	194,306	
Property, plant and equipment	30	4,520,340	4,657,437	4,405,336	5,553,061	5,368,109	
Total non-current assets		4,970,603	5,117,607	4,853,944	6,100,478	5,905,978	
Total assets		5,025,332	5,152,478	4,896,492	6,216,676	6,003,410	
Current liabilities							
Short term borrowings	24	4,554	-	-	-	1,502	
Trade and other payables	25	40,315	43,174	45,644	78,487	76,704	
Revenue received in advance	25	6,185	5,752	7,035	8,864	10,380	
Employee entitlements	26	11,252	7,517	10,037	18,963	17,474	
Derivative financial instruments	36	-	-	-	588	2,869	
Provision for tax		-	-	-	2,945	861	
Current portion of term loans	27	-	-	-	-		
Total current liabilities		62,306	56,443	62,716	109,847	109,790	
Non-current liabilities							
Term loans	27	590,473	588,973	460,273	1,288,827	1,084,286	
Employee entitlements	26	1,257	1,226	1,204	2,138	1,987	
Provisions	29	22,206	15,038	17,001	22,206	17,001	
Derivative financial instruments	36	-	-	-	21,596	29,203	
Other non-current liabilities		320	320	320	1,717	737	
Deferred taxation	14	-	-	-	131,985	124,079	
Total non-current liabilities		614,256	605,557	478,798	1,468,469	1,257,293	

Statement of financial position as at 30 June 2024 (continued)

			COF	RE COUNCIL	CONSOLIDATED		
	Note	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000	
Equity							
Accumulated funds	15	1,651,592	1,669,042	1,686,179	1,812,414	1,865,590	
Revaluation reserves	15	2,686,878	2,811,165	2,657,874	2,714,291	2,682,198	
Restricted reserves	15	10,300	10,271	10,925	10,298	10,925	
Cash flow hedge reserves	15	-	-	-	21,063	24,625	
Carbon credit reserve	15	-	-	-	29,574	5,099	
Forest land revaluation reserve	15	-	-	-	50,720	47,890	
Total equity		4,348,770	4,490,478	4,354,978	4,638,360	4,636,327	
Total liabilities and equity		5,025,332	5,152,478	4,896,492	6,216,676	6,003,410	

Explanations of major variances against budget are provided in Note 40.

The accompanying notes and accounting policies form an integral part of these financial statements.

Statement of cash flows for the year ended 30 June 2024

		COR	CONSOLIDATED		
	Actual	Budget	Actual	Actual	Actual
	2024 \$000	2024 \$000	2023 \$000	2024 \$000	2023 \$000
Cash flow from operating activities	\$000	\$000	\$000	\$000	\$000
Cash was provided from operating activities					
Rates received	201,558	202,646	190,154	201,558	190,154
Other revenue	120,586	114,649	122,214	431,208	391,591
Interest received	8,238	7,548	7,814	2,377	2,254
Dividend received	12,487	12,254	6,821	2,738	1,323
Intra-group tax payment	394	370	1,220	_	_
	343,263	337,467	328,223	637,881	585,322
Cash was applied to:					
Suppliers and employees	(233,144)	(228,795)	(234,120)	(445,015)	(437,462)
Interest paid	(22,763)	(24,649)	(14,599)	(51,607)	(33,222)
Taxation paid	-	-	-	478	(8)
	(255,907)	(253,444)	(248,719)	(496,144)	(470,692)
Net cash inflow (outflow) from operating activities	87,356	84,023	79,504	141,737	114,630
Cash flow from investing activities					
Cash was provided from investing activities					
Sale of assets	1,090	120	161	1,248	3,821
Reduction in loans and advances	-	_	_	_	_
Decrease in investments	5,965	_	_	5,965	1,784
	7,055	120	161	7,213	5,605
Cash was applied to:					
Increase in investments	(12,103)	(2,550)	(3,184)	(18,113)	(9,864)
Capital expenditure	(213,038)	(209,726)	(205,382)	(321,473)	(309,745)
	(225,141)	(212,276)	(208,566)	(339,586)	(319,609)
Net cash inflow (outflow) from investing activities	(218,086)	(212,156)	(208,405)	(332,373)	(314,004)
Cash flow from financing activities					
Cash was provided from financing activities					
Loans raised	130,200	128,700	126,000	195,877	198,550
	130,200	128,700	126,000	195,877	198,550
Cash was applied to:					
Loans repaid	-	-	-	-	(5,000)
	-	-	-	-	(5,000)
Net cash inflow (outflow) from financing activities	130,200	128,700	126,000	195,877	193,550
Net increase (decrease) in cash held	(530)	567	(2,901)	5,241	(5,824)
Opening cash and cash equivalents balance	9,085	11,023	11,986	22,031	26,354
Closing cash and cash equivalents balance	8,555	11,590	9,085	27,272	20,530

Explanations of major variances against budget are provided in Note 40.

The accompanying notes and accounting policies form an integral part of these financial statements.

Reconciliation of operating surplus (deficit) to net cash flows from operating activities

		COR	E COUNCIL	CONS	CONSOLIDATED	
	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000	
Surplus (deficit) after taxation	(35,211)	(28,611)	(36,381)	(53,990)	(33,483)	
Share of retained surplus (deficit) in associated companies	-	-	-	212	(2,158)	
Add (less) non-cash items						
Depreciation and amortisation	117,100	117,128	110,128	151,779	143,719	
Depletion of forest	-	-	-	10,887	12,712	
Forestry revaluation	-	-	-	15,179	(1,948)	
Write (up)/down of forestry land	-	-	-	2,274	2,956	
After-care provision adjustment	5,206	-	2,963	5,206	2,963	
Investment property fair value loss (gain)	5,128	-	11,290	5,128	11,290	
Unrealised loss (gain) on investments	(2,744)	-	(3,206)	(2,744)	(3,206)	
New Zealand carbon credits	-	-	-	(6,350)	(16,165)	
Vested assets	(5,033)	(3,000)	(2,375)	(5,033)	(2,375)	
Add (less) non-cash items	11,900	(9,025)	(1,035)	(2,090)	11,355	
Total non-cash items	131,557	105,103	117,765	174,236	161,301	
Add (less) movements in working capital items						
(Increase) decrease in trade and other receivables	(3,851)	(5,424)	(2,658)	(960)	(6,581)	
(Increase) decrease in term receivables	_	_	_	_	_	
(Increase) decrease in inventories	(240)	74	(24)	197	(698)	
(Increase) decrease in prepayments	(19)	-	(379)	294	(330)	
(Increase) decrease in current tax asset	(154)	80	440	(153)	440	
Increase (decrease) in trade and other payables	(5,329)	14,421	2,656	1,783	2,751	
Movement in capital creditors in accounts payable	-	-	(749)	-	(749)	
Increase (decrease) in other current liabilities	365	(1,620)	(1,137)	(27)	2,138	
Increase (decrease) in other provisions	53	-	38	151	96	
Increase (decrease) provision for tax	-	-	-	2,084	(2,117)	
Increase (decrease) deferred tax	-	-	-	7,906	(2,708)	
Net movement in working capital items	(9,175)	7,531	(1,813)	11,275	(7,758)	
Add (less) items classified as investing or financing activities						
Profit on sale of investments	(84)	_	(34)	(84)	(34)	
Loss on sale of investments	282	_	61	282	61	
Profit on sale of property, plant and equipment	(37)	_	(95)	(77)	(3,343)	
Loss on sale of property, plant and equipment	24	_	1	1,285	954	
Investment in financial instruments	_	_	_	8,598	(910)	
Total items classified as investing or financing activities	185	-	(67)	10,004	(3,272)	
Net cash flow from operating activities	87,356	84,023	79,504	141,737	114,630	

Funding impact statement for the year ended 30 June 2024 (whole of Council)

	2023	2023	2024	2024
	Annual Plan	Actual	Annual Plan	Actual
	\$000	\$000	\$000	\$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	110,294	110,994	119,041	120,280
Targeted rates	81,323	81,389	85,317	85,319
Subsidies and grants for operating purposes	15,455	17,097	15,945	13,511
Fees and charges	65,155	65,698	67,800	72,106
Interest and dividends from investments	14,107	14,676	19,722	20,851
Local authorities fuel tax, fines, infringement fees, and other receipts	3,225	3,163	3,219	3,199
Total operating funding (A)	289,559	293,017	311,044	315,266
Applications of operating funding				
Payments to staff and suppliers	217,252	233,738	225,184	243,313
Finance costs	13,697	15,540	26,281	24,203
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	230,949	249,278	251,465	267,516
Surplus (deficit) of operating funding (A-B)	58,610	43,739	59,579	47,750
Sources of capital funding				
Subsidies and grants for capital expenditure	27,361	32,125	20,662	27,376
Development and financial contributions	3,784	2,839	3,844	3,791
Increase (decrease) in debt	106,000	126,000	128,700	134,754
Gross proceeds from sale of assets	120	161	120	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	137,265	161,125	153,326	165,921
Application of capital funding				
Capital expenditure				
- to meet additional demand	10,662	10,814	9,641	9,285
- to improve the level of service	73,466	66,903	64,792	79,068
- to replace existing assets	105,344	129,435	138,077	117,452
Increase (decrease) in reserves	-	-	-	-
Increase (decrease) of investments	6,403	(2,288)	395	7,866
Total applications of capital funding (D)	195,875	204,864	212,905	213,671
Surplus (deficit) of capital funding (C-D)	(58,610)	(43,739)	(59,579)	(47,750)
Funding balance ((A-B)+(C-D))	-	-	-	-

Statement of financial involvement in Council controlled organisations as at 30 June 2024

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.

The provision of financial assistance by Dunedin City Council to Dunedin City Holdings Limited is by way of share capital and shareholder loan. The financial return for the current year is as follows:

Dividend 2024 Interest 2024 **Total 2024** \$000 \$000 \$000 11,000 5,902 16,902 **Dunedin City Holdings Limited**

Structure of the Dunedin City Council Group (Consolidated)

Organisation	Ownership	Nature and scope of the activities
1. Dunedin City Holdings Limited	100%	Input into the statements of intent of subsidiaries. Input into the strategic direction of the subsidiaries. Performance monitoring. Ensuring individual subsidiaries receive maximum benefits from membership of the group of companies. Approve all decisions in accordance with subsidiary constitutions.
2. Dunedin (New Zealand) Masters Games Trust		Principal activity is the running of the biennial Masters Games in Dunedin.
3. Dunedin Heritage Fund		Principal activity is to provide grants for a range of works that contribute to conserving, upgrading and retaining historic places.
Associated Companies of the Dunedin City Cour	icil	
1. Golden Block Investments Limited	49%	Investment rental building.
2. New Zealand Centre of Digital Excellence Limited	49%	Supporting the development and expansion of New Zealand's video game development industry.
Subsidiaries of Dunedin City Holdings Limited		
1. City Forests Limited	100%	Sustainable production of logs for local and export markets.
2. Dunedin City Treasury Limited	100%	Management of financial risks and liquidity of the Dunedin City Council Group.
3. Aurora Energy Limited	100%	Provision of electricity distribution services in Dunedin City and Central Otago.
4. Otago Power Limited	100%	Non trading company.
5. Delta Utility Services Limited	100%	Infrastructure specialist providing a range of electrical and environmental services to local authority and private sector customers with service depots throughout the South Island.
6. Lakes Contract Services Limited	100%	Non trading company.
7. Dunedin Venues Management Limited	100%	Event, turf, and stadium and facilities management company currently operating out of the Forsyth Barr Stadium, Dunedin Centre/Town Hall Complex and the University of Otago Oval.
8. Dunedin Stadium Property Limited	100%	Ownership of the Forsyth Barr Stadium.
9. Dunedin Railways Limited	100%	Until March 2020 Dunedin Railways operated a tourist and excursion train on the Taieri Gorge railway line and on the Seasider line north of Dunedin. Covid-19 had a severe impact on the company and it transitioned to hibernation from 1 July 2020. The company's current focus is on maintaining key assets pending further decisions from Dunedin City Council.
Associated Companies of Dunedin City Holdings	Limited	
1. Dunedin International Airport Limited	50%	Provision of airport services at Momona.

He whakamārama mō te pūroko tahua Notes to the financial statements

Dunedin City Council

Notes to the financial statements for the year ended 30 June 2024

1 Statement of accounting policies

REPORTING ENTITY

Dunedin City Council (the Council) is a territorial local authority established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The financial statements presented are for the reporting entity Dunedin City Council (the Council) and the consolidated financial statements of the Group comprising Dunedin City Council and its subsidiary and associate companies.

The registered address of the Council is 50 The Octagon, Dunedin.

The Council and Group provides local infrastructure, local public services, and performs regulatory functions to the community. The Council does not operate to make a financial return.

The Council has designated itself and the group as public benefit entities (PBEs) for the purposes of complying with generally accepted accounting practice.

The financial statements of the Council and group are for the year ended 30 June 2024. The financial statements were authorised for issue by the Council on 31 October 2024.

BASIS OF PREPARATION

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain property, plant and equipment, investment properties, biological assets, derivative financial instruments, financial instruments classified as available for sale and financial instruments held for trading.

The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the year.

Statement of compliance

The financial statements of the Council and group have been prepared in accordance with the requirements of the LGA and the Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R), which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

PBE IPSAS 23 Revenue from Non-Exchange Transactions requires entities to disclose the amount of revenue from nonexchange transactions in the financial statements. As the separate labelling of revenue as exchange or non-exchange in most cases would not be considered material, we have decided to not label revenue as exchange or non-exchange. We have, however, separately disclosed the major classes of revenue streams in Note 2 to Note 6.

The financial statements have been prepared in accordance with and comply with PBE Standards.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars because that is the currency of the primary economic environment in which the Council and Group operates. All values are rounded to the nearest thousand dollars (\$000), other than certain remuneration and severance payment disclosures (note 13). The remuneration and severance payments are rounded to the nearest dollar.

Standards issued and not yet effective that have been early adopted

There were no standards issued and not yet effective that have been early adopted.

Standards issued and not yet effective, and not early adopted

Disclosure of Fees for Audit Firms' Services (Amendments to PBE IPSAS 1) has been issued with an effective date covering financial reporting periods beginning on or after 1 January 2024. Dunedin City Council has not early adopted this accounting standard.

New accounting standards applied

There have been no new accounting standards introduced during the year ended 30 June 2024.

SECTION 3: Tahua | Finances 97

Changes in accounting policies

There have been no changes in accounting policy during the year.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

Basis of consolidation

The Council consolidates in the Group financial statements those entities it controls (its subsidiaries). Control exists where the Council is exposed, or has rights, to variable benefits (either financial or non-financial) and has the ability to affect the nature and amount of those benefits from its power over the entity. Power can exist over an entity if, by virtue of its purpose and design, the relevant activities and the way in which the relevant activities of the entity can be directed has been predetermined by the Council.

Investments in subsidiaries are measured at cost in the Council's parent financial statements.

The consolidated financial statements are prepared by adding together like items of assets, liabilities, equity, revenue, expenses, and cash flows of entities in the group on a line-by-line basis. All intragroup balances, transactions, revenues, and expenses are eliminated on consolidation except rates charged by the Council to Group entities (note 2).

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group, with the exception of the valuation of Dunedin Stadium Property's fixed assets and the related depreciation expense.

Foreign currency transactions

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements the results and financial position of each entity are expressed in New Zealand dollars, which is the functional currency of the Council and Group.

Transactions in currencies other than New Zealand dollars are recorded at the rates of exchange prevailing on the dates of the transactions. At each Statement of financial position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the Statement of financial position date. The Group does not hold non-monetary assets and liabilities denominated in foreign currencies.

In order to hedge its exposure to certain foreign exchange risks, the Group may enter into forward contracts and options (see below for details of the Group's accounting policies in respect of such derivative financial instruments).

Goods and services tax

Items in the financial statements are stated exclusive of GST, except for receivables and payables which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next financial year include:

- landfill provision (note 29)
- valuation of forestry assets (note 33)
- valuation of property, plant and equipment (note 30)
- · valuation of intangible assets (note 32)
- · valuation of NZ carbon credits (note 34)
- valuation of derivative financial instruments (note 36)
- carrying value of the deferred tax liability (note 14)
- investment properties (note 31)
- valuation of employee entitlements (note 26).

2 Rates revenue

	CORE COUNCIL		CONSOLIDATE	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
General rates	118,626	109,760	118,626	109,760
Community services rate	5,618	5,244	5,618	5,244
Kerbside recycling rate	4,768	4,684	4,768	4,684
Citywide water rate	27,862	26,536	27,862	26,536
Citywide drainage rate	46,143	43,945	46,143	43,945
Allanton drainage rate	19	19	19	19
Blanket Bay drainage rate	1	1	1	1
Curles Point drainage rate	1	1	1	1
Private street lighting rate	38	29	38	29
Tourism/economic development rate	500	500	500	500
Warm Dunedin rate	370	431	370	431
	203,946	191,150	203,946	191,150

The total amount of rates charged on Council owned properties that have not been eliminated from revenue and expenditure is \$11.64m (2023: \$11.95m). For the Group, rates of \$13.46m have not been eliminated (2023: \$13.32m).

Rating base information

	1 July 2023	1 July 2022	1 July 2021
The number of rating units	57,207	56,867	56,561
The total capital value of the rating units	\$47.928 billion	\$34.478 billion	\$34.188 billion
The total land value of the rating units	\$25.588 billion	\$15.233 billion	\$15.193 billion

Under the Council's Rate Remission Policies, which provide for rates to be remitted in cases of extreme financial hardship, there were no remissions allowed by Council during the year (2023: nil).

Relevant significant accounting policies

Rates are set annually by resolution of Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.

Revenue from water rates by meter is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year-end, is accrued on an average usage basis.

Revenue from rates penalties is recognised when the penalty is imposed.

Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.

3 Development and financial contributions

	CORE COUNCIL		CONSOLIDATE	
	Actual	Actual	Actual	Actual
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Development and financial contributions	3,790	2,839	3,790	2,839
	3,790	2,839	3,790	2,839

Relevant significant accounting policies

Development and financial contributions are recognised as revenue when the Council provides, or is able to provide, the services for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

4 Subsidies and grants

	CORE COUNCIL		CONSOLIDAT	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Waka Kotahi NZ Transport Agency roading subsidies	35,115	36,492	35,115	36,492
Government and government agency grants	3,779	11,093	3,779	11,093
Other grants	2,870	2,464	2,919	2,464
	41,764	50,049	41,813	50,049

Relevant significant accounting policies

The Council receives funding assistance from Waka Kotahi NZ Transport Agency, which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

Other grants received are recognised as revenue when they become receivable unless there is an obligation in substance to return funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

5 Financial revenue

	CORE COUNCIL		CONSOLIDAT	
	Actual	Actual	Actual	Actual
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Profit on sale of investments	84	34	84	34
Gain on fair value of investments	3,903	3,643	3,903	3,643
Dividend received – Dunedin City Holdings Limited	11,000	5,500	-	-
Other dividends received	1,520	1,328	1,521	1,330
Interest received – Dunedin City Holdings Limited	5,902	5,902	-	-
Other interest received	2,429	1,946	3,840	2,881
	24,838	18,353	9,348	7,888

Relevant significant accounting policies

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

6 Other revenue

		CORE COUNCIL		CONSOLIDATE	
		Actual	Actual	Actual	Actual
		2024	2023	2024	2023
		\$000	\$000	\$000	\$000
Rental from investment properties		8,319	8,210	8,319	8,157
Rental from community housing properties		6,791	6,938	6,791	6,938
Commercial and domestic waste disposal charges		12,624	10,020	12,624	10,020
Parking fees		6,209	5,738	6,209	5,738
Regulatory services rendered		5,090	4,398	5,090	4,398
Forest revaluation		-	-	(15,179)	1,948
Vested assets		5,033	2,375	5,033	2,375
Profit on sale of property, plant and equipment		37	95	77	3,343
Line charges		-	-	121,511	100,468
Pass-through and recoverable cost revenue		-	-	26,939	32,202
Customer contributions		-	-	15,466	8,717
Electrical services		-	-	30,847	16,920
Meters and related services		-	-	16,570	15,377
Greenspace services		-	-	29,917	33,246
Forestry sales revenue		-	-	59,927	62,922
Venues management income		-	-	16,783	13,651
New Zealand carbon credits	Note 34	-	-	6,350	16,165
Other fees, charges and revenue		37,011	33,870	27,889	22,245
		81,114	71,644	381,163	364,830

Relevant significant accounting policies

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and GST.

Revenue from services rendered is recognised when it is probable that the economic benefits associated with the transaction will flow to the entity. The stage of completion at balance date is assessed based on the value of services performed to date as a percentage of the total services performed.

Sales of goods are recognised when significant risks and rewards of owning the goods are transferred to the buyer, when the revenue can be measured reliably and when management effectively ceases involvement or control.

The specific policies for significant revenue items included in other revenue are explained below:

Rental from investment and community housing properties

Lease rentals (net of any incentives given) are recognised on a straight line basis over the term of the lease.

Commercial and domestic waste disposal charges

Fees for disposing of waste at the Council's landfill are recognised as waste is disposed by users.

Regulatory services rendered

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

Gain on fair value of investment property

Investment properties are held primarily to earn lease revenue and/or for capital growth. All investment properties are measured at fair value, determined annually by an independent registered valuer. Any gain or loss arising is recognised in the surplus or deficit for the period in which the gain or loss arises. Investment properties are not depreciated.

Forest revaluation

See note 33 Forestry assets.

Vested assets

For assets received for no or nominal consideration, the asset is recognised at its fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

Line charges and pass-through and recoverable cost revenue

Line charges and pass-through and recoverable cost revenue is recognised at the fair value of services provided. These

revenue streams relate to the provision of distribution services for electricity. Prices are regulated and customers are charged through a mix of fixed charges which are recognised on a straight line basis and variable charges which are recognised based on the volume of distribution services provided. Revenue is recognised when the significant risks and rewards of ownership are transferred to the buyer.

The Commerce Commission's Customised Price-Quality Path Determination for Aurora Energy Limited included a 10% limit on the annual increase in line charge revenue in order to reduce the price impact on consumers. Combined with the impact of volume driven revenue variances the total deferred revenue at 31 March 2024 is \$22.896 million (Restated 2023: \$23.453 million). This deferred revenue will be recovered from consumers in future financial years.

Customer contributions

Customer contribution revenue relates to contributions received from customers towards the costs of reticulating electricity to new connections, constructing uneconomic lines and relocating existing network assets. Revenue is generally recognised at the time the new connection is fully constructed and livened.

Electrical services

Electrical services revenue is derived from the construction of electrical infrastructure assets. Revenue is recognised as soon as the outcome of an Electrical services contract can be estimated reliably, contract revenue and expenses are recognised in surplus or deficit in proportion to the stage of completion of the contact. The stage of completion is assessed by reference to surveys of work performed. An expected loss on a contract is recognised immediately in surplus or deficit. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

Maintenance services

Maintenance services revenue is recognised in surplus or deficit as soon as the outcome of a maintenance service can be estimated reliably. Revenue from services rendered is recognised in surplus or deficit in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

Forestry sales revenue

Revenue is recognised in surplus or deficit when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs, the possible return of goods, or continuing management involvement with the goods.

Venues management income

Revenue is recognised when the group provides facilities for events and, in exchange for the provision of these services, receives approximately equal value in exchange. In relation to revenue from memberships, corporate box licenses, signage, and sponsorship, the stage of completion at balance date is assessed based on the value of services performed to date as a percentage of the total services to be performed.

Other fees, charges and revenue

Entrance fees are charged to users of the Council's local facilities, such as pools, museum exhibitions and Lan Yuan Chinese Garden. Revenue from entrance fees is recognised upon entry to such facilities.

Infringement fees and fines which mostly relate to traffic and parking infringements, and library overdue book fines, are recognised when the infringement notice is issued or when the fines/penalties are otherwise imposed.

Rental income from other operating leases is recognised on a straight line basis over the term of the relevant lease.

Sales of goods are recognised when significant risks and rewards of owning the goods are transferred to the buyer, when the revenue can be measured reliably and when management effectively ceases involvement or control.

Revenue from services rendered is recognised when it is probable that the economic benefits associated with the transaction will flow to the entity. The stage of completion at balance date is assessed based on the value of services performed to date as a percentage of the total services to be performed.

Other expenses

Actual 2024 2023 2024 2024			COI	RE COUNCIL	CON	SOLIDATED
General grants 5,958 6,447 5,842 6,390 Olago Museum levy 4,876 4,720 4,876 4,270 Directors' remuneration 1,406 1,164 Elected members' remuneration and expenses 1,896 1,964 1,896 1,964 Bad debts 5.20 2,963 5,00 2,963 Increase (decrease) in after-care provision 5.20 2,963 6,00 6,05 Impairment of property, plant and equipment 2,274 2,956 Investment property operating expenses 4,183 3,939 4,183 3,939 Fair value loss on investment property Note 31 5,128 11,290 5,128 11,290 Investment property, plant and equipment 2,274 2,956 Investment property perty, plant and equipment 5,128 11,290 Investment property, plant and equipment 5,267 Operating lease expense 1,406 3,951 <td></td> <td></td> <td>Actual</td> <td>Actual</td> <td>Actual</td> <td>Actual</td>			Actual	Actual	Actual	Actual
General grants 5,958 6,447 5,842 6,700 Otago Museum levy 4,876 4,720 4,876 4,720 Directors' remuneration - - - 1,406 1,104 Elected members' remuneration and expenses 1,896 1,964 1,896 1,964 Bad debts 25 3 68 230 Increase (decrease) in after-care provision 326 710 506 605 Increase (decrease) in doubtful debt provision 326 710 506 605 Inpairment of property, plant and equipment - - 2,274 2,956 Investment property operating expenses 4,183 3,939 4,183 3,939 Fair value loss on investment property Note 31 5,128 11,290 5,128 11,290 Investment property operating expenses 4,183 3,939 4,183 3,939 4,183 3,939 Fair value loss on investment property Note 31 5,128 11,200 1,120 1,120 1,120 1,120 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>						
Otago Museum Levy 4,876 4,720 4,876 1,206 1,164 Directors' remuneration - - 1,406 1,164 Elected members' remuneration and expenses 1,896 1,964 1,964 1,964 Bad debts 2,255 3 68 230 Increase (decrease) in after-care provision 5,206 2,963 5,206 2,963 Increase (decrease) in doubtful debt provision 326 710 506 605 Invalue loss on investment property plant and equipment - - 2,274 2,956 Investment property poparting expenses 4,183 3,939 4,183 3,939 Fair value loss on investment property Note 31 5,128 11,290 5,128 11,290 Investment property oparting expenses 5,187 1,106 3,951 5,477 Cost on disposal of property, plant and equipment 24 1 1,285 954 Operating lease expense 1 1,406 3,951 5,477 Research expenditure 2						
Directors' remuneration - 1,406 1,164 Elected members' remuneration and expenses 1,896 1,964 1,896 1,964 Bad debts 25 3 68 230 Increase (decrease) in after-care provision 5,206 2,963 3,206 2,963 Increase (decrease) in doubtful debt provision 326 710 506 605 Impairment of property, plant and equipment - - 2,274 2,956 Investment property operating expenses 4,183 3,939 4,183 3,939 Fair value loss on investment property Note 31 5,128 11,290 Investment property operating expenses 51 207 5,128 11,290 Investment property operating expenses 1,406 3,91 2,727 1,270 Loss on disposal of property, plant and equipment 24 1 1,285 954 Operating lease expense 1 1,00 3,91 2,725 Research expenditure 2 2 2,939 3,187 <td< td=""><td>-</td><td></td><td></td><td></td><td></td><td></td></td<>	-					
Elected members' remuneration and expenses 1,896 1,964 1,896 1,964 Bad debts 25 3 68 230 Increase (decrease) in after-care provision 5,206 2,963 5,206 2,965 Increase (decrease) in doubtful debt provision 326 7,100 506 605 Inmail members - - 2,274 2,956 Investment property, plant and equipment - - 2,274 2,956 Fair value loss on investment property Note 31 5,128 11,290 5,128 11,290 Inventories expensed 51 27 51 27 Loss on disposal of property, plant and equipment 24 1 1,285 954 Operating lease expense - 1,406 3,951 5,477 Research expenditure - - 36 31 Transmission costs on the energy network - - 26,939 31,972 Cost of bush applied - - 1,0813 10,132 10,813			4,876	4,720		
Bad debts 25 3 68 230 Increase (decrease) in after-care provision 5,206 2,963 5,206 2,963 Increase (decrease) in doubtful debt provision 326 710 506 605 Impairment of property, plant and equipment - - 2,274 2,956 Investment property operating expenses 4,183 3,939 4,183 3,939 Fair value loss on investment property Note 31 5,128 11,290 5,128 11,290 Inventories expensed 51 27 51 27 Loss on disposal of property, plant and equipment 24 1 1,285 954 Operating lease expense - 1,406 3,951 5,477 Research expenditure - - 36 31 Transmission costs on the energy network - - 26,939 31,972 Maintenance costs on the energy network - - 10,887 12,712 Cost of bush applied - - 10,889 12,719 <td></td> <td></td> <td>-</td> <td>-</td> <td>1,406</td> <td>1,164</td>			-	-	1,406	1,164
Increase (decrease) in after-care provision 5,206 2,963 5,206 2,963 Increase (decrease) in doubtful debt provision 326 710 506 605 Impairment of property, plant and equipment investment property operating expenses 4,183 3,939 4,183 3,939 Fair value loss on investment property Note 31 5,128 11,290 5,128 11,290 Investment property operating expenses 511 27 51 27 Loss on disposal of property, plant and equipment 24 1 1,285 954 Operating lease expense - 1,406 3,951 5,47 Research expenditure - - 26,939 31,972 Maintenance costs on the energy network - - 26,939 31,972 Cost of bush applied - - 10,887 12,712 Shipping costs - - 10,887 12,712 Shipping costs 10,813 10,132 10,813 10,132 Reticulation networks 10,813 10,132			1,896	1,964	,	
Increase (decrease) in doubtful debt provision 326 710 506 605 Impairment of property, plant and equipment - - 2,274 2,956 Investment property operating expenses 4,183 3,939 4,183 3,939 Fair value loss on investment property Note 31 5,128 11,290 511 27 511 229 Loss on disposal of property, plant and equipment 24 1 1,285 954 Operating lease expense - 1,406 3,951 5,477 Research expenditure - - 36 31 Transmission costs on the energy network - - 26,939 31,972 Maintenance costs on the energy network - - 10,887 12,712 Cost of bush applied - - 10,887 12,712 Shipping costs - - 10,887 12,712 Shipping costs - - 1,987 22,794 Reticulation networks 10,813 10,132 10,813			25	3	68	230
Impairment of property, plant and equipment - - 2.274 2.956 Investment property operating expenses 4,183 3,939 4,183 3,939 Fair value loss on investment property Note 31 5,128 11,290 5,128 11,290 Inventories expensed 51 27 5,128 12,200 5,128 11,290 Loss on disposal of property, plant and equipment 24 1 1,285 954 Operating lease expense - 1,406 3,951 5,477 Research expenditure - - 36 31 Transmission costs on the energy network - - 2,589 2,189 Cost of bush applied - - 10,887 12,712 Shipping costs - - 10,887 12,712 Reticulation networks 10,813 10,132 10,813 10,132 Roads 18,340 22,974 19,128 23,333 Plant and machinery 4,988 4,243 9,201 8,036 <	Increase (decrease) in after-care provision		5,206	2,963	5,206	2,963
Investment property operating expenses	Increase (decrease) in doubtful debt provision		326	710	506	605
Fair value loss on investment property Note 31 5,128 11,290 5,128 11,290 Inventories expensed 51 27 51 27 Loss on disposal of property, plant and equipment 24 1 1,285 954 Operating lease expense - 1,406 3,951 5,477 Research expenditure - - - 36 31 Transmission costs on the energy network - - 26,939 31,972 Maintenance costs on the energy network - - 2,589 2,189 Cost of bush applied - - 10,887 12,712 Shipping costs - - 19,749 22,794 Reticulation networks 10,813 10,132 10,813 10,132 Roads 18,340 22,974 19,128 23,333 Plant and machinery 4,988 4,243 9,201 8,308 Buildings and structures 1,387 2,187 3,258 3,638 Environmental maintenance	Impairment of property, plant and equipment		-	-	2,274	2,956
Inventories expensed 51 27 51 27 Loss on disposal of property, plant and equipment 24 1 1,285 954 Operating lease expense - 1,406 3,951 5,477 Research expenditure - - 36 31 Transmission costs on the energy network - - 26,939 31,972 Maintenance costs on the energy network - - 10,887 12,712 Shipping costs - - - 10,887 12,712 Shipping costs - - - 19,749 22,794 Reticulation networks 10,813 10,132 10,813 10,132 Roads 18,340 22,974 19,128 23,333 Plant and machinery 4,988 4,243 9,201 8,308 Buildings and structures 1,387 2,187 3,258 3,638 Environmental maintenance 29,523 27,163 33,764 32,392 Office and IT equipment 3,832	Investment property operating expenses		4,183	3,939	4,183	3,939
Loss on disposal of property, plant and equipment 24 1 1,285 954 Operating lease expense - 1,406 3,951 5,477 Research expenditure - - 36 31 Transmission costs on the energy network - - 26,939 31,972 Maintenance costs on the energy network - - 2589 2,189 Cost of bush applied - - 10,887 12,712 Shipping costs - - 19,749 22,794 Reticulation networks 10,813 10,132 10,813 10,132 Rediculation networks 11,813 10,132 10,813 10,132 Buildings and structures 1,8	Fair value loss on investment property	Note 31	5,128	11,290	5,128	11,290
Operating lease expense - 1,406 3,951 5,477 Research expenditure - - - 36 31 Transmission costs on the energy network - - 26,939 31,972 Maintenance costs on the energy network - - 2,589 2,189 Cost of bush applied - - 10,887 12,712 Shipping costs - - 19,749 22,794 Reticulation networks 10,813 10,132 10,813 10,132 Roads 18,340 22,974 19,128 23,333 Plant and machinery 4,988 4,243 9,201 8,308 Buildings and structures 1,387 2,187 3,258 3,638 Environmental maintenance 29,523 27,163 33,764 32,392 Office and IT equipment 3,832 3,860 4,157 4,211 Contracted services 10,855 10,680 43,215 38,701 Energy costs 3,873 3,621	Inventories expensed		51	27	51	27
Research expenditure - - 36 31 Transmission costs on the energy network - - 26,939 31,972 Maintenance costs on the energy network - - 2,589 2,189 Cost of bush applied - - 10,887 12,712 Shipping costs - - 19,749 22,794 Reticulation networks 10,813 10,132 10,813 10,132 Roads 18,340 22,974 19,128 23,333 Plant and machinery 4,988 4,243 9,201 8,308 Buildings and structures 1,387 2,187 3,258 3,638 Environmental maintenance 29,523 27,163 33,764 32,392 Office and IT equipment 3,832 3,660 4,157 4,211 Contracted services 10,855 10,680 43,215 38,701 Energy costs 3,873 3,621 6,466 6,477 Cost of goods sold 661 554 44,859	Loss on disposal of property, plant and equipment		24	1	1,285	954
Transmission costs on the energy network - - 26,939 31,972 Maintenance costs on the energy network - - 2,589 2,189 Cost of bush applied - - 10,887 12,712 Shipping costs - - 19,749 22,794 Reticulation networks 10,813 10,132 10,813 10,132 Roads 18,340 22,974 19,128 23,333 Plant and machinery 4,988 4,243 9,201 8,308 Buildings and structures 1,387 2,187 3,258 3,638 Environmental maintenance 29,523 27,163 33,764 32,392 Office and IT equipment 3,832 3,860 4,157 4,211 Contracted services 10,855 10,680 43,215 38,701 Energy costs 6,61 554 44,859 28,804 Insurance premiums 6,08 4,959 8,655 7,205 Consultancy fees 1,286 1,433 <td< td=""><td>Operating lease expense</td><td></td><td>-</td><td>1,406</td><td>3,951</td><td>5,477</td></td<>	Operating lease expense		-	1,406	3,951	5,477
Maintenance costs on the energy network - - 2,589 2,189 Cost of bush applied - - 10,887 12,712 Shipping costs - - 19,749 22,794 Reticulation networks 10,813 10,132 10,813 10,132 Roads 18,340 22,974 19,128 23,333 Plant and machinery 4,988 4,243 9,201 8,308 Buildings and structures 1,387 2,187 3,258 3,638 Environmental maintenance 29,523 27,163 33,764 32,392 Office and IT equipment 3,832 3,860 4,157 4,211 Contracted services 10,855 10,680 43,215 38,701 Energy costs 3,873 3,621 6,466 6,477 Cost of goods sold 661 554 44,859 28,804 Insurance premiums 6,008 4,959 8,655 7,205 Legal fees 1,286 1,433 1,956 <t< td=""><td>Research expenditure</td><td></td><td>-</td><td>-</td><td>36</td><td>31</td></t<>	Research expenditure		-	-	36	31
Cost of bush applied - - 10,887 12,712 Shipping costs - - 19,749 22,794 Reticulation networks 10,813 10,132 10,813 10,132 Roads 18,340 22,974 19,128 23,333 Plant and machinery 4,988 4,243 9,201 8,308 Buildings and structures 1,387 2,187 3,258 3,638 Environmental maintenance 29,523 27,163 33,764 32,392 Office and IT equipment 3,832 3,860 4,157 4,211 Contracted services 10,855 10,680 43,215 38,701 Energy costs 3,873 3,621 6,466 6,477 Cost of goods sold 661 554 44,859 28,804 Insurance premiums 6,008 4,959 8,655 7,205 Legal fees 1,286 1,433 1,956 2,150 Consultancy fees 9,556 10,055 10,764 11,377	Transmission costs on the energy network		-	-	26,939	31,972
Shipping costs - - 19,749 22,794 Reticulation networks 10,813 10,132 10,813 10,132 Roads 18,340 22,974 19,128 23,333 Plant and machinery 4,988 4,243 9,201 8,308 Buildings and structures 1,387 2,187 3,258 3,638 Environmental maintenance 29,523 27,163 33,764 32,392 Office and IT equipment 3,832 3,860 4,157 4,211 Contracted services 10,855 10,680 43,215 38,701 Energy costs 3,873 3,621 6,466 6,477 Cost of goods sold 661 554 44,859 28,804 Insurance premiums 6,008 4,959 8,655 7,205 Legal fees 1,286 1,433 1,956 2,150 Consultancy fees 9,556 10,055 10,764 11,377 Software fees 4,160 3,758 10,482 9,722	Maintenance costs on the energy network		-	-	2,589	2,189
Reticulation networks 10,813 10,132 10,813 10,132 Roads 18,340 22,974 19,128 23,333 Plant and machinery 4,988 4,243 9,201 8,308 Buildings and structures 1,387 2,187 3,258 3,638 Environmental maintenance 29,523 27,163 33,764 32,392 Office and IT equipment 3,832 3,860 4,157 4,211 Contracted services 10,855 10,680 43,215 38,701 Energy costs 3,873 3,621 6,466 6,477 Cost of goods sold 661 554 44,859 28,804 Insurance premiums 6,008 4,959 8,655 7,205 Legal fees 1,286 1,433 1,956 2,150 Consultancy fees 9,556 10,055 10,764 11,377 Software fees 4,160 3,758 10,482 9,722 Association fees and subscriptions 3,642 2,372 3,727 </td <td>Cost of bush applied</td> <td></td> <td>-</td> <td>-</td> <td>10,887</td> <td>12,712</td>	Cost of bush applied		-	-	10,887	12,712
Roads 18,340 22,974 19,128 23,333 Plant and machinery 4,988 4,243 9,201 8,308 Buildings and structures 1,387 2,187 3,258 3,638 Environmental maintenance 29,523 27,163 33,764 32,392 Office and IT equipment 3,832 3,860 4,157 4,211 Contracted services 10,855 10,680 43,215 38,701 Energy costs 3,873 3,621 6,466 6,477 Cost of goods sold 661 554 44,859 28,804 Insurance premiums 6,008 4,959 8,655 7,205 Legal fees 1,286 1,433 1,956 2,150 Consultancy fees 9,556 10,055 10,764 11,377 Software fees 4,160 3,758 10,482 9,722 Association fees and subscriptions 3,642 2,372 3,727 2,410 Communications 1,945 1,968 2,460	Shipping costs		-	-	19,749	22,794
Plant and machinery 4,988 4,243 9,201 8,308 Buildings and structures 1,387 2,187 3,258 3,638 Environmental maintenance 29,523 27,163 33,764 32,392 Office and IT equipment 3,832 3,860 4,157 4,211 Contracted services 10,855 10,680 43,215 38,701 Energy costs 3,873 3,621 6,466 6,477 Cost of goods sold 661 554 44,859 28,804 Insurance premiums 6,008 4,959 8,655 7,205 Legal fees 1,286 1,433 1,956 2,150 Consultancy fees 9,556 10,055 10,764 11,377 Software fees 4,160 3,758 10,482 9,722 Association fees and subscriptions 3,642 2,372 3,727 2,410 Communications 1,142 1,322 1,992 2,132 Promotional activities 1,945 1,968 2,460 2,588 Bank and treasury charges 293 24,108	Reticulation networks		10,813	10,132	10,813	10,132
Buildings and structures 1,387 2,187 3,258 3,638 Environmental maintenance 29,523 27,163 33,764 32,392 Office and IT equipment 3,832 3,860 4,157 4,211 Contracted services 10,855 10,680 43,215 38,701 Energy costs 3,873 3,621 6,466 6,477 Cost of goods sold 661 554 44,859 28,804 Insurance premiums 6,008 4,959 8,655 7,205 Legal fees 1,286 1,433 1,956 2,150 Consultancy fees 9,556 10,055 10,764 11,377 Software fees 4,160 3,758 10,482 9,722 Association fees and subscriptions 3,642 2,372 3,727 2,410 Communications 1,142 1,322 1,992 2,132 Promotional activities 1,945 1,968 2,460 2,588 Bank and treasury charges 293 241 494	Roads		18,340	22,974	19,128	23,333
Environmental maintenance 29,523 27,163 33,764 32,392 Office and IT equipment 3,832 3,860 4,157 4,211 Contracted services 10,855 10,680 43,215 38,701 Energy costs 3,873 3,621 6,466 6,477 Cost of goods sold 661 554 44,859 28,804 Insurance premiums 6,008 4,959 8,655 7,205 Legal fees 1,286 1,433 1,956 2,150 Consultancy fees 9,556 10,055 10,764 11,377 Software fees 4,160 3,758 10,482 9,722 Association fees and subscriptions 3,642 2,372 3,727 2,410 Communications 1,142 1,322 1,992 2,132 Promotional activities 1,945 1,968 2,460 2,588 Bank and treasury charges 293 241 494 474 Other expenditure 24,997 24,408 5,026	Plant and machinery		4,988	4,243	9,201	8,308
Office and IT equipment 3,832 3,860 4,157 4,211 Contracted services 10,855 10,680 43,215 38,701 Energy costs 3,873 3,621 6,466 6,477 Cost of goods sold 661 554 44,859 28,804 Insurance premiums 6,008 4,959 8,655 7,205 Legal fees 1,286 1,433 1,956 2,150 Consultancy fees 9,556 10,055 10,764 11,377 Software fees 4,160 3,758 10,482 9,722 Association fees and subscriptions 3,642 2,372 3,727 2,410 Communications 1,142 1,322 1,992 2,132 Promotional activities 1,945 1,968 2,460 2,588 Bank and treasury charges 293 241 494 474 Other expenditure 24,997 24,408 5,026 12,090	Buildings and structures		1,387	2,187	3,258	3,638
Contracted services 10,855 10,680 43,215 38,701 Energy costs 3,873 3,621 6,466 6,477 Cost of goods sold 661 554 44,859 28,804 Insurance premiums 6,008 4,959 8,655 7,205 Legal fees 1,286 1,433 1,956 2,150 Consultancy fees 9,556 10,055 10,764 11,377 Software fees 4,160 3,758 10,482 9,722 Association fees and subscriptions 3,642 2,372 3,727 2,410 Communications 1,142 1,322 1,992 2,132 Promotional activities 1,945 1,968 2,460 2,588 Bank and treasury charges 293 241 494 474 Other expenditure 24,997 24,408 5,026 12,090	Environmental maintenance		29,523	27,163	33,764	32,392
Energy costs 3,873 3,621 6,466 6,477 Cost of goods sold 661 554 44,859 28,804 Insurance premiums 6,008 4,959 8,655 7,205 Legal fees 1,286 1,433 1,956 2,150 Consultancy fees 9,556 10,055 10,764 11,377 Software fees 4,160 3,758 10,482 9,722 Association fees and subscriptions 3,642 2,372 3,727 2,410 Communications 1,142 1,322 1,992 2,132 Promotional activities 1,945 1,968 2,460 2,588 Bank and treasury charges 293 241 494 474 Other expenditure 24,997 24,408 5,026 12,090	Office and IT equipment		3,832	3,860	4,157	4,211
Cost of goods sold 661 554 44,859 28,804 Insurance premiums 6,008 4,959 8,655 7,205 Legal fees 1,286 1,433 1,956 2,150 Consultancy fees 9,556 10,055 10,764 11,377 Software fees 4,160 3,758 10,482 9,722 Association fees and subscriptions 3,642 2,372 3,727 2,410 Communications 1,142 1,322 1,992 2,132 Promotional activities 1,945 1,968 2,460 2,588 Bank and treasury charges 293 241 494 474 Other expenditure 24,997 24,408 5,026 12,090	Contracted services		10,855	10,680	43,215	38,701
Insurance premiums 6,008 4,959 8,655 7,205 Legal fees 1,286 1,433 1,956 2,150 Consultancy fees 9,556 10,055 10,764 11,377 Software fees 4,160 3,758 10,482 9,722 Association fees and subscriptions 3,642 2,372 3,727 2,410 Communications 1,142 1,322 1,992 2,132 Promotional activities 1,945 1,968 2,460 2,588 Bank and treasury charges 293 241 494 474 Other expenditure 24,997 24,408 5,026 12,090	Energy costs		3,873	3,621	6,466	6,477
Legal fees 1,286 1,433 1,956 2,150 Consultancy fees 9,556 10,055 10,764 11,377 Software fees 4,160 3,758 10,482 9,722 Association fees and subscriptions 3,642 2,372 3,727 2,410 Communications 1,142 1,322 1,992 2,132 Promotional activities 1,945 1,968 2,460 2,588 Bank and treasury charges 293 241 494 474 Other expenditure 24,997 24,408 5,026 12,090	Cost of goods sold		661	554	44,859	28,804
Consultancy fees 9,556 10,055 10,764 11,377 Software fees 4,160 3,758 10,482 9,722 Association fees and subscriptions 3,642 2,372 3,727 2,410 Communications 1,142 1,322 1,992 2,132 Promotional activities 1,945 1,968 2,460 2,588 Bank and treasury charges 293 241 494 474 Other expenditure 24,997 24,408 5,026 12,090	Insurance premiums		6,008	4,959	8,655	7,205
Software fees 4,160 3,758 10,482 9,722 Association fees and subscriptions 3,642 2,372 3,727 2,410 Communications 1,142 1,322 1,992 2,132 Promotional activities 1,945 1,968 2,460 2,588 Bank and treasury charges 293 241 494 474 Other expenditure 24,997 24,408 5,026 12,090	Legal fees		1,286	1,433	1,956	2,150
Association fees and subscriptions 3,642 2,372 3,727 2,410 Communications 1,142 1,322 1,992 2,132 Promotional activities 1,945 1,968 2,460 2,588 Bank and treasury charges 293 241 494 474 Other expenditure 24,997 24,408 5,026 12,090	Consultancy fees		9,556	10,055	10,764	11,377
Communications 1,142 1,322 1,992 2,132 Promotional activities 1,945 1,968 2,460 2,588 Bank and treasury charges 293 241 494 474 Other expenditure 24,997 24,408 5,026 12,090	Software fees		4,160	3,758	10,482	9,722
Communications 1,142 1,322 1,992 2,132 Promotional activities 1,945 1,968 2,460 2,588 Bank and treasury charges 293 241 494 474 Other expenditure 24,997 24,408 5,026 12,090	Association fees and subscriptions		3,642	2,372	3,727	2,410
Promotional activities 1,945 1,968 2,460 2,588 Bank and treasury charges 293 241 494 474 Other expenditure 24,997 24,408 5,026 12,090						
Bank and treasury charges 293 241 494 474 Other expenditure 24,997 24,408 5,026 12,090	Promotional activities					
Other expenditure 24,997 24,408 5,026 12,090						
	· -					

Relevant significant accounting policies

General grants

Non-discretionary grants are grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Council and the approval has been communicated to the applicant.

Operating lease expenses

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Finance leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee whether or not title is eventually transferred.

Assets held under finance leases are recognised as assets of the Group at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the Statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

Research and development

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Impairment of property, plant and equipment

At each Statement of financial position date, the carrying amounts of assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the recoverable amount of the cash-generating unit to which the assets belongs is estimated.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is immediately recognised as an expense, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease to the extent of any previous revaluation increase for that asset (or cash-generating unit) that remains in the revaluation reserve. Any additional impairment is immediately recognised as an expense.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cashgenerating unit) in prior years. A reversal of an impairment loss is immediately recognised as revenue.

8 Audit fees

	CORE COUNCIL		CONSOLIDATE	
	Actual	Actual	Actual	Actual
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Fees paid to Audit New Zealand for:				
Audit fees for the audit of financial statements 2024	368	-	1,119	-
Audit fees for the audit of financial statements 2023	31	290	73	946
Audit fees for the audit of financial statements 2022	-	56	-	104
Regulatory (information disclosure) reporting	-	-	60	56
Price and quality thresholds and other regulatory reporting	-	-	38	35
Annual delivery report	-	-	59	65
	399	346	1,349	1,206

9 Financial expenses

	CORE COUNCIL		CONSOLIDAT	
	Actual	Actual	Actual	Actual
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Overdraft interest	-	-	-	-
Loss on sale of investments	282	61	282	61
Loss on sale of foreign currency transactions	-	-	2,129	1,606
Fair value loss on investments	1,159	437	1,159	437
Interest paid to subsidiaries	24,203	15,540	-	-
Term interest	-	-	54,481	38,414
Interest - capitalised	-	-	(1,040)	(450)
	25,644	16,038	57,011	40,068

Relevant significant accounting policies

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised as an expense in the financial year in which they are incurred.

10 Depreciation and amortisation

	CORE COUNCIL		CONSOLIDATI	
	Actual	Actual	Actual	Actual
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Operational	18,212	16,641	51,303	48,798
Infrastructural	91,015	86,644	91,016	86,644
Restricted and heritage	6,593	5,456	6,593	5,456
As per note 30 Property, plant and equipment	115,820	108,741	148,912	140,898
Intangible	1,280	1,387	2,867	2,821
	117,100	110,128	151,779	143,719

Depreciation and amortisation expense by group of activity

	CORE COUNCIL		
	Actual 2024 \$000	Actual 2023 \$000	
Roading and footpaths	30,042	27,593	
Water supply	32,447	31,475	
Sewerage and sewage	8,268	19,016	
Stormwater	19,640	7,729	
Reserves and recreational facilities	6,677	5,423	
Property	14,758	13,735	
Galleries, libraries and museums	1,426	1,364	
Regulatory services	218	82	
Waste management	836	908	
Community and planning	35	32	
Economic development	10	15	
Governance and support services	2,743	2,756	
	117,100	110,128	

11 Total group expenditure

		CORE COUNCIL		
	Actual 2024	Budget 2024	Actual 2023	
	\$000	\$000	\$000	
Roading and footpaths	64,648	60,915	65,355	
Water supply	55,176	44,324	52,361	
Sewerage and sewage	34,242	15,798	42,433	
Stormwater	29,131	58,392	14,887	
Reserves and recreational facilities	44,145	19,847	39,434	
Property	48,868	44,138	52,730	
Galleries, libraries and museums	29,302	42,579	28,127	
Regulatory services	18,999	29,279	18,262	
Waste management	27,145	18,914	23,367	
Community and planning	17,988	17,366	15,526	
Economic development	6,174	6,036	7,765	
Governance and support services	54,991	48,114	49,763	
Total expenditure per activity	430,809	405,702	410,010	
Less: Internal expenditure	(39,601)	(37,108)	(35,264)	
Total expenditure per financial statements	391,208	368,594	374,746	

12 Reconciliation of surplus of operating funding to operating surplus (deficit) before taxation

The following reconciliation bridges the difference between the funding impact statement and the statement of comprehensive revenue and expenditure.

	Actual 2024 \$000	Actual 2023 \$000
Surplus of operating funding	47,750	43,739
Operating surplus items not included in operating funding:		
Capital grants and subsidies	27,376	32,125
Development contributions	3,791	2,839
Gain on fair value of investment property	-	-
Gain on fair value of investments	3,903	3,643
Profit on sale of investments	84	34
Vested assets	5,033	2,375
Depreciation and amortisation	(117,100)	(110,128)
Fair value loss on investment properties	(5,128)	(11,290)
Fair value loss on investments	(1,159)	(437)
Impairment of property, plant and equipment	-	-
Loss on disposal of property, plant and equipment	(24)	(1)
Loss on sale of investments	(282)	(61)
Operating surplus (deficit) before taxation	(35,756)	(37,162)

13 Remuneration and staffing

Personnel expenses

	CORE COUNCIL		CONSOLIDATED	
	Actual	Actual	Actual	Actual
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Salaries and wages	78,821	70,916	147,866	137,274
Defined contribution plan employer contributions	2,879	2,552	6,068	5,645
Other personnel costs	1,391	1,817	2,864	2,820
	83,091	75,285	156,798	145,739

Relevant significant accounting policies

Salaries and wages

Salaries and wages are recognised as an expense as employees provide services.

Defined contribution schemes

Employer contributions to Kiwisaver, the Local Government Superannuation Scheme SuperEasy and other defined contribution superannuation schemes are accounted for as defined contribution schemes and are recognised as an expense in the surplus or deficit when incurred.

Other disclosures

- a) Severance payments
 - There were 3 severance payments made during the year: \$40,041, \$6,200, \$5,470 (2023: \$69,422, \$37,421, \$17,807, \$14,366, \$12,594).
- b) Chief Executive remuneration
 - Sandy Graham; 1 July 2023 to 30 June 2024 \$483,652 comprising Base Salary \$458,491 and Employer Kiwisaver Contributions \$25,161.
 - Sandy Graham; 1 July 2022 to 30 June 2023 \$449,758 comprising Base Salary \$432,459 and Employer Kiwisaver Contributions \$17.298.

c) Employee staffing levels and remuneration

Schedule 10 paragraph 32A of the Local Government Act 2002 requires the following information to be disclosed in the Annual Financial Statements. The approach and interpretation of these disclosures follow the recommendations of the Society of Local Government Managers, who have consulted widely throughout the industry.

The number of full-time employees who were employed as at 30 June 2024 652.02 (2023: 664.76)

The number of full-time equivalent other employees as at 30 June 2024 209.29 (2023: 200.91)

(The Council definition of 'full-time equivalent other employees' is derived from the full time ordinary hours of work specified for each position, being either 75 or 80 hours per fortnight and calculated on a pro rata basis where part-time hours apply).

d) The number of employees as at 30 June 2024 receiving;

Less than \$60,000	472
\$60,000 to \$79,999	206
\$80,000 to \$99,999	183
\$100,000 to \$119,999	141
\$120,000 to \$139,999	90
\$140,000 to \$159,999	27
\$160,000 to \$179,999	13
\$180,000 to \$199,999	10
\$200,000 to \$259,999	6
\$260,000 to \$499,999	6

The number of employees as at 30 June 2023 receiving;

Less than \$60,000	483
\$60,000 to \$79,999	227
\$80,000 to \$99,999	205
\$100,000 to \$119,999	129
\$120,000 to \$139,999	47
\$140,000 to \$159,999	21
\$160,000 to \$179,999	11
\$180,000 to \$199,999	6
\$200,000 to \$259,999	6
\$260,000 to \$459,999	6

Remuneration is the package of each staff member employed at 30 June and includes the salary plus annualised benefits such as superannuation, car parks and any market allowance.

The application of salary bands is determined by legislation and 5 or less in a band is prohibited as is an aggregation into a lower band. It is for this reason the top two bands in 2024 and 2023 exceed a \$20,000 movement.

e) Remuneration paid to elected members

This information is required under Schedule 10, Part 3, Clause 32 of the Local Government Act 2002. Differences in remuneration between elected members is the result of different responsibilities assigned to elected members.

MAYOR AND COUNCILLORS		COUNCIL	ROLE
	RE	MUNERATION	
Radich J		172,378	Mayor
Acklin B		90,340	
Barker S	1	95,411	Deputy Mayor part-year
Benson-Pope D	1	74,136	
Bullock M		77,434	
Garey C	1	78,085	
Gilbert K		77,434	
Houlahan C		90,340	
Laufiso M	2	91,271	
Lucas C	1	100,884	Deputy Mayor part-year
O'Malley J	1	90,456	
Vandervis L	2	92,469	
Walker S	1	73,811	
Weatherall B		77,434	
Whiley A	1	91,409	
		1,373,292	

^{1.} Includes Consent Hearing fees

^{2.} Includes District Licencing Committee fees

14 Taxation

The Dunedin City Council is liable for tax on any income derived from an assessable source, such as a Council owned subsidiary.

	CORE COUNCIL		CONSOLIDATE	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Surplus (deficit) before taxation	(35,756)	(37,162)	(44,378)	(30,339)
(Gain) loss on fair value of investment property	5,128	11,290	5,128	11,290
Vested assets	(5,033)	(2,375)	(5,033)	(2,375)
Net non-taxable other income/non-deductible expenditure	33,839	26,965	65,408	34,772
Income subject to taxation	(1,822)	(1,282)	21,125	13,348
Prima facie taxation at 28%	(510)	(359)	5,915	3,737
Plus other adjustments	-	-	3,705	134
Group recognition of deferred tax in current year	-	-	(2)	(52)
Under (over) provisions prior years	(35)	(422)	(6)	(675)
Taxation charge	(545)	(781)	9,612	3,144
The taxation charge is represented by:				
- Current taxation	(510)	(359)	3,077	1,067
- Deferred taxation	-	-	7,775	3,733
- Under (over) tax provision in prior years	(35)	(422)	(1,222)	(2,739)
- Under (over) deferred tax in prior years	-	-	(18)	1,083
	(545)	(781)	9,612	3,144

Dunedin City Holdings Limited, Aurora Energy Limited, Delta Utility Services Limited, the Dunedin City Council, City Forests Limited and Dunedin Venues Management Limited are members of an income tax consolidated Group. The income tax consolidated Group is taxed as a single entity and each member is jointly and severally liable for the Group's income tax liability, except to the extent that members of the group elect to limit this liability.

Tax losses in the Council are automatically offset against the tax profits of other entities in the consolidated Group. The amount shown by the Council for current tax receivable relates to the tax effect of those losses.

Dunedin City Holdings Limited, as a member of the income tax consolidated Group, has access to the Group's imputation credit account. After taking into account imputation credits attached to accrued dividends and known income tax payments/ refunds, Dunedin City Holdings Limited has direct access to consolidated Group imputation credits that relate to 30 June 2024 and earlier years which will be available for use in subsequent reporting periods totalling \$18,422,854 (2023: \$17,926,214).

Deferred taxation

Balance at the end of the year	124,079	150	7,757	(13,721)	145,705	131,985
Hedge reserve – interest rate swaps	10,296	(2,183)	3	20	8,096	8,116
Hedge reserve – foreign exchange contracts	(766)	797	-	-	31	31
Carbon credits and other Investments	10,812	1,536	(12)	(197)	12,533	12,336
Forest costs capitalised	11,662	-	584	-	12,246	12,246
Forest	40,387	-	574	-	40,961	40,961
Tax losses	(8,835)	-	(1,133)	(9,968)	-	(9,968)
Provisions	7,294	-	2,130	(2,943)	12,366	9,423
Property, plant and equipment, and intangibles	53,229	-	5,611	(633)	59,472	58,839
	Opening Statement of Financial Position	Charged to Equity	Charged to Income	Closing Statement of Financial Position Assets	Closing Statement of Financial Position Liabilities	Closing Statement of Financial Position Net
	Group 2024 \$000	Group 2024 \$000	Group 2024 \$000	Group 2024 \$000	Group 2024 \$000	Group 2024 \$000

	Group	Group	Group	Group	Group	Group
	2023	2023	2023	2023	2023	2023
	\$000	\$000	\$000	\$000	\$000	\$000
	Opening Statement of Financial Position	Charged to Equity	Charged to Income	Closing Statement of Financial Position Assets	Closing Statement of Financial Position Liabilities	Closing Statement of Financial Position Net
Property, plant and equipment, and intangibles	49,933	-	3,296	(869)	54,098	53,229
Provisions	6,056	-	1,238	(2,845)	10,139	7,294
Tax losses	(7,912)	-	(923)	(8,835)	-	(8,835)
Forest	39,870	-	517	-	40,387	40,387
Forest costs capitalised	11,060	-	602	-	11,662	11,662
Carbon credits	21,456	(10,774)	130	(118)	10,930	10,812
Hedge reserve – foreign exchange contracts	(1,002)	236	-	(766)	-	(766)
Hedge reserve – interest rate swaps	7,326	3,016	(46)	20	10,276	10,296
Balance at the end of the year	126,787	(7,522)	4,814	(13,413)	137,492	124,079

Relevant significant accounting policies

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of financial performance because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted by the statement of financial position date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the statement of financial performance, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

15 Equity

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into components. The components are accumulated funds, revaluation reserves, restricted reserves, cash flow hedge reserves, carbon credit reserve and forest revaluation reserve.

Capital management strategy

The Council manages its capital to ensure that all entities under its control will be able to continue as going concerns. Capital includes accumulated funds, revaluation reserves, restricted reserves, cash flow hedge reserves, forestry revaluation reserves and carbon credit reserves. It is the nature of a Local Authority Statement of Financial Position to have the capital structure de-emphasised as a significant measure owing to the fact the local authorities rarely seek an economic return from infrastructure assets. The value of the long-term fixed assets in relation to the public debt is not as significant as the impact of the interest component on the potential rate charge. The measure contained in the Borrowing and Investment Policy provide an indication of the meeting or otherwise of the objectives.

a) Accumulated funds

	CORE COUNCIL		CONSOLIDAT	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Opening balance	1,686,179	1,723,214	1,865,590	1,899,727
Surplus (deficit)	(35,211)	(36,381)	(53,990)	(33,483)
Adjustments	-	-	190	-
Transfers to:				
- Restricted reserves	(2,419)	(1,432)	(2,420)	(1,432)
Transfers from:				
- Restricted reserves	3,044	778	3,044	778
Closing balance	1,651,593	1,686,179	1,812,414	1,865,590

Accumulated funds includes the forestry reserve. The forestry reserve arises with the revaluation of the forestry assets which is put to the Statement of comprehensive revenue and expense. There is a transfer between retained earnings and the forestry reserve of the revaluation net of deferred taxation.

b) Revaluation reserves

	CORE COUNCIL		CO	NSOLIDATED
	Actual	Actual	Actual	Actual
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Opening balance	2,657,874	2,576,165	2,682,198	2,600,469
Gain (loss) recognised on assets of associates	-	-	3,090	20
Property, plant and equipment revaluations	29,003	81,709	29,003	81,709
Closing balance	2,686,877	2,657,874	2,714,291	2,682,198

This reserve relates to the revaluation of property, plant and equipment to fair value, and to the assets of Dunedin International Airport.

c) Restricted reserves Core Council and Consolidated

Name and brief description of the purpose of the reserve	Opening	Transfers	Transfers	Closing
where not indicated in the reserve name.	Balance 2024	Inwards 2024	Outwards 2024	Balance 2024
	\$000	\$000	\$000	\$000
A. H. Reed Capital Account to extend the Reed library collections	264	9	-	273
R. J. Trust Capital Account to extend library collections	319	11	_	330
G. McKay Housebound Capital Account to extend library collections	11	0	_	12
Clive R. B. Lister Capital Account to maintain the Clive Lister garden	255	9	_	264
A. H. Reed Current Account to extend the Reed library collections	15	0	_	15
R. J. Trust Current Account to extend the library collections	1	0	_	1
E. E. Carpenter Current Account to extend the consumer library				
collections	49	2	-	51
DCC Recreation Loans Reserve to fund small loans to recreation	0.00	0		0.770
clubs	270	9	-	279
Self Funded Insurance Reserve	329	11	-	340
Library Dunningham Bequest	13	-	-	13
Air Development Capital Reserve to develop the Taieri aerodrome	395	13	-	408
CARS Bethunes Operations Reserve	20	1	-	20
Dog Control Operations Reserve	14	0	-	14
Roading Property Reserve for property purchases	18	1	-	18
Road Maintenance 7 View St Waitati	10	0	-	11
Trans Net Mosgiel East	134	5	-	138
Library General Operations Fund Reserve	100	13	-	113
Sportsground Upgrade Logan Park Reserve of development contributions	(195)	-	-	(195)
Sportsground Upgrade Bathgate Park Reserve of development contributions	22	1	-	23
Sportsground Upgrade Hancock Park Reserve of development contributions	33	1	-	35
Playground Upgrade Reserve of development contributions	9	0	_	10
Mosgiel East Reserve of development contributions	258	9	_	266
Mere Mere Over View Subsidiary Reserve	76	3	_	78
Aviary Bird Fund Operations Reserve	28	1	_	29
Mediterranean Garden Development Reserve	16	1	_	17
Craigie Burn Operations Reserve	379	13	_	391
Ocean View Sand Sausage Reserve	162	5	_	167
Waikouaiti Forest Replanting Reserve	136	3	139	_
Walton Park Reserve works	62	2	_	65
Cemetery Service Fund Maintenance Reserve	2,187	_	_	2,187
Art Gallery Funded Operations Reserve	442	15	-	457
Sale of Reserve Land Reserve	19	1	-	20
Hillary Commission General Subsidies Reserve	35	1	-	36
Bateman Bequest to extend Art Gallery collection	560	19	-	579
Toitu General Reserve	-	3	-	3
Harding Bequest Art Gallery Operations Reserve	33	1	-	34
Wastewater Mosgiel East	45	2	-	47
Waste Minimisation Reserve	1,064	2,142	2,905	302
EPH Renewal Fund Reserve community housing	2,195	74	-	2,269
Endowment Property Investment Reserve	1,144	39	-	1,182
Totals	10,927	2,420	3,044	10,302

Last Year

Name and brief description of the purpose of the reserve	Opening	Transfers	Transfers	Closing
where not indicated in the reserve name.	Balance	Inwards	Outwards	Balance
	2023	2023	2023	2023
	\$000	\$000	\$000	\$000
A. H. Reed Capital Account to extend the Reed library collections	259	6	-	265
R. J. Trust Capital Account to extend library collections	313	7	-	320
G. McKay Housebound Capital Account to extend library collections	11	-	-	11
Clive R. B. Lister Capital Account to maintain the Clive Lister garden	250	6	-	256
A. H. Reed Current Account to extend the Reed library collections	13	-	-	13
R. J. Trust Current Account to extend the library collections	1	-	-	1
E. E. Carpenter Current Account to extend the consumer library collections	48	1	-	49
DCC Recreation Loans Reserve to fund small loans to recreation clubs	265	6	-	271
Self Funded Insurance Reserve	321	7	-	328
Library Dunningham Bequest	13	-	-	13
Air Development Capital Reserve to develop the Taieri aerodrome	387	9	-	396
CARS Bethunes Operations Reserve	18	-	-	18
Dog Control Operations Reserve	13	-	-	13
Roading Property Reserve for property purchases	17	-	-	17
Road Maintenance 7 View St Waitati	9	-	-	9
Trans Net Mosgiel East	132	3	-	135
Library General Operations Fund Reserve	97	2	-	99
Sportsground Upgrade Logan Park Reserve of development contributions	(194)	-	-	(194)
Sportsground Upgrade Bathgate Park Reserve of development contributions	21	-	-	21
Sportsground Upgrade Hancock Park Reserve of development contributions	32	1	-	33
Playground Upgrade Reserve of development contributions	9	_	_	9
Mosgiel East Reserve of development contributions	252	6	_	258
Mere Mere Over View Subsidiary Reserve	76	2	_	78
Aviary Bird Fund Operations Reserve	28	1	_	29
Mediterranean Garden Development Reserve	15	_	_	15
Craigie Burn Operations Reserve	370	8	_	378
Ocean View Sand Sausage Reserve	158	4	_	162
Waikouaiti Forest Replanting Reserve	133	3	_	136
Walton Park Reserve works	61	1	_	62
Cemetery Service Fund Maintenance Reserve	2,187	_	_	2,187
Art Gallery Funded Operations Reserve	431	11	_	442
Sale of Reserve Land Reserve	17	1	_	18
Hillary Commission General Subsidies Reserve	34	1	_	35
Bateman Bequest to extend Art Gallery collection	549	12	_	561
Harding Bequest Art Gallery Operations Reserve	32	1	_	33
Wastewater Mosgiel East	45	1	-	46
Waste Minimisation Reserve	583	1,259	778	1,064
EPH Renewal Fund Reserve community housing	2,146	48	-	2,194
Endowment Property Investment Reserve	1,119	25	-	1,144
Totals	10,271	1,432	778	10,925

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Council.

Restricted reserves include those subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

d) Cash flow hedge reserves

	CORE COUNCIL		CONSOLIDATED	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Opening balance	-	(20)	24,625	16,244
Gains (losses) on interest rate swaps and foreign exchange transactions	-	20	(3,562)	8,381
Closing balance	-	-	21,063	24,625

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of the cash flow hedging instruments relating to interest payments and foreign exchange transactions that have not yet occurred.

e) Carbon credit reserves

Closing balance	29,574	5,099
Net revaluation of carbon credits	24,475	(32,682)
Transfer to retained earnings	-	-
Opening balance	5,099	37,781
	\$000	\$000
	2024	2023
	Actual	Actual
	CUN	SULIDATE

CONCOLIDATED

The carbon credit reserve records movements in the fair value of carbon. The amount held in the reserve is net of deferred tax where relevant. Any value above initial recognition is held in the carbon credit revaluation reserve.

f) Forest land revaluation reserve

Closing balance	50,720	47,890
Net revaluation of forest land	2,830	(1,950)
Opening balance	47,890	49,840
	2024 \$000	2023 \$000
	Actual	Actual
	CONS	SOLIDATED

16 Cash and cash equivalents

	COR	CORE COUNCIL		SOLIDATED
	Actual	Actual	Actual	Actual
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Cash in bank and on hand	8,555	9,085	27,272	20,530
	8,555	9,085	27,272	20,530

Relevant significant accounting policies

Cash and cash equivalents are comprised of cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

The carrying amount of these assets approximates their fair values.

Short-term deposits are made at call deposit rates.

The credit risk on liquid funds is limited as the banks used are banks with high credit ratings assigned by international credit rating agencies.

17 Trade and other receivables and term receivables

Trade and other receivables

Actual 2024 2023 2002 2000 2000		CORE COUNCIL		CONSOLIDATED	
Trade debtors \$000 \$000 \$000 Rate accounts issued and owing 21,061 19,466 46,322 47,107 Rate accounts issued and owing 9,406 6,577 9,406 5,575 5,598 Chess: provision for uncollectability (3,877) 3,551 (4,525) (4,013) Work in progress - - - 2,366 3,451 Total trade and other receivables comprises: Receivables from non-exchange transactions – this includes outstanding amounts for rates, grants, infringements, and fees and charges that are partly subsidised by rates 28,277 23,082 26,801 22,903 Receivables from non-exchange transactions – this includes outstanding amounts for rates, grants, infringements, and fees and charges that have not been subsidised by rates including commercial sales 1,281 2,625 32,363 35,301 Provision for uncollectability of receivables movements Opening balance provision for uncollectability (3,551) (2,841) (4,013) (3,407) Additional provisions made during the year 898 716 941 728 Receivables written-off during the		Actual	Actual	Actual	Actual
Trade debtors 21,061 19,466 46,322 47,107 Rate accounts issued and owing 9,406 6,577 9,406 6,577 Other debtor accounts issued and owing 2,968 3,215 5,595 5,082 Less: provision for uncollectability (3,877) (3,551) (4,525) (4,013) Work in progress - - - 2,366 3,451 Total trade and other receivables comprise: Receivables from non-exchange transactions – this includes outstanding amounts for rates, grants, infringements, and fees and charges that have not been subsidised by rates 28,277 23,082 26,801 22,903 Acceptables from exchange transactions – this includes outstanding amounts for lees and charges that have not been subsidised by rates including commercial sales 1,281 2,625 32,363 35,301 Provision for uncollectability of receivables movements Opening balance provision for uncollectability (3,551) (2,841) (4,013) (3,407) Additional provisions made during the year 11,261 (1,426) (1,492) (1,566) Provisi					
Rate accounts issued and owing 9,406 6,577 9,406 6,577 Other debtor accounts issued and owing 2,968 3,215 5,595 5,082 Less: provision for uncollectability (3,877) (3,551) (4,525) (4,013) Work in progress - - - 2,366 3,451 Total trade and other receivables comprise: Receivables from non-exchange transactions – this includes and charges that are partly subsidised by rates 28,277 23,082 26,801 22,903 outstanding amounts for rates, grants, infringements, and fees and charges that are partly subsidised by rates 1,281 2,625 32,363 35,301 Provision for uncollectability of receivables movements Opening balance provision for uncollectability (3,551) (2,841) (4,013) (3,407) Additional provisions made during the year (1,261) (1,426) (1,492) (1,566) Provisions reversed during the year 37 - 39 232 Closing balance provision for uncollectability of receivables analysis Impaired credit loss </th <th></th> <th>• • • • • • • • • • • • • • • • • • • •</th> <th></th> <th></th> <th></th>		• • • • • • • • • • • • • • • • • • • •			
Other debtor accounts issued and owing 2,968 3,215 5,595 5,082 Less: provision for uncollectability (3,877) (3,551) (4,525) (4,013) Work in progress - - - 2,366 3,451 Total trade and other receivables comprise: Receivables from non-exchange transactions - this includes outstanding amounts for rates, grants, infringements, and fees and charges that are partly subsidised by rates 28,277 23,082 26,801 22,903 Receivables from non-exchange transactions - this includes outstanding amounts for rates, grants, infringements, and fees and charges that have not been subsidised by rates including commercial sales 1,281 2,625 32,363 35,301 Provision for uncollectability of receivables movements 0 2,841 (4,013) (3,407) Additional provisions made during the year (1,261) (1,426) (1,492) (1,566) Provisions reversed during the year 898 716 941 728 Receivables written-off during the year 37 - 39 232 Closing balance provision for uncollectabil		,	,	,	,
Less: provision for uncollectability (3,877) (3,551) (4,525) (4,013) Work in progress - - 2,366 3,451 29,558 25,707 59,164 58,204 Total trade and other receivables comprise: Receivables from non-exchange transactions – this includes outstanding amounts for rates, grants, infringements, and fees and charges that are partly subsidised by rates 28,277 23,082 26,801 22,903 Receivables from exchange transactions – this includes outstanding amounts for fees and charges that have not been subsidised by rates including commercial sales 1,281 2,625 32,363 35,301 Provision for uncollectability of receivables movements Opening balance provision for uncollectability (3,551) (2,841) (4,013) (3,407) Additional provisions made during the year 898 716 941 728 Receivables written-off during the year 37 - 39 232 Closing balance provision for uncollectability (3,877) (3,551) (4,525) (4,013) Provision for uncollectability of receivables analysis (2,751)	· ·		,	,	
Work in progress - - 2,366 3,451 Total trade and other receivables comprise: Receivables from non-exchange transactions – this includes outstanding amounts for rates, grants, infringements, and fees and charges that are partly subsidised by rates 28,277 23,082 26,801 22,903 Receivables from exchange transactions – this includes and charges that are partly subsidised by rates and charges that have not been subsidised by rates including commercial sales 1,281 2,625 32,363 35,301 Provision for uncollectability of receivables movements Opening balance provision for uncollectability (3,551) (2,841) (4,013) (3,407) Additional provisions made during the year (1,261) (1,426) (1,492) (1,566) Provisions reversed during the year 898 716 941 728 Receivables written-off during the year 37 - 39 232 Closing balance provision for uncollectability of receivables analysis (2,751) (2,424) (2,751) (2,424) Expected credit loss (1,126) (1,127) (1,774) (1,589) Expected credit loss	Other debtor accounts issued and owing	2,968	3,215	5,595	5,082
29,558 25,707 59,164 58,204	Less: provision for uncollectability	(3,877)	(3,551)	(4,525)	(4,013)
Total trade and other receivables comprise: Receivables from non-exchange transactions – this includes and charges that are partly subsidised by rates	Work in progress	-	-	2,366	3,451
Receivables from non-exchange transactions – this includes outstanding amounts for rates, grants, infringements, and fees and charges that are partly subsidised by rates 28,277 23,082 26,801 22,903 Receivables from exchange transactions – this includes outstanding amounts for fees and charges that have not been subsidised by rates including commercial sales 1,281 2,625 32,363 35,301 Provision for uncollectability of receivables movements 0pening balance provision for uncollectability (3,551) (2,841) (4,013) (3,407) Additional provisions made during the year (1,261) (1,426) (1,492) (1,566) Provisions reversed during the year 898 716 941 728 Receivables written-off during the year 37 - 39 232 Closing balance provision for uncollectability (3,877) (3,551) (4,525) (4,013) Provision for uncollectability of receivables analysis (2,751) (2,424) (2,751) (2,424) Expected credit loss (1,126) (1,127) (1,774) (1,589) Expected credit loss (3,877) (3,551) (4,525) (4,013) CORE COUNCIL CONSOLIDATED A		29,558	25,707	59,164	58,204
outstanding amounts for rates, grants, infringements, and fees and charges that are partly subsidised by rates Receivables from exchange transactions – this includes outstanding amounts for fees and charges that have not been subsidised by rates including commercial sales 1,281 2,625 32,363 35,301 Provision for sees and charges that have not been subsidised by rates including commercial sales Provision for uncollectability of receivables movements Opening balance provision for uncollectability (3,551) (2,841) (4,013) (3,407) Additional provisions made during the year (1,261) (1,426) (1,492) (1,566) Provisions reversed during the year 898 716 941 728 Receivables written-off during the year 37 - 39 232 Closing balance provision for uncollectability (3,877) (3,551) (4,525) (4,013) Provision for uncollectability of receivables analysis Impaired credit loss (2,751) (2,424) (2,751) (2,424) Expected credit loss (1,126) (1,127) (1,774) (1,589) CORE COUNCIL CONSOLIDATED Actual Actual </td <td>Total trade and other receivables comprise:</td> <td></td> <td></td> <td></td> <td></td>	Total trade and other receivables comprise:				
outstanding amounts for fees and charges that have not been subsidised by rates including commercial sales Provision for uncollectability of receivables movements Opening balance provision for uncollectability (3,551) (2,841) (4,013) (3,407) Additional provisions made during the year (1,261) (1,426) (1,492) (1,566) Provisions reversed during the year 898 716 941 728 Receivables written-off during the year 37 - 39 232 Closing balance provision for uncollectability (3,877) (3,551) (4,525) (4,013) Provision for uncollectability of receivables analysis Impaired credit loss (2,751) (2,424) (2,751) (2,424) Expected credit loss (1,126) (1,127) (1,774) (1,589) Term receivables CORE COUNCIL CONSOLIDATED Actual Actual <t< td=""><td>outstanding amounts for rates, grants, infringements, and fees</td><td>28,277</td><td>23,082</td><td>26,801</td><td>22,903</td></t<>	outstanding amounts for rates, grants, infringements, and fees	28,277	23,082	26,801	22,903
Opening balance provision for uncollectability (3,551) (2,841) (4,013) (3,407) Additional provisions made during the year (1,261) (1,426) (1,492) (1,566) Provisions reversed during the year 898 716 941 728 Receivables written-off during the year 37 - 39 232 Closing balance provision for uncollectability (3,877) (3,551) (4,525) (4,013) Provision for uncollectability of receivables analysis Impaired credit loss (2,751) (2,424) (2,751) (2,424) Expected credit loss (1,126) (1,127) (1,774) (1,589) 4 (3,877) (3,551) (4,525) (4,013) Term receivables CORE COUNCIL Actual Act	outstanding amounts for fees and charges that have not been	1,281	2,625	32,363	35,301
Additional provisions made during the year (1,261) (1,426) (1,492) (1,566) Provisions reversed during the year 898 716 941 728 Receivables written-off during the year 37 - 39 232 Closing balance provision for uncollectability (3,877) (3,551) (4,525) (4,013) Provision for uncollectability of receivables analysis Impaired credit loss (2,751) (2,424) (2,751) (2,424) Expected credit loss (1,126) (1,127) (1,774) (1,589) (3,877) (3,551) (4,525) (4,013) Term receivables CORE COUNCIL CONSOLIDATED Actual Actual Actual Actual Actual Actual 2024 2023 2024 2023 5000 \$000 \$000 \$000 \$000 \$000 \$000 \$00	Provision for uncollectability of receivables movements				
Provisions reversed during the year 898 716 941 728 Receivables written-off during the year 37 - 39 232 Closing balance provision for uncollectability (3,877) (3,551) (4,525) (4,013) Provision for uncollectability of receivables analysis Impaired credit loss (2,751) (2,424) (2,751) (2,424) Expected credit loss (1,126) (1,127) (1,774) (1,589) Term receivables CORE COUNCIL CONSOLIDATED Actual	Opening balance provision for uncollectability	(3,551)	(2,841)	(4,013)	(3,407)
Receivables written-off during the year 37 - 39 232	Additional provisions made during the year	(1,261)	(1,426)	(1,492)	(1,566)
Closing balance provision for uncollectability (3,877) (3,551) (4,525) (4,013)	Provisions reversed during the year	898	716	941	728
Provision for uncollectability of receivables analysis Impaired credit loss (2,751) (2,424) (2,751) (2,424) Expected credit loss (1,126) (1,127) (1,774) (1,589) (3,877) (3,551) (4,525) (4,013) Term receivables CORE COUNCIL CONSOLIDATED Actual Actual Actual Actual 2024 2023 2024 2023 \$000 \$000 \$000 \$000	Receivables written-off during the year	37	-	39	232
Impaired credit loss (2,751) (2,424) (2,751) (2,424)	Closing balance provision for uncollectability	(3,877)	(3,551)	(4,525)	(4,013)
Expected credit loss (1,126) (1,127) (1,774) (1,589) (3,877) (3,551) (4,525) (4,013)	Provision for uncollectability of receivables analysis				
(3,877) (3,551) (4,525) (4,013) Term receivables CORE COUNCIL CONSOLIDATED Actual Actual Actual Actual Actual 2024 2023 2024 2023 \$000 \$000 \$000 \$000	Impaired credit loss	(2,751)	(2,424)	(2,751)	(2,424)
CORE COUNCIL CONSOLIDATED	Expected credit loss	(1,126)	(1,127)	(1,774)	(1,589)
CORE COUNCIL CONSOLIDATED Actual Actual Actual Actual 2024 2023 2024 2023 \$000 \$000 \$000 \$000		(3,877)	(3,551)	(4,525)	(4,013)
Actual Actual Actual Actual 2024 2023 2024 2023 \$000 \$000 \$000 \$000	Term receivables				
2024 2023 2024 2023 \$000 \$000 \$000 \$000		CORE COUNCIL		CONSOLIDATED	
\$000 \$000 \$000 \$000					
	Term receivables	\$ 000 _	⊅ ∪∪∪ _	⊅ ∪∪∪ _	\$ UUU _
	Term receivables				

Relevant significant accounting policies

Trade and other receivables are stated at cost less any allowances for estimated irrecoverable amounts.

The carrying amount of trade and other receivables approximates their fair value.

Normally no interest is charged on the accounts receivable although in specific instances interest may be charged.

All past due balances are considered collectable, however in line with PBE IPSAS 41 the Group applies a simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure credit

losses, trade receivables are grouped based on similar credit risk and aging. The expected loss rates factor in the credit losses experienced over the three year period prior to the period end. The historical loss rates are then adjusted for where necessary based on current and forward-looking macroeconomic factors affecting the Group's customers.

The Dunedin City Council does not provide for any impairment on rates receivable as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. These powers allow the Council to commence legal proceedings to recover any rates that remain unpaid four months after the due date for payment. If payment has not been made within three months of the Court's judgement, then the Council can apply to the Registrar of the High Court to have the judgement enforced by sale or lease of the rating unit.

Work in progress is stated at estimated realisable value, after providing for non-recoverable amounts. Work in progress represents work from contracts which has been performed, but which is unable to be billed as the right to consideration remains conditional.

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the Statement of financial position date. This is normally measured by the proportion of contract costs incurred for work performed to date compared to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer and the performance obligations have been satisfied.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable and where the company believes the identified performance obligations have been satisfied. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

18 Inventories

	COR	CORE COUNCIL		OLIDATED
	Actual	Actual	Actual	Actual
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Raw materials in store (at cost)	586	346	7,717	7,914
	586	346	7,717	7,914

The Council inventories are not pledged as security for liabilities (2023: \$nil).

Relevant significant accounting policies

Inventories are stated at the lower of cost and net realisable value. Log inventories are initially valued at fair value less estimated point of sale costs. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

19 Non-current assets held for sale

	CORE COUNCIL		L CONSOLIDA	
	Actual	Actual	Actual	Actual
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Land and buildings	-	905	3,208	905
Other assets	-	-	-	-
	-	905	3,208	905

Relevant significant accounting policies

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount and fair value less

Any impairment losses for write-downs are recognised in the surplus or deficit.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale (including those that are part of a disposal group).

20 Other financial assets

Other current financial assets

	CORE COUNCIL		CONSOLIDAT	
	Actual	Actual	Actual	Actual
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Waipori Fund interest bearing securities	13,749	4,396	13,749	4,396
Other financial assets	-	-	-	113
	13,749	4,396	13,749	4,509

Other current financial assets are classified as fair value through Statement of Comprehensive Revenue and Expense. Fair value is determined by reference to the appropriate market. These investments are of short-term duration and not more than twelve months. The effective interest rate is between 2.16% and 6.45% (2023: 3.37% and 4.88%).

Other non-current financial assets

	CORE COUNCIL		CONSOLIDATE	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Waipori Fund interest bearing securities	31,718	35,784	31,718	35,784
Waipori Fund equity investments	53,093	52,086	53,093	52,086
Other shares	481	481	505	505
LGFA Borrower Notes	-	-	7,250	3,125
Advances to subsidiaries	112,000	112,000	-	-
	197,292	200,351	92,566	91,500

Advances to subsidiaries and other loans, advances and community loans are measured at amortised cost. With the exception of shares in subsidiaries, all other non-current financial assets are classified as fair value through Statement of Comprehensive Revenue and Expense and are measured at fair value with any changes in value going to the Statement of Comprehensive Revenue and Expense. These investments are of greater duration than twelve months.

The advance from the Dunedin City Council to the Group is subordinated and unsecured. The terms of the advance agreement between the Dunedin City Council and the Group are such that there is no obligation on Dunedin City Holdings Limited to transfer economic benefit at any specific time. In 2024, the interest rate on the advance was 5.27% (2023: 5.27%).

This year, the cash payment to Dunedin City Council was \$5.9 million (2023: \$5.9 million) on the advance.

Relevant significant accounting policies

Investments are recognised and derecognised on a trade date where a purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at cost, including transaction costs.

Investments in debt and equity securities are financial instruments classified as held for trading and are measured at fair value in the surplus or deficit at balance date. Any resultant gains or losses are recognised in the surplus or deficit for the period.

Loans and advances are financial instruments that are measured at amortised cost using the effective interest method. This type of financial instrument includes deposits, term deposits, inter company loans, community loans and mortgages.

21 Shares in subsidiary companies

CORE COUNCIL		
2024	2023	
\$000	\$000	
136.339	133.789	

Shares Dunedin City Holdings Limited

On incorporation, Dunedin City Holdings Limited issued 100,000,000 ordinary shares in favour of the Dunedin City Council. Only \$100,000 was called.

Since incorporation Dunedin City Holdings Ltd has issued additional shares of \$1 each in favour of the Dunedin City Council. The shares carry equal voting rights and 1,600,000,000 are uncalled. During the year ended 30 June 2024 a further 2,550,000 ordinary shares were issued and called and a further 400,000,000 ordinary shares were issued but remain uncalled. The amounts and dates of all issues made since incorporation are:

- Incorporation	100,000,000
– May 1996	75,000,000
– March 1999	100,000,000
– June 2002	75,000,000
– September 2008	250,000,000
– April 2011	250,000,000
– June 2016	115,839,000
– June 2017	2,550,000
– June 2018	2,550,000
– June 2019	2,550,000
– April 2020	125,100,000
– June 2020	2,550,000
– June 2021	2,550,000
– June 2022	2,550,000
– August 2022	225,000,000
– June 2023	2,550,000
– June 2024	2,550,000
Total number of shares	1,336,339,000
– Incorporation call	(100,000)
– June 2016 call	(115,839,000)
– June 2017 call	(2,550,000)
– June 2018 call	(2,550,000)
– June 2019 call	(2,550,000)
– June 2020 call	(2,550,000)
– June 2021 call	(2,550,000)
– June 2022 call	(2,550,000)
– June 2023 call	(2,550,000)
– June 2024 call	(2,550,000)
Total number of uncalled shares	1,200,000,000

22 Investment in associates

	CORE COUNCIL		CONSOLIDATE		
	Actual	Actual	Actual	Actual	
	2024	2024 2023	2024 2023 2024	2024	2023
	\$000	\$000	\$000	\$000	
Interest and advances in associate company	-	-	44,320	42,693	
Golden Block Investments Limited (Property)	49%	49%	49%	49%	
New Zealand Centre of Digital Excellence Limited	49%	49%	49%	49%	
Dunedin International Airport Limited (Transport)	_	_	50%	50%	

For the purpose of applying the equity method of accounting, the financial statements of Golden Block Investments Limited, New Zealand Centre of Digital Excellence Limited and Dunedin International Airport Limited for the year ended 30 June 2024 have been used.

None of the associate companies are listed and therefore there are no published price quotations to establish the fair value of these investments.

There were no contingent liabilities arising from the DCC Group's involvement in the associate companies as at 30 June 2024.

	Other Associates		Dunedin International Airport Limited	
	As	at 30 June	As	at 30 June
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Current assets				
Cash and cash equivalents	2,891	366	3,789	1,723
Other current assets	181	6	1,894	1,723
Total current assets	3,072	372	5,683	3,446
Non-current assets	2,286	2,301	118,059	111,023
Total assets	5,358	2,673	123,742	114,469
Current liabilities	2,969	405	3,484	4,149
Non-current liabilities				
Financial liabilities	2,200	2,200	10,500	9,000
Other financial liabilities	-	-	21,073	15,889
Total non-current liabilities	2,200	2,200	31,573	24,889
Total liabilities	5,169	2,605	35,057	29,038
Net assets	189	68	88,685	85,431
Less impairment				
Other adjustments	(189)	(68)	(46)	(46)
Net assets after impairment and other adjustments	-	-	88,639	85,385
Carrying value of associates	-	_	44,320	42,693
	49.0%	49.0%	50.0%	50.0%
Summarised Statement of comprehensive revenue and expense		Associates	Airp	ternational ort Limited
		at 30 June		at 30 June
	2024	2023	2024	2023
Total revenue	\$000 4,130	\$000 676	\$000 21,217	\$000 20,648
Less expenses				
Other expenses	3,734	202	10,858	9,937
Interest expense	196	163	529	570
Depreciation and amortisation	15	15	4,480	4,214
Total expenses	3,945	380	15,867	14,721
Operating surplus (deficit) before tax	185	296	5,350	5,927
Less income tax	57	81	5,774	1,611
Operating surplus (deficit) after tax	128	215	(424)	4,316
Other comprehensive income	-	_	6,178	41
Total comprehensive income (deficit)	128	215	5,754	4,357
Dividend received from associate	_	72	1,250	512

Relevant significant accounting policies

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Investments in associates are accounted for in the Group financial statements using the equity method of accounting.

Investments in associates are measured at cost in the Council's parent financial statements.

Under the equity method of accounting, the investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the Group's share of the change in net assets of the entity after the date of acquisition. The Group's share of the surplus or deficit is recognised in the group surplus or deficit. Distributions received from the investee reduce the carrying amount of the investment in the Group financial statements.

If the share of deficits of the associate equals or exceeds the interest in the associate, the Group discontinues recognising its share of further deficits. After the Group's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the entity. If the entity subsequently reports surpluses, the group will resume recognising its share of the those surpluses only after its share of the surpluses equals the share of deficits not recognised.

Where the Group transacts with an associate, surpluses or deficits are eliminated to the extent of the Group's interest in the associate.

Critical judgements in applying accounting policies

Dunedin International Airport (DIAL) is a key part of Dunedin's infrastructure. The investment in this infrastructure is to support and provide benefit to the city. DIAL is owned 50% by the Group and 50% by the Crown. With equal voting rights, control is shared with the Crown.

Golden Block Investments Limited owns and manages a retail property in the central business area of Dunedin and is owned 49.99% by Dunedin City Council. The Council has concluded that it is in a position to exercise significant influence but as it does not have a majority shareholding, does not control Golden Block Investments Limited for financial reporting purposes.

23 Non-quantifiable ownership interests

Otago Museum

Dunedin City Council (the Council) is a major contributor of operational funding to the Otago Museum through payment of an annual levy (2024: \$4.876m; 2023: \$4.720m). This funding is based on a statutory requirement. The Council has limited ability to modify the level of this financial support as in any given year the contribution cannot be less than the previous year. The Council has the power to appoint 4 of the 10 board members on the Otago Museum Trust Board. As each matter before the board requires majority voting the Council is unable to enact decisions unilaterally. There are limited financial benefits to the Council through rent/rates paid. Indirect financial and non-financial benefits are received through the betterment of the city and contributing to the relevant strategies of Council.

24 Short term borrowings

	COR	CORE COUNCIL		SOLIDATED
	Actual	Actual	Actual	Actual
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Short term borrowings	4,554	-	-	1,502
	4,554	-	-	1,502

The Group's short term borrowings are unsecured and are arranged at floating interest rates thus exposing the Group to cash flow interest rate risk.

25 Trade and other payables, and revenue in advance

	CORE COUNCIL		CON	SOLIDATED
	Actual	Actual	Actual	Actual
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Trade and other payables				
Trade payables and accrued expenses	36,788	41,823	55,847	58,442
Contract retentions	1,708	1,720	1,708	1,720
Other payables	1,819	2,101	20,932	16,542
	40,315	45,644	78,487	76,704
Total trade and other payables comprise:				
Payables from exchange transactions	40,082	45,375	76,947	76,441
Payables from non-exchange transactions	233	269	1,540	263
Revenue received in advance				
Rates in advance	1,575	1,512	1,575	1,512
Other revenue in advance	4,610	5,523	7,289	8,868
	6,185	7,035	8,864	10,380

Relevant significant accounting policies

Trade and other payables are stated at cost.

A provision is recognised in the Statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

26 Employee entitlements

	CORE COUNCIL		CONS	SOLIDATED
	Actual	Actual	Actual	Actual
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Current portion				
Accrued leave	7,643	7,167	14,332	13,505
Accrued long service leave	596	555	1,007	955
Sick leave over and above annual average	147	147	323	278
Accrued pay	2,553	2,045	2,765	2,309
Retirement gratuities	313	123	536	427
	11,252	10,037	18,963	17,474
Non-current portion				
Accrued long service leave	704	590	1,459	1,252
Retirement gratuities	553	614	679	735
	1,257	1,204	2,138	1,987

Relevant significant accounting policies

Current portion employee entitlements

Employee benefits that are expected to be settled wholly before twelve months after the reporting period in which the employees render the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned to but not yet taken at balance date.

The Group recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year.

The current portion of the retirement gratuities provision has been calculated on an actuarial basis and is based on the reasonable likelihood that it will be earned by employees and paid by the Group.

Non-current portion employee entitlements

Employee benefits that are not expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- · likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

Entitlements to the non-current portion of accrued long service leave and retirement gratuities are calculated on an actuarial basis and are based on the reasonable likelihood that they will be earned by employees and paid by the Group.

27 Term loans

	CORE COUNCIL		COI	NSOLIDATED
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Total loan balance	590,473	460,273	1,288,827	1,084,286
Less current portion	-	-	-	-
Non-current portion	590,473	460,273	1,288,827	1,084,286
Non-current portion				
Promissory notes issued		-	258,501	202,558
Bonds issued		-	1,029,853	881,255
Related parties	590,000	459,800	-	-
Suspensory loan	473	473	473	473
	590,473	460,273	1,288,827	1,084,286

Accrued interest of \$4.554m on the loan balance of \$590m has been included in short term borrowings (note 24).

Core Council term loans are secured by rates revenue and are borrowed from Dunedin City Treasury Limited.

As at 30 June 2024, the Group had a \$1,600 million multi option instrument issuance facility which is secured against certain assets and undertakings of the Dunedin City Council Group. Group debt is raised by Dunedin City Treasury Limited, by issuing long dated bonds, floating rate notes or by the issue of promissory notes. In addition, Dunedin City Treasury also borrows funds from the New Zealand Local Government Funding Agency.

Three independent banks have provided committed facilities to the amount of \$220 million (2023: \$220 million).

The amount of unamortised premium or (discount) on bonds on issue at 30 June 2024 is nil (2023: nil).

The tender of promissory notes under the multi-option facility generally raises debt for a term of three months before being $re-tendered.\ In\ addition\ to\ this,\ the\ issue\ of\ floating\ rate\ notes\ under\ the\ multi-option\ facility\ also\ raises\ floating\ rate\ debt.$ This type of borrowing is executed at the floating rate at the date of drawdown or at the start of the floating rate reset and exposes the Group to cash flow interest rate risk. Interest rate derivatives are taken out to manage that risk. Floating rate debt is also created by converting fixed rate bond issuance from fixed to floating using interest rate swaps. The credit risk from each derivative is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Borrower notes are subordinated convertible debt instruments that the Company subscribes for an amount equal to 2.5% of the total long-term borrowings from LGFA. LGFA will redeem borrower notes when the Company's related borrowings are repaid or no longer owed to LGFA. At 30 June 2024 the Company had subscribed to \$7.250m of borrower notes (2023: \$3.125m).

While the contractual maturities of the Group's debt are not all long-term, the Group expects and has the discretion to refinance debt under the multi option instrument issuance facility. The Group has therefore determined that all debt is noncurrent as per the provisions of NZ IAS1.

Debt instruments are fair valued using a discounted cash flow approach, which discounts the contractual cash flows using discount rates derived from observable market prices of other quoted debt instruments of the counterparties.

All borrowings are provided under a facility agreement with Dunedin City Treasury Limited (DCTL), a Council Controlled Organisation (CCO). DCTL sources external debt and on-lends to DCC and the other CCOs based on an average cost of borrowings. The borrowings are not required to be repaid provided the borrower is not in default and continues to meet the terms of the borrowing. The borrower may repay principal balances at any time.

DCTL typically reviews and sets a fixed interest rate at the beginning of each financial year but, contractually, interest rates may be reset every quarter. The fixed interest rate reflects the internal borrowing rate index of DCTL for the interest period. At the end of the financial year, or sooner if necessary, a retrospective interest rate adjustment is calculated to ensure that the effective rate charged to borrowers for the period reflects the actual costs of DCTL.

The Council has assessed that the fair value of borrowings on initial recognition is the face value. The interest rate set by DCTL is considered a market rate as it is based on an internal borrowing index for a fixed interest period. Debt is sourced by DCTL on ordinary commercial terms, arranged by major trading banks. DCTL also borrowings from the Local Government Funding Agency (LGFA). DCTL has a credit rating equal to that of DCC and has assessed the same level of credit risk for all borrowers within the DCC group since they are ultimately owned by DCC and rely on their underlying support in a stress scenario. Accordingly, DCTL does not apply different credit spreads to different borrowers.

For the reasons noted above, the Council continues to deem it appropriate to measure its loan from DCTL at amortised cost.

		1,288,827	1,084,286
Housing NZ loan		473	473
Fair value impact on bonds		(20,147)	(28,745)
Floating rate notes 17/02/25	32bp over BKBM	20,000	-
Floating rate notes 15/02/27	56bp over BKBM	50,000	-
Floating rate notes 14/04/33	99bp over BKBM	20,000	-
Floating rate notes 09/02/30	82.1bp over BKBM	25,000	-
Floating rate notes 15/05/31	92bp over BKBM	100,000	-
Floating rate notes 15/05/31	75.8bp over BKBM	25,000	25,000
Floating rate notes 09/02/30	78.1bp over BKBM	25,000	25,000
Floating rate notes 09/02/30	67bp over BKBM	75,000	75,000
Medium term notes 27/11/28	Coupon rate 3.22%	100,000	100,000
Medium term notes 15/11/28	Coupon rate 5.55%	60,000	60,000
Medium term notes 18/04/28	Coupon rate 1.93%	110,000	110,000
Medium term notes 16/11/26	Coupon rate 0.676%	60,000	60,000
Medium term notes 15/11/26	Coupon rate 2.09%	55,000	55,000
Medium term notes 15/3/26	Coupon rate 2.90%	50,000	50,000
Medium term notes 15/4/26	Coupon rate 3.98%	65,000	65,000
Floating rate notes 15/10/25	47bp over BKBM	75,000	75,000
Medium term notes 17/7/25	Coupon rate 3.61%	50,000	50,000
Floating rate notes 01/04/25	30bp over BKBM	50,000	50,000
Medium term notes 16/10/24	Coupon rate 3.79%	35,000	35,000
Floating rate notes 15/02/24	65bp over BKBM	-	25,000
Medium term notes 16/10/23	Coupon rate 0.36%	-	50,000
Promissory notes		258,501	202,558
		\$'000	\$'000
•		2024	2023
Analysis term loans non-current	Interest Rate	Group	Group

Contractual maturity analysis of term loans

The following is a maturity analysis of the term loans	CORE COUNCIL		CONSOLIDATE	
	Actual	Actual	Actual	Actual
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Repayable less than one year	-	-	343,501	276,728
Effective interest rate			4.75%	4.75%
Repayable between one to five years	473	473	675,326	530,917
Effective interest rate			3.33%	3.33%
Repayable later than five years	590,000	459,800	270,000	276,641
Effective interest rate	4.07%	3.38%	5.13%	5.13%
	590,473	460,273	1,288,827	1,084,286

While these are the contractual maturities of the consolidated term loans, the Group expects and has the discretion to refinance term borrowings under the multi-option debt issuance facility. As per the face of the accounts, the Group has therefore determined that all term borrowings are non-current as per the provisions of PBE IPSAS 1.

CONSOLIDATED

2024 2023 \$000 \$000 1,279,506 1,064,895

Multi-option note facility

Relevant significant accounting policies

Borrowings are initially recorded net of directly attributable transaction costs. Finance charges, premiums payable on settlement or redemption and direct costs are accounted for on an accrual basis to the surplus or deficit using the effective interest method.

28 Reconciliation of movements in liabilities arising from financing activities

The tables below provide a reconciliation between the opening and closing balance of liabilities with cash flows that were, or future cash flows that will be, classified as a financing activity in the statement of cash flows.

	CORE COUNCIL			
	Short term borrowings	Long term borrowings	Total liabilities from financing activities	
	2024 \$000	2024 \$000	2024 \$000	
Opening balance	-	460,273	460,273	
Net cash flows	-	130,200	130,200	
Non-cash changes	4,554	-	4,554	
Closing balance	4,554	590,473	595,027	

	CORE COUNCIL			
	Short term borrowings	Long term borrowings	Total liabilities from financing activities	
	2023 \$000	2023 \$000	2023 \$000	
Opening balance	-	334,273	334,273	
Net cash flows	-	126,000	126,000	
Non-cash changes	-	-	-	
Closing balance	-	460,273	460,273	

	CONSOLIDATED			
	Short term borrowings	Long term borrowings	Total liabilities from financing activities	
	2024 \$000	2024 \$000	2024 \$000	
Opening balance	1,502	1,084,286	1,085,788	
Net cash flows	-	195,943	195,943	
Non-cash changes	(1,502)	8,598	7,096	
Closing balance	-	1,288,827	1,288,827	

		CONSOLIDATED			
	Short term borrowings	Long term borrowings	Total liabilities from financing activities		
	2023 \$000	2023 \$000	2023 \$000		
Opening balance	1,497	891,651	893,148		
Net cash flows	5	193,545	193,550		
Non-cash changes	-	(910)	(910)		
Closing balance	1,502	1,084,286	1,085,788		

29 Provisions

Landfill aftercare provision

	CORE COUNCIL		CONS	SOLIDATED
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Opening balance	17,001	14,038	17,001	14,038
Amounts used	(131)	(1,437)	(131)	(1,437)
Unused amounts reversed	-	-	-	-
Additional provisions	6,713	5,732	6,713	5,732
Adjustment due to change in discount rate	(1,377)	(1,332)	(1,377)	(1,332)
Closing balance	22,206	17,001	22,206	17,001

The landfill aftercare provisions deal with the closed North Taieri landfill, the Green Island landfill and four other remaining smaller landfills.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation and discounted using rates based on market yields on government bonds at balance date with terms to maturity that match, as closely as possible, the estimated future cash flows.

The Council has responsibility to provide ongoing maintenance and monitoring of landfills after the sites are closed.

The Green Island landfill is still operational with resource consents that expired in October 2023. Replacement consents have been applied for to continue to use the landfill until at least 2029.

The cash outflow for the closure of this landfill and subsequent maintenance and monitoring has been included in this provision. The current provision includes costs out to 2048.

The long term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and known legal requirements.

The gross provision before discounting is \$28.231m (2023: \$21.075m).

The following significant assumptions have been made in calculating the provision:

- replacement resource consents will be obtained and will not expire until at least 2029
- an inflation factor of 2.03% (2023: 1.96%)
- discount rates ranging from 4.57% to 5.30% per Treasury Guidelines (2023: 4.88% to 5.43%).

Relevant significant accounting policies

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for restructuring costs are recognised when the Group has a detailed formal plan for the restructuring that has been communicated to affected parties.

30 Property, plant and equipment

The Council assesses the fair valuation of core Council land and buildings at the carrying values shown below.

COUNCIL ASSET VALUATIONS

Land and buildings - operational, infrastructure, restricted and heritage

Land and buildings have been valued at fair value by Aon New Zealand. The valuation is effective as at 30 June 2024. The personnel involved were: Peter Erceg (Director Valuation Services, Registered Valuer), Jonathon Dix (Valuation Manager), Richard Koff (Senior Registered Valuer), Colin Gliddon-Brown (Quantity Surveyor), Chris Dobrzynski (Senior Valuer) and Annabel McNulty (Senior Registered Valuer).

The key assumptions used are:

The majority of building assets are specialist in nature. Specialised assets are valued on the basis of Depreciated Replacement Cost (DRC).

DRC is determined by first establishing the cost to replace with an equivalent new asset less depreciation for physical, functional and economic obsolescence. Depreciation was applied on a straight-line basis to determine the depreciated replacement value.

Non-specialised building assets (for example, community housing) are valued at their 'current market price' based on compared market evidence.

Land is valued at fair value based on comparable market evidence taking into consideration adjustments for size, contour, quality, location, zoning and designation, current and potential uses.

Where the underlying land value for an alternative use is higher than the derived value for the existing use, the land value adopted is highest and best use.

Where land assets are designated Reserve Status the commonly accepted reserve methodology has been applied. The appropriate adjustments are made to reflect the retrieved nature of any future development potential.

Restrictions on the Council's ability to sell land would normally not impair the value of the land because the Council has operational use of the land for the foreseeable future and will substantially receive the full benefits of outright ownership.

Infrastructure assets

As required under section 6 paragraph 3 (c) of the Local Government (Financial Reporting and Prudence) Regulations 2014, the most recent estimated replacement cost of core infrastructure assets is stated as follows: roading assets, \$2,405,723,749; water treatment plant and facilities, \$191,576,000; water other assets, \$1,422,181,000; sewerage treatment plant and facilities \$231,721,000; sewerage other assets, \$1,334,837,000; stormwater assets; \$775,290,000.

Roadways and bridges

The most recent valuation of infrastructural assets comprising roads, bridges, footpaths, lights, traffic signals and signs was performed by Jesse Audley of Beca Limited and reviewed by Brian Smith of Brian Smith Advisory Services Limited. The valuation is effective as at 30 June 2024.

The assets are valued using the depreciated replacement cost method. The key assumptions used are:

Rates from the 2023 valuation have been used with the Cost Adjustment Factor from the Latest Values for Infrastructures Cost Indexes from the NZ Transport Agency Procurement Manual Tools applied, supported by current contract rates where available. The indexes used were March 2023 to March 2024.

No asset, except for timber bridges, has a residual value.

All replacement rates, where appropriate, have an amount for removal and disposal of the existing asset that is being replaced included in the rate.

Where installation/constructed dates are unknown, assets were valued using a default construction date, which is 50% of the assets total useful life.

The lives are generally based upon NZ Infrastructure Asset Valuation and Depreciation Guidelines - Version 2.0. In specific cases these have been modified where in the opinion of Beca and the Council a different life is appropriate. The changes are justified in the valuation report.

The component level of the data used for the valuation is sufficient to calculate depreciation separately for those assets that have different useful lives.

The DCC's three waters infrastructural assets comprises water reticulation, water plant and facilities, wastewater reticulation, wastewater plant and facilities, stormwater reticulation and stormwater plant and facilities.

The most recent valuation of three waters assets was performed by Elaine Wang, Esther Teng and Marvin Clough of Beca Limited. The valuation was effective as at 30 June 2024.

Three waters assets are stated at valuation being depreciable replacement cost. Optimisation has not been applied in determining depreciated replacement cost. DCC staff continue to investigate opportunities for optimisation, however, no opportunities for optimisation were identified through this valuation.

The valuation updated gross replacement cost (GRC), depreciable replacement cost (DRC) and annual depreciation as at 30 June 2024.

The key assumptions used in the valuation were:

Unit replacement costs (URC) for reticulation assets were based on a theoretical rate developed by the valuer, taking account of recent contract costs, the total cost of replacement of the asset, contract size and rates used by other comparable local authorities. The GRC for reticulation assets was derived by applying a depth factor and on-cost percentage to the theoretical rate. Significant judgement is required in developing and applying the unit rate and depth factors. Changes in these have the potential to cause a material adjustment to the carrying value of reticulation assets.

The replacement costs assume the incremental or "Brownfields" approach for replacement. This reflects a 'realitybased' replacement program and recognises the constraints with regards the existing layout/network.

Where an asset's age has exceeded its expected life and is still providing an acceptable level of services, the Council has assigned a default minimum useful life of 3 years.

Other restricted assets

Coastal structures, fences and barriers and raised structures have been valued at depreciated replacement cost by Keith Campbell of WSP. The valuation is effective as at 30 June 2024.

Hard surfaces and reticulation systems

Hard surfaces, and drainage and irrigation assets, have been valued at depreciated replacement cost by Keith Campbell of WSP. The valuation is effective as at 30 June 2024.

Fixed plant and equipment

Fixed plant and equipment has been valued at depreciated replacement cost by Titus Naidoo, Kerry Mayes, Keith Campbell and Kevin Wood of WSP. The valuation is effective as at 30 June 2024.

Playground and soft-fall areas

Playground equipment and soft-fall areas have been valued at depreciated replacement cost by WSP. The valuation is effective as at 30 June 2024. The personnel involved were Titus Naidoo, Kerry Mayes, Keith Campbell and Kevin Wood.

Other heritage assets include: the Art Gallery Collection at the Dunedin Public Art Gallery, the Theomin Collection at Olveston, the Collection at Toitū Otago Settlers Museum, the Rare Book Collection at the Dunedin Public Library, monuments, statues and outdoor art.

The Art Gallery Collection has been valued by the Council Collection Manager as a "heritage collection" at estimated current values as at 30 June 1993. The value represents its deemed cost.

The Theomin Collection has been valued as a heritage collection by staff employed by the Theomin Gallery Management Committee. The collection was valued at estimated current values as at 30 June 1993. The value represents its deemed cost.

The Toitū Otago Settlers Museum Collection has been valued at its estimated insurance value in 2002. The value represents the deemed cost.

The Rare Book Collection has been valued at market value by independent valuer Strachan and library staff member Anthony Tedeschi, as at 30 June 2011. The value represents its deemed cost.

Heritage and cultural structures (monuments, statues and outdoor art) have been valued at fair value by Keith Campbell of WSP. The valuation is effective 30 June 2024. As the assets are specialised they have been valued using an optimised depreciated replacement cost approach.

Current year	Balance as at 1 July 2023	Additions (assets constructed or purchased)	Vested assets (assets transferred)	Disposals	Net revaluation/ (decrements)	Depreciation	Impairment	Reclassification	Total at 30 June 2024
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Operational assets									
Gross carrying amount									
Land	159,222	13,052	-	-	41,881	-	-	-	214,155
Buildings and structures	289,441	18,696	-	-	(18,675)	-	-	-	289,462
Fixed plant and equipment	20,353	7,513	-	(4)	9	-	-	-	27,871
Vehicle, mobile plant	6,359	535	-	(260)	(187)	-	-	-	6,447
Office equipment	34,947	883	-	-	(7)	-	-	-	35,823
Library collection	15,014	978	-	-	-	-	-	-	15,992
Total	525,336	41,657	-	(264)	23,021	-	-	-	589,750
Accumulated depreciation/ amortisation and impairment									
Land	-	-	-	-	-	-	-	-	-
Buildings and structures	(26,033)	-	-	-	39,812	(14,337)	-	-	(558)
Fixed plant and equipment	(14,468)	-	-	3	27	(1,004)	-	-	(15,442)
Vehicle, mobile plant	(3,076)	-	-	236	48	(644)	-	-	(3,436)
Office equipment	(30,875)	-	-	-	2	(1,299)	-	-	(32,172)
Library collection	(12,598)	-	-	-	-	(928)	-	-	(13,526)
Total	(87,050)	-	-	239	39,889	(18,212)	-	-	(65,134)
Net book value									
Land	159,222	13,052	_	_	41,881	_	_	_	214,155
Buildings and structures	263,408	18,696	_	_	21,137	(14,337)	_	_	288,904
Fixed plant and equipment	5,885	7,513	-	(1)	36	(1,004)	-	-	12,429
Vehicle, mobile plant	3,283	535	-	(22)	(141)	(644)	-	-	3,011
Office equipment	4,072	883	-	-	(5)	(1,299)	-	-	3,651
Library collection	2,416	978	-	-	-	(928)	-	-	2,466
Total net book value	438,286	41,657	-	(23)	62,908	(18,212)	-	-	524,616

Current year	₩	Addit co	√ €		Net i	_			Rec 3
	Balance as at 1 July 2023	Additions (assets constructed or purchased)	Vested assets (assets transferred)	-	Net revaluation/ (decrements) Disposals	Depreciation	Impairment		Total at 30 June 2024
	\$000	\$000	\$000	\$00	00 \$000	\$000	\$000	\$00	00 \$000
Infrastructural assets									
Gross carrying amount									
Land	38,551	-	-	-	-	-	-	-	38,551
Landfill provision capitalised	2,763	-	-	-	-	-	-	-	2,763
Roadways and bridges	1,376,298	82,622	2,321	-	(13,086)	-	-	-	
									1,448,155
Water reticulation	830,720	23,071	718	-	(240,484)	-	-	-	614,025
Water plant and facilities	77,618	927	-	-	(4,942)	-	-	-	73,603
Wastewater reticulation	514,227	22,283	558	-	18,568	-	-	-	555,636
Wastewater plant and facilities	119,936	1,540	-	-	(25,136)	-	-	-	96,340
Stormwater reticulation	275,407	14,414	602	-	8,502	-	-	-	298,925
Stormwater plant and facilities	3,508	-	-	-	(1,732)	-	-	-	1,776
Landfill plant and facilities	14,712	725	-	-	(247)	-	-	-	15,190
Total	3,253,740	145,582	4,199	-	(258,557)	-	-	-	3,144,964
Accumulated depreciation/ amortisation and impairment									
Land fill provision capitalised	(2,759)	-	-	-	-	-	-	-	(2,759)
Roadways and bridges	(42)	-	-	-	30,045	(30,003)	-	-	-
Water reticulation	(27,301)	-	-	-	54,762	(27,663)	-	-	(202)
Water plant and facilities	(4,816)	-	-	-	9,471	(4,660)	-	-	(5)
Wastewater reticulation	(12,882)	-	-	-	25,889	(13,133)	-	-	(126)
Wastewater plant and facilities	(6,855)	-	-	-	13,351	(6,507)	-	-	(11)
Stormwater reticulation	(7,609)	-	-	-	15,472	(8,029)	-	-	(166)
Stormwater plant and facilities	(287)	-	-	-	526	(239)	-	-	-
Landfill plant and facilities	(1,552)	-	_	-	140	(781)	-	-	(2,193)
Total	(64,103)	-	-	-	149,656	(91,015)	-	-	(5,462)
Net book value									
Land	38,551	-	-	-	-	-	-	-	38,551
Land fill provision capitalised	4	-	-	-	-	-	-	-	4
Roadways and bridges	1,376,256	82,622	2,321	-		(30,003)	-	-	1,448,155
Water reticulation	803,419	23,071	718	-	(185,722)	(27,663)	-	-	613,823
Water plant and facilities	72,802	927	-	-	4,529	(4,660)	-	-	73,598
Wastewater reticulation	501,345	22,283	558	-	44,457	(13,133)	-	-	555,510
Wastewater plant and facilities	113,081	1,540	-	-	(11,785)	(6,507)	-	-	96,329
Stormwater reticulation	267,798	14,414	602	-	23,974	(8,029)	-	-	298,759
Stormwater plant and facilities	3,221	-	-	-	(1,206)	(239)	-	-	1,776
Landfill plant and facilities	13,160	725	-	-	(107)	(781)	-	-	12,997
Total net book value	3,189,637	145,582	4,199	-	(108,901)	(91,015)	-	-	3,139,502

Current year	Balance as at 1 July 2023	Additions (assets constructed or purchased)	Vested assets (assets transferred)	Disposals	Net revaluation/ (decrements)	Depreciation	Impairment	Reclassification	Total at 30 June 2024
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Restricted assets									
Gross carrying amount									
Land	299,905	674	-	-	71,199	-	-	-	371,778
Buildings and structures	64,226	4,830	344	-	(3,858)	-	-	-	65,542
Road reserve	194,666	-	490	-	-	-	-	-	195,156
Hard surfaces and reticulation systems	24,146	3,276	-	-	675	-	-	-	28,097
Fixed plant and equipment	8,378	2,331	-	-	1,197	-	-	-	11,906
Playground and soft-fall areas	7,574	971	_	_	(1,313)	_	-	_	7,232
Total	598,895	12,082	834	-	67,900	-	-	-	679,711
Accumulated depreciation/ amortisation and impairment Land			_				_	_	_
Buildings and structures	(3,877)			_	6,301	(2,703)	_	_	(279)
Road reserve	(3,077)		_	_	0,501	(2,703)	_	_	(2//)
Hard surfaces and reticulation systems	(1,232)	-	-	-	2,361	(1,292)	-	-	(163)
Fixed plant and equipment	(1,671)	-	-	-	2,030	(782)	-	-	(423)
Playground and soft-fall areas	(1,643)	-	-	-	1,670	(598)	-	-	(571)
Total	(8,423)	-	-	-	12,362	(5,375)	-	-	(1,436)
Net book value									
Land	299,905	674	_	_	71,199	_	_	_	371,778
Buildings and structures	60,349	4,830	344	-	2,443	(2,703)	-	-	65,263
Road reserve	194,666	_	490	_	_	_	_	_	195,156
Hard surfaces and reticulation systems	22,914	3,276	-	-	3,036	(1,292)	-	-	27,934
Fixed plant and equipment	6,707	2,331	-	-	3,227	(782)	-	-	11,483
Playground and soft-fall areas	5,931	971	-	-	357	(598)	-	-	6,661
Total net book value	590,472	12,082	834	-	80,262	(5,375)	-	-	678,275

Current year	Balance as at 1 July 2023	Additions (assets constructed or purchased)	Vested assets (assets transferred)	Disposals	Net revaluation/ (decrements)	Depreciation	Impairment	Reclassification	Total at 30 June 2024
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Heritage assets									
Gross carrying amount									
Land	6,050	-	-	-	2,215	-	-	-	8,265
Buildings	17,903	3,475	-	-	(10,025)	-	-	-	11,353
Collections	67,596	228	-	-	-	-	-	-	67,824
Monuments	4,649	55	-	-	(773)	-	-	-	3,931
Total	96,198	3,758	-	-	(8,583)	-	-	-	91,373
Accumulated depreciation/ amortisation and impairment									
Land	-	-	-	-	-	-	-	-	-
Buildings	(1,597)	-	-	-	2,563	(966)	-	-	-
Collections	(495)	-	-	-	-	-	-	-	(495)
Monuments	(500)	-	-	-	752	(252)	-	-	
Total	(2,592)	-	-	-	3,315	(1,218)	-	-	(495)
Net book value									
Land	6,050	-	-	-	2,215	-	-	-	8,265
Buildings	16,306	3,475	-	-	(7,462)	(966)	-	-	11,353
Collections	67,101	228	-	-	-	-	-	-	67,329
Monuments	4,149	55	-	-	(21)	(252)	-	-	3,931
Total net book value	93,606	3,758	-	-	(5,268)	(1,218)	-	-	90,878
Capital work in progress									
Water and waste systems	44,736	94,623	-	-	-	-	-	(72,041)	67,318
Land and buildings	15,803	33,867	-	-	-	-	-	(35,736)	13,934
Other assets	32,796	71,142	-	-	-	-	-	(98,121)	5,817
Total capital work in progress	93,335	199,632	-	-	-	-	-	(205,898)	87,069
Council total net book value	4,405,336	402,711	5,033	(25)	29,003 (115,820)		(205,898)	4,520,340

Current year	Balance as at 1 July 2023	Additions (assets constructed or purchased)	Vested assets (assets transferred)	Disposals	Net revaluation/ (decrements)	Depreciation	Impairment	Reclassification	Total at 30 June 2024
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Subsidiaries assets									
Gross carrying amount									
Land	10,359	-	-	(10)	-	-	-	256	10,605
Forest land	96,601	569	-	-	2,830	-	-	(1,695)	98,305
Buildings and structures	28,463	158	-	-	-	-	-	964	29,585
Fixed plant and equipment	26,058	1,604	-	(272)	-	-	(2)	681	28,069
Roadways and bridges	10,591	89	-	-	-	-	-	-	10,680
Stadium	222,944	2,890	-	(2,349)	-	-	-	-	223,485
Networks	867,589	309	-	(1,505)	-	-	-	89,907	956,300
Vehicle, mobile plant	32,427	1,075	-	(849)	-	-	-	280	32,933
Rolling stock and rail track	193	20	-	-	-	-	-	-	213
Construction	41,982	111,694	-	-	-	-	-	(105,221)	48,455
Office equipment	2,174	57	-	(18)	-	-	(29)	(9)	2,175
Total	1,339,381	118,465	-	(5,003)	2,830	-	(31)	(14,837)	1,440,805
Accumulated depreciation/ amortisation and impairment Land	_		_	_	_	_	_	_	_
Forest land	(4,078)		_	_	_	_	(2,179)	_	(6,257)
Buildings and structures	(6,164)	_	_	_	_	(682)	(2,177)	88	(6,758)
Fixed plant and equipment	(15,981)	_	-	242		(2,457)			(18,194)
		-		242	-	(2,457)	2	-	(5,624)
Roadways and bridges Stadium	(5,358) (82,200)	-	-	2,349	-	(5,206)	-	-	(85,057)
Networks		-	-	•	-		-	-	(261,458)
	(239,656)	-	-	355 750	-	(22,157)	-	-	
Vehicle, mobile plant	(21,890)	-	-	750	-	(2,129)	-	-	(23,269)
Rolling stock and rail track	(42)	-	-	-	-	(15)	-	- (22)	(57)
Construction	(121)	-	-	-	-	(4.00)	-	(30)	(151)
Office equipment	(1,118)	-	-	14		(180)	23	2	(1,259)
Total	(376,608)	-	-	3,710		(33,092)	(2,154)	60	(408,084)
Mathadasala									
Net book value Land	10.250			(10)				254	10 (05
	10,359	- E/0	-		2 020	-	(2.170)	256	10,605
Forest land	92,523	569	-	-	2,830	- ((00)	(2,179)		92,048
Buildings and structures	22,299	158	-	(20)	-	(682)	-	1,052	22,827
Fixed plant and equipment	10,077	1,604	-	(30)	-	(2,457)	-	681	9,875
Roadways and bridges	5,233	89	-	-	-	(266)	-	-	5,056
Stadium	140,744	2,890	-	- (4.4.50)	-	(5,206)	-	-	138,428
Networks	627,933	309	-	(1,150)	-	(22,157)	-	89,907	694,842
Vehicle, mobile plant	10,537	1,075	-	(99)	-	(2,129)	-	280	9,664
Rolling stock and rail track	151	20	-	-	-	(15)	-	(4.05.054)	156
Construction	41,861	111,694	-	-	-	-		(105,251)	48,304
Office equipment	1,056	57	-	(4)		(180)	(6)	(7)	916
Total net book value	962,773	118,465	-	(1,293)	2,830	(33,092)	(2,185)	(14,777)	1,032,721
Group total net book value	5,368,109	521,176	5,033	(1,318)	31,833	(148,912)	(2,185)	(220,675)	5,553,061

Last year	Balance as at 1 July 2022	Additions (assets constructed or purchased)	Vested assets (assets transferred)	Disposals	Net revaluation/ (decrements)	Depreciation	Impairment	Reclassification	Total at 30 June 2023
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Operational assets									
Gross carrying amount									
Land	159,570	1,352	-	-	(1,700)	-	-	-	159,222
Buildings and structures	282,035	8,475	-	-	(164)	-	-	(905)	289,441
Fixed plant and equipment	18,461	1,901	-	(9)	-	-	-	-	20,353
Vehicle, mobile plant	5,313	1,727	-	(681)	-	-	-	-	6,359
Office equipment	33,726	1,230	-	(9)	-	-	-	-	34,947
Library collection	14,068	946	-	-	-	-	-	-	15,014
Total	513,173	15,631	-	(699)	(1,864)	-	-	(905)	525,336
Accumulated depreciation/ amortisation and impairment									
Land	-	-	-	-	-	-	-	-	-
Buildings and structures	(13,059)	-	-	-	227	(13,201)	-	-	(26,033)
Fixed plant and equipment	(13,707)	-	-	9	-	(770)	-	-	(14,468)
Vehicle, mobile plant	(3,142)	-	-	616	-	(550)	-	-	(3,076)
Office equipment	(29,672)	-	-	7	-	(1,210)	-	-	(30,875)
Library collection	(11,688)	-	-	-	-	(910)	-	-	(12,598)
Total	(71,268)	-	-	632	227	(16,641)	-	-	(87,050)
Net book value									
Land	159,570	1,352	-	-	(1,700)	-	-	-	159,222
Buildings and structures	268,976	8,475	-	-	63	(13,201)	-	(905)	263,408
Fixed plant and equipment	4,754	1,901	-	-	-	(770)	-	-	5,885
Vehicle, mobile plant	2,171	1,727	-	(65)	-	(550)	-	-	3,283
Office equipment	4,054	1,230	-	(2)	-	(1,210)	-	-	4,072
Library collection	2,380	946	-	-	-	(910)	-	-	2,416
Total net book value	441,905	15,631	-	(67)	(1,637)	(16,641)	-	(905)	438,286

Last year		Ad			z			7	,
	Bala	Additions (assets constructed or purchased)	Vest		Net revaluation/ (decrements)	De	ਬ	Kectassification	30 J
	Balance as at 1 July 2022	ons (asset: structed o purchased	Vested assets (assets transferred)	Disposals	t revaluation/ (decrements)	Depreciation	Impairment	SIIC	Total at
	as at 2022	ssets ed or ised)	assets (assets ferred)	sals	tion/ ents)	ation	ment	ation	Total at le 2023
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Infrastructural assets									
Gross carrying amount									
Land	38,551	-	-	-	-	-	-	-	38,551
Landfill provision capitalised	2,763	-	-	-	-	-	-	-	2,763
Roadways and bridges	1,277,550	42,931	-	-	55,817	-	-	-	1,376,298
Water reticulation	798,424	31,276	1,020	-	-	-	-	-	830,720
Water plant and facilities	76,079	1,539	-	-	-	-	-	-	77,618
Wastewater reticulation	493,116	20,503	608	-	-	-	-	-	514,227
Wastewater plant and facilities	109,456	10,480	-	-	-	-	-	-	119,936
Stormwater reticulation	256,869	17,791	747	-	-	-	-	-	275,407
Stormwater plant and facilities	3,508	-	-	-	-	-	-	-	3,508
Landfill plant and facilities	12,873	1,839	-	-	-	-	-	-	14,712
Total	3,069,189	126,359	2,375	-	55,817	-	-	-	3,253,740
Accumulated depreciation/ amortisation and impairment									
Land fill provision capitalised	(2,597)	-	-	-	-	(162)	-	-	(2,759)
Roadways and bridges	(13)	-	-	-	27,530	(27,559)	-	-	(42)
Water reticulation	(490)	-	-	-	-	(26,811)	-	-	(27,301)
Water plant and facilities	(194)	-	-	-	-	(4,622)	-	-	(4,816)
Wastewater reticulation	(73)	-	-	-	-	(12,809)	-	-	(12,882)
Wastewater plant and facilities	(648)	-	-	-	-	(6,207)	-	-	(6,855)
Stormwater reticulation	(119)	-	-	-	-	(7,490)	-	-	(7,609)
Stormwater plant and facilities	(48)	-	-	-	-	(239)	-	-	(287)
Landfill plant and facilities	(807)	-	-	-	-	(745)	-	-	(1,552)
Total	(4,989)	-	-	-	27,530	(86,644)	-	-	(64,103)
Net book value									
Land	38,551	-	-	-	-	-	-	-	38,551
Land fill provision capitalised	166	-	-	-	-	(162)	-	-	4
Roadways and bridges	1,277,537	42,931	-	-	83,347	(27,559)	-	-	1,376,256
Water reticulation	797,934	31,276	1,020	-	-	(26,811)	-	-	803,419
Water plant and facilities	75,885	1,539	-	-	-	(4,622)	-	-	72,802
Wastewater reticulation	493,043	20,503	608	-	-	(12,809)	-	-	501,345
Wastewater plant and facilities	108,808	10,480	-	-	-	(6,207)	-	-	113,081
Stormwater reticulation	256,750	17,791	747	-	-	(7,490)	-	-	267,798
Stormwater plant and facilities	3,460	-	-	-	-	(239)	-	-	3,221
Landfill plant and facilities	12,066	1,839	_	-	_	(745)	-	-	13,160
Total net book value	3,064,200	126,359	2,375	-	83,347	(86,644)	-	-	3,189,637

Last year	Balance as at 1 July 2022	Additions (assets constructed or purchased)	Vested assets (assets transferred)	Disposals	Net revaluation/ (decrements)	Depreciation	Impairment	Reclassification	Total at 30 June 2023
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Restricted assets									
Gross carrying amount									
Land	298,981	924	-	-	-	-	-	-	299,905
Buildings and structures	44,767	19,459	-	-	-	-	-	-	64,226
Road reserve	194,600	66	-	-	-	-	-	-	194,666
Hard surfaces and reticulation systems	24,053	93	-	-	-	-	-	-	24,146
Fixed plant and equipment	8,184	194	-	-	-	-	-	-	8,378
Playground and soft-fall areas	5,773	1,801		_	_	_	-	_	7,574
Total	576,358	22,537	-	-	-	-	-	-	598,895
Accumulated depreciation/ amortisation and impairment Land Buildings and structures	- (1,901)	- -	-	-	-	- (1,976)	-	-	- (3,877)
Road reserve	-	_	_	_	_	-	_	_	-
Hard surfaces and reticulation systems	(21)	-	-	-	-	(1,211)	-	-	(1,232)
Fixed plant and equipment	(971)	-	-	-	-	(700)	-	-	(1,671)
Playground and soft-fall areas	(1,135)	-	-	-	-	(508)	-	-	(1,643)
Total	(4,028)	-	-	-	-	(4,395)	-	-	(8,423)
Net book value									
Land	298,981	924	-	-	-	-	-	-	299,905
Buildings and structures	42,866	19,459	-	-	-	(1,976)	-	-	60,349
Road reserve	194,600	66	-	-	-	-	-	-	194,666
Hard surfaces and reticulation systems	24,032	93	-	-	-	(1,211)	-	-	22,914
Fixed plant and equipment	7,213	194	-	-	-	(700)	-	-	6,707
Playground and soft-fall areas	4,638	1,801	_	-	-	(508)	-	-	5,931
Total net book value	572,330	22,537	-	-		(4,395)		_	590,472

Council total net book value

4,228,208 202,756

2,375

(67)

81,710 (108,741)

(905) 4,405,336

Last year	Balance as at 1 July 2022	Additions (assets constructed or purchased)	Vested assets (assets transferred)	Disposals	Net revaluation/ (decrements)	Depreciation	Impairment	Reclassification	Total at 30 June 2023
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Subsidiaries assets									
Gross carrying amount									
Land	10,202	-	-	-	-	-	-	157	10,359
Forest land	94,811	3,739	-	-	(1,949)	-	-	-	96,601
Buildings and structures	27,288	497	-	-	-	-	-	678	28,463
Fixed plant and equipment	22,692	2,744	-	(782)	-	-	(33)	1,437	26,058
Roadways and bridges	9,886	705	-	-	-	-	-	-	10,591
Stadium	223,655	700	-	(1,411)	-	-	-	-	222,944
Networks	786,503	367	-	(3,455)	-	-	-	84,174	867,589
Vehicle, mobile plant	30,920	1,903	-	(1,154)	-	-	-	758	32,427
Rolling stock and rail track	193	-	-	-	-	-	-	-	193
Construction	39,536	102,804	-	-	-	-	-	(100,358)	41,982
Office equipment	2,075	46	-	(1)	-	-	(1)	55	2,174
Total	1,247,761	113,505	-	(6,803)	(1,949)	-	(34)	(13,099)	1,339,381
Accumulated depreciation/ amortisation and impairment Land	-	_	-	_	_	_	_	-	-
Forest land	(1,122)	_	_	_	_	_	(2,956)	_	(4,078)
Buildings and structures	(5,548)	_	_	_	_	(616)	_	_	(6,164)
Fixed plant and equipment	(14,141)	_	_	757	_	(2,613)	16	_	(15,981)
Roadways and bridges	(5,101)	_	_	_	_	(257)	_	_	(5,358)
Stadium	(77,937)	_	_	1,411	_	(5,674)	_	_	(82,200)
Networks	(221,453)	_	_	2,257	_	(20,460)	_	_	(239,656)
Vehicle, mobile plant	(20,678)	_	_	1,133	_	(2,345)	_	_	(21,890)
Rolling stock and rail track	(29)	_	_	_	_	(13)	_	_	(42)
Construction	-	_	_	(121)	_	_	_	_	(121)
Office equipment	(940)	_	_	_	_	(179)	1	_	(1,118)
Total	(346,949)	-	-	5,437	-	(32,157)	(2,939)	-	(376,608)
Net book value									
Land	10,202	-	-	-	-	-	-	157	10,359
Forest land	93,689	3,739	-	-	(1,949)	-	(2,956)	-	92,523
Buildings and structures	21,740	497	-	-	-	(616)	-	678	22,299
Fixed plant and equipment	8,551	2,744	-	(25)	-	(2,613)	(17)	1,437	10,077
Roadways and bridges	4,785	705	-	-	-	(257)	-	-	5,233
Stadium	145,718	700	-	-	-	(5,674)	-	-	140,744
Networks	565,050	367	-	(1,198)	-	(20,460)	-	84,174	627,933
Vehicle, mobile plant	10,242	1,903	-	(21)	-	(2,345)	-	758	10,537
Rolling stock and rail track	164	-	-	-	-	(13)	-	-	151
Construction	39,536	102,804	-	(121)	-	-	-	(100,358)	41,861
Office equipment	1,135	46		(1)		(179)	_	55	1,056
Total net book value	900,812	113,505	-	(1,366)	(1,949)	(32,157)	(2,973)	(13,099)	962,773
Group total net book value	5,129,020	316,261	2,375	(1,433)	79,761	(140,898)	(2,973)	(14,004)	5,368,109

Relevant significant accounting policies

Property, plant and equipment are those assets held by the Group for the purpose of carrying on its business activities on an ongoing basis.

a) CCO property, plant and equipment

All property, plant and equipment, apart from forestry land, is stated at cost less any subsequent accumulated depreciation and any accumulated impairment losses.

Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the statement of financial position date.

Any revaluation increase is credited to the appropriate revaluation reserve, except to the extent that it reverses a revaluation decrease previously recognised as an expense, in which case the increase is credited to the surplus or deficit to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of such land is charged as an expense to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to a previous revaluation of that class of asset.

Self-constructed assets include the direct cost of construction to the extent that they relate to bringing the fixed assets to the location and condition for their intended service.

Depreciation is charged so as to write off the cost or valuation of assets, other than land, forestry land, properties under construction and capital work in progress, on the straight-line basis. Rates used have been calculated to allocate the asset's cost or valuation less estimated residual value over their estimated remaining useful lives.

Depreciation of these assets commences when the assets are ready for their intended use.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation on revalued assets, excluding land, is charged to the surplus or deficit. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus remaining in the appropriate property revaluation reserve is transferred directly to accumulated funds.

Assets held under finance leases are depreciated.

The Group has had its land assets independently valued at 30 June 2024 by Morice Limited using the Fair Value approach. This is the valuation company used by various other forestry owners. The valuation is based on market data and falls within Level 1 of the fair value hierarchy. This method is consistent with the previous period and the market values recommended by Morice Limited are incorporated into the financial statements. The land is valued at the component level and the valuation methodology takes into account the key factors impacting land value such as location, productivity, size, ETS status, altitude, contour, local authority zoning and development potential relative to market evidence. The revaluation movement in the land for the year ended 30 June 2024 was an increase of \$650k (2023 decrease of \$4,905k).

Depreciation rates and methods used by all companies except for City Forests are as follows:

Depreciation rates and methods use	d by all companies except for City	y Forests are as follows
	Rate	Method
Buildings	1% to 17%	SL
Metering equipment	7% to 10%	SL
Electricity network assets	1% to 20%	SL
Plant and equipment	1% to 100%	SL
Motor vehicles	5% to 33%	SL
Railway assets	1% to 50%	SL
Office equipment and fittings	4% to 67%	SL
Construction in progress	no depreciation charged	
Depreciation rates and methods use	ed by City Forests Limited are as	follows:
Buildings	2% to 5%	SL

Buildings	2% to 5%	SL
Roads	5% to 24%	DV
Bridges	2% to 2.4%	DV
Plant and equipment	6% to 80.4%	DV
Fences	10% to 13%	DV
Motor vehicles	9.6% to 36%	DV
Office equipment	10% to 60%	DV

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Statement of comprehensive revenue and expense in the year the item is derecognised.

Property, plant and equipment assets of \$812.945 million (2023: \$737.792 million) are the subject of a debenture held as security for the DCTL borrowings on behalf of the DCC consolidated group.

Stadium

The Stadium is a separate class of asset and is recorded at cost less any accumulated depreciation and any accumulated impairment losses.

The carrying amounts of property, plant and equipment are reviewed at each balance date to determine whether there is any indication of impairment. If such impairment exists, the recoverable amount of assets is estimated to determine the extent of any impairment loss. The recoverable amount is the higher of an asset's net selling price and value in use. An impairment loss is recognised whenever the carrying amount of assets exceeds its recoverable amount. Impairment losses are recognised in the statement of financial performance.

In assessing the recoverable amount of Aurora Energy's electricity network and fibre assets the group have relied on the assessment completed by Aurora Energy. The directors of Aurora Energy have reviewed the results of impairment testing undertaken by Aurora Energy's management as at 30 June 2024. The impairment testing was performed on a "no growth" basis in accordance with PBE IPSAS 26.

The impairment testing used the discounted cashflow (DCF) methodology to arrive at an estimated valuation range based on Free Cash Flows (FCF) for a 10 year period from 1 July 2024. The key assumptions utilised in the impairment testing were that:

- For the 10 years from 1 July 2024, the network forecasts are derived from the Commerce Commission final CPP decision allowances for the period ended 31 March 2026 and Building Blocks Allowable Revenue (BBAR) forecasts. In calculating the BBAR forecast from 1 April 2026, it is assumed that the Company reverts to a Default Price-Quality Path from the 2026/27 regulatory year and the Company's DPP4 operating expenditure allowance is determined by reference to actual expenditure during the 2024/25 regulatory year.
- Capital expenditure will mirror the 10-year expenditure forecasts included in the Company's 2024 Asset Management Plan.
- · Operating expenditure will mirror the 10-year expenditure forecasts included in the Company's 2024 Asset Management Plan. It is assumed that Aurora Energy's DPP4 operating expenditure allowance will be determined by reference to actual expenditure in the 2024/25 regulatory year.
- In applying the DCF methodology Aurora Energy considered a range of discount rates from 6% to 7%. The discount rate is a matter of professional judgement.
- · In determining the discount rate for year-end impairment testing, the 10-year Government bond rate at valuation date was used as a basis for the risk-free rate. The risk-free rate was used in conjunction with a view of an appropriate post-
- · The discount rates used in the impairment testing were based on the same level of asset beta and similar level of leverage as set by the Commerce Commission for the 5-year regulatory period from 1 April 2020.

Sensitivity analysis showed a 0.25% decrease/(increase) in the DCF discount rate used for impairment testing would increase/(decrease) the indicative value range by about \$19.5 million.

On reviewing the DCF analysis the Directors assessed that there was no impairment to the carrying value of the network assets as at 30 June 2024.

The value of the assets is fundamentally linked to Aurora Energy's ability to operate within the future expenditure allowances approved by the Commerce Commission.

In assessing the recoverable amount of Dunedin Railways' assets as at 30 June 2020, the directors of that Company considered that the potential to earn revenue from the assets was minimal, given the Company's period in hibernation and continuing operational constraints. There is also ongoing uncertainty about the rebound in the tourism sector and the scale of operations into the future. The directors then considered the asset's net selling price. Dunedin Railways' assets are relatively specialised and, in some instances, unique; therefore, making it difficult to obtain independent evidence of their fair value less costs to sell.

On balance, and with the benefit of industry and commercial knowledge, the directors considered it appropriate to write-down the Dunedin Railways' asset to \$297 thousand, being the best estimate of the fair value less costs to sell. An associated impairment expense of \$4.486 million was recorded in the Statement of Financial Performance for the year ended 30 June 2020. At balance date each year since, the directors assessed that there had been no change in the recoverable amount of Dunedin Railways' assets from the 2020 financial year.

b) The Council property, plant and equipment

Operational assets

These include land, buildings, improvements, library books, plant and equipment, and motor vehicles.

Land and buildings

Land and buildings are stated at revalued amounts being fair value at date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The revaluations are performed by an independent valuer on a three-yearly cycle.

The Council owns a number of properties held to provide housing to qualifying residents. The receipt of rental from these properties is incidental to holding them. The properties are held for service delivery objectives as part of the Council's community housing policy. The properties are therefore accounted for as property, plant and equipment rather than as investment property.

Fixed plant and equipment

Fixed plant and equipment is stated at cost, less any subsequent accumulated depreciation and any accumulated impairment losses.

Vehicles, mobile plant

Motor vehicles and other mobile plant and equipment are stated at cost less any subsequent accumulated depreciation and any accumulated impairment losses.

Office equipment

Office equipment and fittings are stated at cost less any subsequent accumulated depreciation less any accumulated impairment losses.

Library collection

Library collections are stated at cost less any subsequent accumulated depreciation and any impairment losses.

Infrastructural assets

Infrastructure assets are the fixed utility systems owned by the Council. Each asset type includes all items that are required for the network to function; for example, sewer reticulation includes reticulation piping and sewer pump stations.

Land is stated at revalued amounts being fair value at date of valuation less any subsequent accumulated impairment losses. The revaluations are performed by an independent valuer on a three-yearly cycle.

Landfill assets being earthworks, plant and machinery and the estimate of site restoration, are stated at cost less any accumulated depreciation and any accumulated impairment losses. The useful life of the Green Island Landfill is expected to continue until 2029.

Roadways and bridges have been stated at their revalued amounts being fair value based on depreciated replacement cost as at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Roadways and bridges are valued annually by an independent valuer.

Plant and facilities are revalued with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair values at the Statement of financial position date. The amounts are stated at depreciated replacement cost as at the date of the 2022 valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Reticulation assets, being the reticulation system and networks of water and drainage, are revalued with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair values at the Statement of financial position date. The amounts are stated at depreciated replacement cost as at the date of the 2022 valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Restricted assets

Restricted assets are parks and reserves owned by the Council which cannot be disposed of because of legal or other restrictions, and provide a benefit or service to the community.

Land, buildings and structures are stated at revalued amounts being fair value at date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The revaluations are performed by an independent valuer on a three-yearly cycle.

Hard surfaces and reticulation systems are stated at revalued amounts being fair value at date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The revaluations are performed by an independent valuer on a three yearly-cycle.

Road reserve was last revalued based on fair value at 30 June 2012 by Quotable Value Limited. The Council has since elected to use this value as deemed cost and road reserve will no longer be revalued. Subsequent additions are recorded at cost.

Playground and soft-fall areas are stated at revalued amounts being fair value at date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed by an independent valuer on a four-yearly cycle.

Fixed plant and equipment are stated at revalued amounts being fair value at date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The revaluations are performed by an independent valuer on a three-yearly cycle.

Additions are recorded at cost and depreciated.

Heritage assets

These include, but are not limited to, assets held by the Council subject to deeds of agreement, terms and conditions of bequests, donations, trusts or other restrictive legal covenants. The Council's control of these assets is restricted to a management/custodial role.

Heritage assets included are the Art Gallery Collection at the Dunedin Public Art Gallery, the Theomin Collection at Olveston, the Toitū Otago Settlers Museum and the monuments, statues and outdoor art as well as land and buildings of the railway station and Olveston.

Land and buildings are stated at revalued amounts being fair value at date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The revaluations are performed by an independent valuer on a three-yearly cycle.

Monuments are stated at revalued amounts being fair value at date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The revaluations are performed by an independent valuer on a three-yearly cycle.

Except land and buildings, all other heritage assets are stated at cost less any subsequent accumulated depreciation and accumulated impairment losses.

Vested assets

Vested assets are fixed assets given to the Council by a third party and could typically include water, drainage and roading assets created in the event of a subdivision. Vested assets also occur in the event of the donation of heritage or art assets by third parties. The value of assets vested are recorded at fair value which could include as sale or acquisition the cost price to the third party to create or purchase that asset and equates to its fair value at the date of acquisition. Vested assets, other than those pertaining to collections, are subsequently depreciated.

Revaluations

Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the Statement of financial position date.

Revaluation increases and decreases relating to individual assets within a class of assets are offset. Revaluation increases and decreases in respect of assets in different classes are not offset.

Where the carrying amount of a class of assets is increased as a result of a revaluation, the net revaluation increase is credited to the revaluation reserve. The net revaluation increase shall be recognised in the surplus or deficit to the extent that it reverses a net revaluation decrease of the same class of assets previously recognised in the surplus or deficit. A net revaluation decrease for a class of assets is recognised in the surplus or deficit, except to the extent it reverses a revaluation increase previously recognised in the revaluation reserve to the extent of any credit balance existing in the revaluation reserve in respect of the same class of asset.

Derecognition

Items of property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the surplus or deficit in the year the item is derecognised.

Depreciation

Depreciation has been charged so as to write off the cost or valuation of assets, other than land, properties under construction and capital work in progress, on the straight line basis (SL). Rates used have been calculated to allocate the asset's cost or valuation less estimated residual value over their estimated remaining useful lives.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation commences when the assets are ready for their intended use.

Depreciation on revalued assets, excluding land, is charged to the Statement of Comprehensive Revenue and Expense. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus remaining in the appropriate property revaluation reserve is transferred directly to retained earnings.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets, or where shorter, over the term of the relevant lease.

Depreciation rates and methods used are as follows:

	Rate	Method
Council operational assets		
Buildings and structures	1% to 26%	SL
Plant and equipment	1% to 50%	SL
Motor vehicles	20%	SL
Office equipment and fittings	2% to 50%	SL
Library collections	20%	SL
Infrastructure assets		
Roadways and bridges		
– Formation	not depreciated	
– Sealed road surfacings	2% to 25%	SL
– Sealed base and first coat	1% to 3%	SL
– Sealed sub base	1% to 3%	SL
- Unsealed top course	13% to 20%	SL
- Unsealed base	not depreciated	
- Drainage (inc. SWC)	1% to 8%	SL
- Footpaths, steps and crossings	1% to 10%	SL
- Berms	not depreciated	
– Traffic control	2% to 25%	SL
– Bridges, retaining walls and sea walls	1% to 5%	SL
- Street lighting	3% to 10%	SL
- Minor structures	1% to 10%	SL
Water reticulation	1% to 10%	SL
Sewerage reticulation	1% to 3%	SL
Stormwater reticulation	1% to 3%	SL
Water treatment plants and facilities	1% to 8%	SL
Sewerage treatment plants and facilities	1% to 8%	SL
Stormwater treatment plants and facilities	1% to 7%	SL
Landfill provision capitalised	6%	SL
Landfill plant and facilities	3% to 20%	SL
Heritage assets	0% to 6%	SL
Restricted assets		
Buildings and structures	0% to 50%	SL
Plant and equipment	2% to 25%	SL
Hard surfaces	2% to 33%	SL
Playground and soft-fall areas	3% to 11%	SL

31 Investment property

	CORE COUNCIL		CONSOLIDATE	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Opening balance	106,300	117,520	106,300	117,520
Plus additions	9,268	70	9,268	70
	115,568	117,590	115,568	117,590
Less disposals	-	-	-	-
	115,568	117,590	115,568	117,590
Net gains (losses) from fair value adjustments	(5,128)	(11,290)	(5,128)	(11,290)
	110,440	106,300	110,440	106,300
Work in progress	386	4,220	386	4,220
Closing balance	110,826	110,520	110,826	110,520
Classified:				
Investment Property General	74,573	72,729	74,573	72,729
Investment Property Endowment *	36,254	37,791	36,254	37,791
	110,827	110,520	110,827	110,520

^{*} Endowment Property held pursuant to the Dunedin City Council Endowment Lands Act 1988.

Trend statement for the six years to 30 June 2024 (Core Council)

	Actual	Actual	Actual	Actual	Actual	Actual
	2024	2023	2022	2021	2020	2019
	\$000	\$000	\$000	\$000	\$000	\$000
Fair market value of investment properties	110,827	110,520	118,375	104,976	95,740	93,480

Investment properties and properties intended for sale

All investment properties were valued by JLL New Zealand. The personnel involved were: Graeme McDonald (Registered Valuer - Director), Liam Rooney (Registered Valuer - Director), Michael Tohill (Registered Valuer), Tim Dick (Registered Valuer), Robert Clifford (Registered Valuer), David Greenwood (Registered Valuer), Cam Gordon (Assistant Valuer) and Frank Bentley (Assistant Valuer). JLL New Zealand are experienced valuers with extensive market knowledge in the types and location of investment properties owned by the Council.

The fair value of investment property has been determined using the capitalisation of income, discounted cashflow and market comparison approaches.

The capitalisation approach involves the determination of a sustainable net income from the property, and the application of a capitalisation rate (or market yield) as a measure of expected return from the property. Adjustments are made to the core value for items such as under/over renting, required capital expenditure or current/upcoming vacancy. The market comparison approach is then used as a cross-check to establish the value of the property against recent sales of similar properties.

Discounted cashflow analysis looks to forecast cashflow performance from the property over a future horizon based on understanding and due diligence related to the property and the specific market in which it sits. Adopted forecasts incorporate as at the valuation date reasonably foreseeable key lease events, capital expenditure and likely growth in rental rates, costs and changes in property values over the cashflow term. Discounted cash flow analysis is completed over a tenyear investment horizon to derive a net present value.

These approaches are based upon assumptions including future rental revenue, anticipated maintenance costs, and appropriate discount rates.

Capitalisation and discount rates range from 6% to 10.50%.

Investment properties: net income and investment return

	COF	RE COUNCIL
	Actual 2024 \$000	Actual 2023 \$000
Rental from investment properties	8,319	8,210
Direct operating expenses from investment property generating revenue	(4,183)	(3,939)
Direct operating expenses from investment property not generating revenue	-	-
	4,136	4,271
Plus internal rental for car-park buildings	875	1,036
Less internal management fees and salaries	(528)	(528)
	4,483	4,779
Net gains or (losses) from fair value adjustments	(5,128)	(11,290)
Net income including fair value gains and losses	(645)	(6,511)
Attributable to Investment Property Endowment	150	(1,976)
Investment return including fair value gains and losses but excluding the interest paid on loan	s borrowed: -0.58% (20	23: -5.97%).
	2024	2023

	\$000	\$000
Contractual obligations for capital expenditure	26	4,152
Contractual obligations for repairs and maintenance expenditure	-	-

Relevant significant accounting policies

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals and/or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs.

After initial recognition, all investment property is measured at fair value at each reporting date.

Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

32 Intangible assets

	CORE COUNCIL		CONSOLIDATI	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Opening cost	16,348	16,042	29,793	27,959
Additions	2,936	306	5,099	1,834
Transfers	-	-	-	-
Disposals	-	-	(146)	-
Carbon credits surrendered	-	-	-	
Closing cost	19,284	16,348	34,746	29,793
Accumulated amortisation opening balance	13,168	11,781	19,823	17,002
Impairments	-	-	-	-
Disposals	-	-	(146)	-
Transfers	-	-	-	-
Amortisation	1,280	1,387	2,867	2,821
Accumulated amortisation closing balance	14,448	13,168	22,544	19,823

CONCOLIDATED

Work in progress	970	768	970	768
Net book value	5,806	3,948	13,172	10,738
Computer intangibles	5,800	3,942	13,166	10,732
Carbon credits	6	6	6	6
	5,806	3,948	13,172	10,738

During 2013, the Dunedin City Council, as an owner of land with pre 1989 forests on that land, was entitled to carbon credits (NZUs). These were acquired and have been offset against carbon liabilities from the operation of the landfill. Further NZUs were acquired on the open market and also offset. There is a small balance available to offset future carbon liabilities.

Software assets of \$3.918 million (2023: \$1.718 million) are the subject of a debenture held as security for the DCTL borrowings on behalf of the DCC consolidated group.

Relevant significant accounting policies

Goodwill represents the excess of the purchase consideration over the fair value of the net tangible and identifiable intangible assets, acquired at the time of acquisition of a business or an equity interest in a subsidiary or associate company. Goodwill is tested annually for impairment.

Software is recognised at cost and amortised to the surplus or deficit on a straight line basis over the estimated useful life, which is a maximum period of ten years.

Carbon credits purchased are recognised at cost on acquisition. Free carbon credits received from the Crown are recognised at fair value on receipt. They are not amortised, but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

The carbon credit valuation is based on market data and falls within Level 1 of the fair value hierarchy.

33 Forestry assets

	CONSOLIDAT	
	Actual	Actual
	2024	2023
	\$000	\$000
Forestry assets		
Opening balance	205,543	201,362
Add costs capitalised in establishing forests during year	3,906	3,708
Increase in forest from acquisition	-	-
Revaluation	(15,179)	1,948
Less value of logs harvested	(10,887)	(12,712)
Closing balance	183,383	194,306

The directors of City Forests Limited revalue its forestry assets annually as at 30 June, and the Group adopts that value.

The valuation methodology used establishes the fair value of the collective forest crop and an independent market value has been used to establish the forest land value. The valuation is calculated under the assumption that a stand will not be replanted once felled irrespective of the sustainable forest policy of the Directors. The change in the value of the forest from year to year is reflected in the statement of comprehensive revenue and expense.

Fair value requires calculating the present value of expected net cash flows using a post-tax discount rate. This discount rate used by the company is 5.5% (2023: 5.5%).

The forestry valuation is subject to a number of assumptions. The ones with the most significant volatility or impact on the valuation are the discount rate applied and log prices adopted. The discount rate adopted was 5.5% (2023 5.5%); +/- 50 basis point movement in the discount rate would change the valuation by +\$13.7 mil / -\$12.4 mil (2023 +\$17.9 mil / -\$8.2 mil). A 10% increase or decrease in assumed log prices would change the valuation by +\$17.9 mil / -\$17.9 mil (2023 +\$17.0 mil / -\$16.9 mil). Note that these sensitivities as shown are independent and a different outcome would result from combined changes in discount and log prices.

At 30 June 2024 the Company owned stands of trees on 20,016 hectares of a total productive land within a total area of land holdings (including freehold, lease, Joint Venture & Forestry Right) of 25,245 hectares. During the year the Company harvested approximately 389,116 m3 of logs from its forests.

City Forests Limited is exposed to financial risks associated with USD log price and the USD and AUD sawn timber prices. This risk is managed through its financial management policy described within note 36, Financial Risk. City Forests Limited is a long-term forestry investor that expects log prices to fluctuate within a commodity cycle. It is not possible to hedge against 100% of the price cycle but the company does manage harvest volumes to minimise the impact of the commodity price cycle over the longer term.

The valuer of the forestry asset was an employee of the company who has a Bachelor of Forestry Science with Honours, a Post Graduate Certificate in Executive Management and is a member of the New Zealand Institute of Forestry. He has the appropriate knowledge and the skills to complete the valuation.

A peer review of the valuation process and key inputs was conducted by Woodlands Pacific. The peer review was completed with regard to a summary of market transactions at arms length terms and current market conditions. The valuation assumptions include all direct costs and revenues.

Relevant significant accounting policies

The Group capitalises the initial costs for the establishment of the forest and all subsequent costs. These costs include site preparation, establishment, releasing, fertilising, and tending.

The fair value of the forest, exclusive of the forest land, is determined at each reporting date. Fair value is equivalent to the NZIF Forest Valuation Standards definition of market value. Fair value is determined using the discounted cash flow methodology and, in using this method, financing costs and replanting costs are excluded. The method first determines the current market value of the collective forest and land resource, with land then subtracted at its current market value to provide the value of the forest asset. The forestry assets valuation is based on unobservable inputs and falls withing Level 3 of the fair value hierarchy.

The valuation takes into account changes in price over the accounting period through a graduated current to five year average price curve as well as the quantity of trees harvested and the growth that has occurred in the forest. Any change in forest valuation is recorded in the statement of comprehensive revenue and expense via profit or loss.

34 Intangible assets – carbon credits

CONSOLIDATED

Actual **Actual** 2024 2023 \$000 \$000 72,641 51,516

New Zealand carbon credits - non-current

The New Zealand Emissions Trading Scheme was enacted under the Climate Change Response Amendment Act 2008 and was made into law on 26 September 2008.

A forest owner with forests established after 31st December 1989, under the Act, may opt to join the Emissions Trading Scheme. Post-89 forests will earn carbon credits (NZUs) from 1st January 2008 and these may be traded within New Zealand. City Forests Limited completed registration of the Post-89 forests under the Emissions Trading Scheme in January 2010. These forests have been sequestering carbon under the scheme since 1st January 2008. Subsequent to our Post-89 registration, the New Zealand Government has allocated City Forests 2,865,718 Post-89 derived NZUs, being the carbon sequestered by these forests during the 2008 to 2020 calendar years. There were carbon credit sales for the financial year of nil units. (2023: Nil).

The carbon credits are assessed as having an indefinite life as they have no expiry date. As the NZUs are an indefinite life intangible asset they are not amortised but are tested for impairment on an annual basis or when indications of impairment

As at 30 June 2024, 1,339,750 units were unsold (2023: 964,766). Under the accrual principle, the unsold credits have been valued based on the current market prices and recognised in the financial statements. The value has been carried in the financial statements as above.

In future years there will be a carbon credit liability against a proportion of the carbon credits sequestered from Post-89 forest areas in accordance with New Zealand Emission Trading Scheme Regulations. A proportion of Carbon sequestered from Post-89 areas will have to be surrendered to compensate for the carbon liability generated from harvesting those forest areas.

The Company carries out modelling work to forecast future annual carbon sequestration and emission transactions in accordance with the rules of the New Zealand Emission Trading Scheme. This modelling established a safe or liability free carbon level being the number of NZUs the Company has available for sale liability free. NZUs held above this safe level effectively have no value as the NZUs are subject to future surrender liabilities following harvest. The safe carbon is a management estimate based on the company's current official FMA (Forestry Management Approach) yield tables, and a City Forests' specific harvest schedule of Carbon Accounting Areas (CAAs) when managed in perpetuity. The estimate assumes ETS land eligibility for areas not yet registered. The modelling is independently reviewed by Woodlands Pacific Consulting Ltd.

The recognition of NZUs held in City Forests Limited registry account is defined by accounting policy.

	COI	NSOLIDATED
	Actual	Actual
	2024	2023
	\$000	\$000
NZUs # of units at end of year		
Held at fair value	1,339,750	1,233,914
Held at nil value	-	-
Total units at end of year	1,339,750	1,233,914
Units – post 1990		
Opening	1,232,534	1,044,564
Credits issued	105,836	187,970
Per Emissions Trading Register	1,338,370	1,232,534
Units acquired	-	-
Units sold	-	-
Fair value NZUs	1,338,370	1,232,534
Units – pre 1990		
Opening balance	1,380	1,380
Acquired	-	-
Closing balance at end of year	1,380	1,380
Closing balance all units at end of year	1,339,750	1,233,914
Less units at nil value	-	-
	1,339,750	1,233,914
	\$000	
Value applied to risk free units @ \$50.25	67,322	

The price of the risk-free units is determined by the NZU spot price on Jarden Commtrade as at 30 June.

The price is sensitive to economic factors that can lead to sudden significant price swings. City Forests Limited has a full policy on NZU management and manages the risk around price swings by maintaining a NZU holding as a percentage of net assets, constantly monitoring & reporting on current price/trends of NZUs and ensuring action if any quantitative trigger points occur in terms of upper/lower value thresholds.

The risk-free number of NZUs are determined by forest estate modelling of the company's forest growth and forecast harvest profile. This generates forecast future annual carbon sequestration and harvest liability transactions in accordance with the rules of the New Zealand Emission Trading Scheme.

The time period that a NZU is held at nil value to meet future harvest liabilities is from balance date to the projected low point in the company's carbon modelling.

The calculation of safe carbon is a management estimate based on the best information available at 30 June. The calculation is dependent on assumptions made in:

- · the formation of the future harvest plan,
- · an assumption of no change to the current FMA carbon yield tables, and
- · an estimation of carbon to be derived from a proportion of the Post-89 forest area currently un-registered. This is new land either in the registration process or pending registration following planting.

All of these variables are expected to change over time. The calculation is most sensitive to the harvest plan assumptions and the harvest plan can be expected to be modified over time as the forest harvest program is managed to meet market and supply chain operational constraints.

Relevant significant accounting policies

Carbon credits (NZUs) are treated as intangible assets.

Purchased carbon units are initially measured at cost.

Carbon units are granted by the Government under the emissions trading scheme for carbon sequestration by Post-89 forests. Although some carbon units earned for forest growth will subsequently be returned to the government when the forest is harvested, a proportion of units will never be returned under expected forest crop rotations. These liability free carbon units are initially recorded at fair value.

Liability free carbon units are marked to market (revalued) annually at 30 June subsequent to initial recognition and biannually thereafter. This fair value is based on current market prices. The difference between initial fair value or previous annual revaluation and revaluation value of the liability free units is recognised in other comprehensive income.

Emissions obligations are recognised for forest harvesting that has occurred up to balance date. Emissions obligations are measured based on the carrying value of carbon units held by the company that will be used to settle the obligation (generally nil value) plus the fair value of any excess carbon units required to be purchased to meet the emissions obligation.

35 Waipori Fund

Funds from the sale of Waipori Power Generation Limited and the Council's 42% interest in United Electricity became available in the latter part of October 1998. Funds were invested in short-term financial instruments from that date. Following the Council's appointment of Dunedin City Treasury Limited as fund manager and the selection of equity and property investment advisors in March 1999, the programme of investment selection began in accordance with the allocation broadly indicated in the Council approved statement of policies and objectives.

Waipori Fund – Income statement for the year ended 30 June 2024	Actual	Actual
	2024	2023
	\$000	\$000
Income	2,962	2,737
Less expenditure	(259)	(313)
Net operating income	2,703	2,424
Plus unrealised gains (loss)	2,743	3,206
Net surplus to equity	5,446	5,630
Less inflation adjustment	(4,228)	(6,475)
Available for distribution to Council	1,218	(845)
Waipori Fund – Statement of movement in equity as at 30 June 2024	Actual	Actual
	2024	2023
	\$000	\$000
Equity at the beginning of the year	97,691	95,361
Plus net surplus for the year	5,446	5,630
	103,137	100,991
Additional capital	-	-
Less distribution	-	(3,300)
	103,137	97,691
Waipori Fund – Statement of financial position as at 30 June 2024	Actual	Actual
	2024	2023
	\$000	\$000
Current assets		
Bank account	3,985	5,178
Accounts receivable	656	311
Current investments	-	-
- Other	13,749	4,396
Total current assets	18,390	9,885

Investments						
Equities					53,093	52,086
Non-current investments						
- Other					31,718	35,784
Total investments					84,811	87,870
Total assets					103,201	97,755
Current liabilities						
Accruals					64	64
Total current liabilities					64	64
Equity					-	-
Principal of the fund					59,050	59,050
Inflation adjustment reserve					48,291	44,063
Retained earnings					(4,204)	(5,422)
Total equity					103,137	97,691
Total equity and liabilities					103,201	97,755
Waipori Fund – Trend statement for the	Actual 2024 \$000	Actual 2023 \$000	Actual 2022 \$000	Actual 2021 \$000	Actual 2020 \$000	Actual 2019 \$000
Main income sources						
Interest	1,813	1,447	1,266	1,312	1,548	1,831
Dividend	1,345	1,256	1,262	1,102	1,269	1,409
Realised gains (loss) on asset sales	(198)	(27)	514	(54)	(236)	(332)
Main assets						
Financial assets	49,452	45,358	46,441	46,404	48,847	43,959
Equity	53,093	52,086	48,813	53,608	45,209	44,144
Return on assets before unrealised ga	ins or losses					
Financial assets	3.67%	3.19%	2.73%	2.83%	3.17%	4.17%
Equity	2.53%	2.41%	2.59%	2.06%	2.81%	3.19%
Return on assets after unrealised gains or losses	5.57%	5.90%	(4.56%)	9.90%	5.34%	9.82%

36 Financial instruments

Dunedin City Treasury Limited provides services and loans to the businesses and the shareholder, co-ordinates access to domestic financial markets, and monitors and manages the financial risks relating to the operations of the Group. These risks include market risk, credit risk and liquidity risk.

a) General

The consolidated entity manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The consolidated entity does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The use of financial derivatives is governed by policies approved by the Council.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

In the normal course of business the Group is exposed to a variety of financial risks. The Group is risk averse and seeks to minimise exposure from its treasury activities. Dunedin City Council has established a Treasury Risk Management Policy covering both investment and borrowing policies, that the Group is required to comply with. This policy does not allow any transactions to be entered into that are speculative in nature.

b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group aims to maintain flexibility in funding by keeping committed credit lines available. The Group has committed bank lines available that can be drawn of \$220 million (2023: \$220 million).

The Group evaluates its liquidity requirements on an ongoing basis and Dunedin City Treasury Limited actively manages its liquidity risk through:

- · maintaining the best credit rating appropriate to the Dunedin City Council Group expenditure and revenue plans
- · arrangement of appropriate backup facilities to the short term borrowing programme
- · managing a prudent balance of both short and long term borrowing programmes
- · regular review of projected cash flows and debt requirements
- · ensuring sufficient size of underwriting facilities
- · having no more than \$450,000,000 to mature in any single year
- · spreading of underwriting facilities, floating rate and fixed rate note issues
- a target of at least 20% of debt with maturity dates greater than five years.

In general, the Group generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities and has credit lines in place to cover potential shortfalls.

The maturity profile and effective interest rates of the Group term borrowings are set out in note 27. The maturity profiles of the Group's financial assets and liabilities, with the exception of equity investments are explained in note h below.

The Council is exposed to liquidity risk as a guarantor of all of the LGFA's borrowings. This guarantee becomes callable in the event of the LGFA failing to pay its borrowings when they fall due. Information about this exposure is explained in note 38.

c) Interest rate risk

Under the Dunedin City Council Treasury Risk Management Policy, last approved on 12 December 2023, Dunedin City Treasury Limited utilises a portfolio approach to manage interest rate risk for the Group. The approach to manage exposure arising from interest rate risk is to use interest rate derivatives to achieve the desired fixed rate maturity profile.

Interest rate risk is the risk that fluctuations in interest rates impact the Company's financial performance or the fair value of its holding of financial instruments.

The Group has exposure to interest rate risk. The Group maintains the Fixed Rate Maturity Profile outlined in the Dunedin City Council Treasury Risk Management Policy.

Group companies and the Dunedin City Council are precluded from entering into financial transactions with external counterparties. As at 30 June 2024 if interest rates moved by plus or minus 1% across the yield curve the impact on the profit and loss would be nil and the movement in equity would also be nil. This is because the impact of any interest rate movements from third parties is reflected in the interest rate charges to Dunedin City Council.

The Group uses interest rate swaps to manage its exposure to interest rate movements on its multi-option facility borrowings by swapping a proportion of those borrowings from floating rates to fixed rates.

The ineffective portion recognised in the statement of comprehensive revenue and expense that arises from fair value hedges amounts to a gain of \$9 thousand (2023: loss of \$166 thousand). This represents the current year net movement in the value of the fair value hedge swaps of \$8.608 million (gain) and fair value hedge adjustment to debt of \$8.598 million (loss).

The notional principal outstanding with regard to the interest rate swaps is:

	CON	CONSOLIDATED	
	Actual	Actual	
	2024	2024	2024 2023
	\$000	\$000	
Maturing in less than one year	290,000	117,500	
Maturing between one and five years	610,000	610,000	
Maturing in more than five years	390,000	610,000	
1	,290,000	1,337,500	

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d) Currency market risk

City Forests Limited is the one company within the Dunedin City Holdings Limited Group that consistently generates cash flows in foreign currency. NZD is the functional currency of both City Forests Limited and the Dunedin City Holdings Limited Group. City Forests Limited manages the risk associated with exchange rate fluctuations through the use of currency derivatives to hedge significant future export sales in accordance with foreign exchange policy established by directors. This foreign exchange policy of City Forests Limited allows foreign exchange forward contracts and the purchase of options in the management of its exchange rate exposures. The instruments purchased are only against the currency in which the exports

Other companies within the Group will occasionally purchase forward cover against expected purchases in foreign currency.

At statement of financial position date, the total notional amount and fair values of outstanding forward foreign exchange contracts to which City Forests Limited is committed are as follows:

	CON	CONSOLIDATED	
	Actual	Actual	
	2024	2023	
	\$000	\$000	
Forward foreign exchange contracts			
- fair value	(107)	2,739	
 nominal value (sale of USD and purchase of NZD) 	48,895	39,815	

e) Effectiveness of cash flow hedges

The matched terms method is the method used in applying hedges across the Group. In all cases, the critical terms of both the hedge instrument and the underlying transaction are matched.

		HOOLIDAILD
	%	%
Effectiveness	100	100

f) Credit risk

Credit risk is the risk that a third party will default on its obligation to the Group, causing the Group to incur a loss.

The Group has processes in place to review the credit quality of customers and counterparties prior to the granting of credit to ensure they maintain an investment grade rating. Dunedin City Treasury Limited actively manages its credit risk through:

- · individual and maximum counterparty credit limits
- · specific limit calculations for individual financial instruments recognising potential changes in fair value of the instrument

The Council is exposed to credit risk as a guarantor of all of the LGFA's borrowings. Information about this exposure is explained in note 38.

In financial transactions, the Group deals only with credit-worthy counterparties that are rated the equivalent of investment grade and above. This information is supplied by credit rating agencies. The Group's exposure and the credit ratings of its counterparties are continually monitored and the aggregate value of transactions undertaken is spread among the approved counterparties.

The Group's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash equivalents (note 16), other Financial Assets (note 20) and Trade Receivables (note 17). The credit risk on liquid funds and derivative financial instruments is limited because counterparties are banks with high credit ratings assigned by international credit rating agencies.

Trade receivables consist of a large number of customers spread across diverse industries and geographical areas. The Group does not have any significant credit risk exposure to any single counterparty or Group of counterparties having similar characteristics.

Contracts have been entered into with various counterparties that have approved and satisfactory credit ratings, and in accordance with dollar limits set in the Dunedin City Council Treasury Risk Management Policy.

Industry and product concentrations are determined by activities within the Group.

There is no security held over cash equivalents, trade receivables and related party loans.

The amounts presented in the statement of financial position for trade receivables are net of allowances for doubtful debts. Credit terms differ between companies within the Group.

Past due, but not impaired, receivables are as follows:

	CORE COUNCIL		CONSOLIDATE	
	Actual	Actual	Actual	Actual
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Age analysis:				
30-60 days	348	308	3,015	456
60-90 days	161	256	241	741
90 days plus	1,106	1,004	1,711	1,489

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard &Poor's credit ratings. Financial assets that are not assessed by Standard & Poor's are classified under No Rating.

Financial assets analysis	COF	RE COUNCIL	CONSOLIDATED		
	Actual 2024	Actual 2023	Actual 2024	Actual 2023	
	\$000	\$000	\$000	\$000	
Cash and cash equivalents					
AA-	8,555	9,085	27,272	20,530	
Trade and other receivables					
AA	-	-	964	1,129	
AA-	-	-	-	1,888	
No rating	29,558	25,707	58,200	55,187	
	29,558	25,707	59,164	58,204	
Advances due from related parties					
AA	112,000	112,000	-	-	
Current financial assets					
AA	1,699	-	1,699	-	
A+	1,613	-	1,613	-	
AA-	6,353	1,885	6,353	1,885	
A-	1,001	-	1,001	-	
BBB+	2,332	2,511	2,332	2,511	
BBB	751	-	751	-	
No rating	-	-	-	113	
	13,749	4,396	13,749	4,509	
Other financial assets					
AAA	2,384	2,317	2,384	2,317	
AA	1,967	3,649	1,967	3,649	
AA-	16,712	11,964	16,712	11,964	
A+	686	2,257	686	5,382	
A	793	744	793	744	
A-	9,885	10,424	9,885	10,424	
BBB+	18,570	16,404	18,570	16,404	
BBB	8,438	7,670	8,438	7,670	
	665	-	665	-	
No rating	25,192	32,922	32,466	32,946	
	85,292	88,351	92,566	91,500	
Term receivables					
No rating	-	-	-	-	

g) Fair value of financial instruments

Fair value measurements recognised in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 Fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	CORE COUNCIL			
	Level 1 NZ \$000	Level 2 NZ \$000	Level 3 NZ \$000	Total NZ \$000
2024				
Financial assets				
Advances due from related parties	-	-	112,000	112,000
Current financial assets	5,783	7,966	-	13,749
Other financial assets	68,944	15,867	481	85,292
Loans and advances	-	-	-	-
	74,727	23,833	112,481	211,041
Financial liabilities				
Derivative financial liabilities with related parties	-	-	-	-
	-	-	-	-
2023				
Financial assets				
Advances due from related parties	-	-	112,000	112,000
Current financial assets	4,396	-	-	4,396
Other financial assets	68,230	19,640	481	88,351
Loans and Advances	-	-	-	-
	72,626	19,640	112,481	204,747
Financial liabilities				
Derivative financial liabilities with related parties	-	-	-	-
	_	_	_	_

		CONSOLIDATED				
	Level 1	Level 2	Level 3	Total		
	NZ \$000	NZ \$000	NZ \$000	NZ \$000		
2024						
Financial assets						
Current financial assets	5,783	7,966	-	13,749		
Other financial assets	68,944	15,867	505	85,316		
Derivative financial assets	-	31,063	-	31,063		
New Zealand carbon credits	72,641	-	-	72,641		
	147,368	54,896	505	202,769		
Financial liabilities						
Derivative financial liabilities	-	22,184	-	22,184		
	-	22,184	-	22,184		
2023						
Financial assets						
Advances due from related parties	-	-	-	-		
Current financial assets	4,396	-	113	4,509		
Other financial assets	68,230	19,640	505	88,375		
Derivative financial assets	-	37,291	-	37,291		
New Zealand carbon credits	51,516	-	-	51,516		
Loans and advances	-	-	-	-		
	124,142	56,931	618	181,691		
Financial liabilities						
Derivative financial liabilities	-	32,072	-	32,072		
	-	32,072	-	32,072		

h) Contractual maturity analysis of financial assets and liabilities

The tables below analyse the Group's financial assets and financial liabilities into relevant maturity groupings based on the remaining period at the Statement of financial position date to the contractual maturity date. The amounts disclosed in the table are contractual undiscounted cash flows and include interest receipts. Where the amount payable is not fixed, the amount disclosed in the analysis below is determined by reference to the conditions existing at balance date. The swap settlement rate as at 30 June 2024 was 5.63% (2023: 5.705%). Contractual amounts for the interest expense and balance of the shareholder advance have not been included as the interest is currently payable on a year by year basis and there is no contractual date for the repayment of the outstanding balance.

			C	ORE COUNCIL			
		Contractual	Less than	1 to 2	2 to 5	More than	No
	Amount	Cash Flows	1 year	years	years	5 years	maturity
Financial assets							
2024							
Cash and cash equivalents	8,555	8,555	8,555	-	-	-	-
Advances due from related parties	112,000	112,000	-	-	-	-	112,000
Trade and other receivables	29,558	29,716	29,716	-	-	-	-
Current financial assets	13,749	13,890	13,890	-	-	-	-
Other financial assets	85,292	90,442	1,224	9,147	21,307	58,283	481
Loans and advances	-	-	-	-	-	-	-
Total	249,154	254,603	53,385	9,147	21,307	58,283	112,481
2023							
Cash and cash equivalents	9,085	9,085	9,085	-	-	-	-
Advances due from related parties	112,000	112,000	-	-	-	-	112,000
Trade and other receivables	25,707	25,707	25,707	-	-	-	-
Current financial assets	4,396	4,535	4,535	-	-	-	-
Other financial assets	88,351	93,404	1,056	14,673	25,108	52,086	481
Loans and advances	-	-	_	-	-	-	_
Total	239,539	244,731	40,383	14,673	25,108	52,086	112,481
Financial liabilities							
2024							
Trade and other payables	40,315	40,482	40,482	-	-	-	-
Term liabilities	590,473	595,027		-	-		595,027
Total	630,788	635,509	40,482	-	-	-	595,027
2023							
Trade and other payables	45,644	45,644	45,644	-	-	-	-
Term liabilities	460,273	460,273	-	-	-	-	460,273
Total	505,917	505,917	45,644	-	-	-	460,273

	CONSOLIDATED						
	Carrying	Contractual	Less than	1 to 2	2 to 5	More than	No
	Amount	Cash Flows	1 year	years	years	5 years	maturity
Financial assets							
2024							
Cash and cash equivalents	27,272	27,272	-	-	-	-	-
Trade and other receivables	59,164	59,185	-	-	-	-	-
Current financial assets	13,749	13,890	13,890	-	-	-	-
Other financial assets	85,316	90,466	1,224	9,147	21,307	58,283	505
Derivative financial instruments	31,063	(31,699)	(10,486)	(6,630)	(8,546)	(6,037)	-
Total	216,564	159,114	4,628	2,517	12,761	52,246	505
2023							
Cash and cash equivalents	20,530	20,530	20,530	-	-	-	-
Trade and other receivables	58,204	58,204	58,204	-	-	-	-
Current financial assets	4,509	4,648	4,648	-	-	-	-
Other financial assets	88,375	93,428	1,056	14,673	25,108	52,086	505
Derivative financial instruments	37,291	(41,162)	(13,928)	(9,143)	(9,812)	(8,279)	-
Total	208,909	135,648	70,510	5,530	15,296	43,807	505
Financial liabilities							
2024							
Short term borrowings	-	-	-	-	-	-	-
Trade and other payables	78,487	78,487	78,487	-	-	-	-
Derivative financial instruments	22,184	17,604	8,195	4,636	4,833	(60)	-
Term liabilities	1,288,827	979,092	289,491	203,221	461,389	24,991	-
Total	1,389,498	1,075,183	376,173	207,857	466,222	24,931	
2023							
Short term borrowings	1,502	1,502	1,502	-	-	-	-
Trade and other payables	76,704	76,704	76,704	-	-	-	-
Derivative financial instruments	32,072	27,795	10,959	6,901	9,538	397	-
Term liabilities	1,084,286	983,040	289,045	66,228	448,285	179,009	473
Total	1,194,564	1,089,041	378,210	73,129	457,823	179,406	473

i) Categories of financial assets and liabilities

The category and carrying amount of financial assets and liabilities in each of the PBE IPSAS 41 categories is as follows:

	CORE COUNCIL		CON	NSOLIDATED
	Actual	Actual	Actual	Actual
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Financial assets measured at amortised cost:				
Cash and cash equivalents (note 16)	8,555	9,085	27,272	20,530
Trade and other receivables (note 17)	29,558	25,707	59,164	58,204
Term receivables (note 17)	-	-	-	-
Financial assets measured at amortised cost	38,113	34,792	86,436	78,734
Financial assets at fair value through profit and loss:				
Other financial assets (note 20)	211,041	204,747	106,315	96,009
Derivative financial instruments assets (note 36)	_	-	31,063	37,291
	211,041	204,747	137,378	133,300
Financial liabilities measured at amortised cost:				
Trade and other payables (note 25)	40,315	45,644	78,487	76,704
Short term borrowings (note 24)	4,554	-	-	1,502
Term loans (note 27)	590,473	460,273	1,288,827	1,084,286
Total financial liabilities measure at amortised cost	635,342	505,917	1,367,314	1,162,492
Financial liabilities at fair value through profit and loss:				
Derivative financial instrument liabilities (note 36)	-	-	22,184	32,072

Relevant significant accounting policies

Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Under PBE IPSAS 41, all the financial assets and liabilities are measured at amortised cost, fair value through profit or loss, or fair value through other comprehensive income on the basis of the Group's business model for managing the financial instrument and the contractual cash flow characteristics of the financial instrument.

The Group enters into derivative financial instruments to manage its exposure to interest rate risks. Interest rate swap contracts are used to hedge these exposures. Interest rate swaps are fair valued using forward interest rates extracted from observable yield curves.

The Group's LGFA Borrower Notes are measured at amortised cost in accordance with PBE IPSAS 41.

The Group does not use derivative financial instruments for speculative purposes. However, any derivatives that do not qualify for hedge accounting, under the specific PBE IPSAS rules, would be accounted for as trading instruments with fair value gains/losses being taken directly to the statement of comprehensive revenue and expense.

Derivative financial instruments are recognised at fair value on the date the derivative is entered into and are subsequently re-measured to their fair value. The fair value on initial recognition is the transaction price. Subsequent fair values are based on independent prices quoted in active markets as provided to us from Thomson Reuters' data.

The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- · hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges), or
- · hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

The fair value of interest rate swaps is calculated based on pricing using Thomson Reuters' data. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

The gain or loss from re-measuring the hedging instrument at fair value, along with the changes in the fair value on the hedged item attributable to the hedged risk, is recognised in the surplus or loss. Fair value hedge accounting is applied only for hedging fixed interest risk on borrowings.

If the hedge relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to the surplus or loss over the period to maturity.

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in equity with any ineffective portion recognised immediately in the statement of comprehensive revenue and expense. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of an asset or a liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of an asset or a liability, amounts deferred in equity are recognised in the Statement of comprehensive revenue and expense in the same period in which the hedged item affects net surplus or loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the statement of comprehensive revenue and expense as they arise. Derivatives not designated into an effective hedge relationship are classified as current assets or liabilities.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecast transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the income statement for the period.

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of host contracts and the host contracts are not carried at fair value with unrealised gains or losses reported in the income statement.

The Group's other financial assets and liabilities including cash and cash equivalents, trade and other receivables, term receivables, trade and other payables, accrued expenditure, short term borrowings, and term loans are measured at amortised cost as they meet the conditions under PBE IPSAS 41.

Under PBE IPSAS 41, the impairment model requires the recognition of impairment provisions based on expected credit losses. It applies to financial assets classified at amortised cost. The introduction of the impairment model has had no impact on the Group's financial assets classified at amortised cost. For trade and other receivables, the Group applies a simplified model of recognising lifetime expected credit losses as these items do not have a significant financing component.

For an effective hedge of an exposure to changes in the fair value, the hedged item is adjusted for changes in fair value attributable to the risk being hedged with the corresponding entry in the Statement of comprehensive revenue and expense via other comprehensive income. Gains or losses from re-measuring the derivative, or for non-derivatives the foreign currency component of its carrying amount, are recognised in the statement of comprehensive revenue and expense via other comprehensive income.

The fair value of a hedging derivative is classified as a non-current asset or liability if the remaining maturity of the hedge relationship is more than twelve months and as a current liability if the remaining maturity of the hedge relationship is less than twelve months.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the statement of comprehensive revenue and expense as they arise. Derivatives not designated into an effective hedge relationship are classified as current assets or liabilities.

EY

37 Sensitivity analysis of financial assets and liabilities

Based on historic movements and volatilities, the following movements are reasonably possible over a twelve-month period:

A parallel shift of +1%/-1% in the NZD market yield curve from the market closing values as at 28 June 2024 of 5.630% (2023: 5.705%).

Proportional foreign exchange rate movement of -10% (depreciation of the NZD) and a +10% (appreciation of the NZD) against the USD, from the year end rate of 0.6086.

Should these movements occur, the effect on consolidated profit and loss and equity for each category of financial instrument held at balance date is presented below. The movements are illustrative only.

	Carrying		Interest	Rate		FX	
	Amount \$000	-100	Obp	bp +100bp			10%
	\$000	Profit	Equity	Profit	Equity	Profit	Profit
2024							
Financial assets							
Derivatives – designated as cash flow hedges (interest rate swaps)	29,554	-	(28,779)	-	27,022	-	-
Derivatives – designated as cash flow hedges (forward currency deals)	653	-	-	-	-	-	-
Other financial assets	157,518	119	-	(129)	-	-	_
	187,725	119	(28,779)	(129)	27,022	-	-
Financial liabilities							
Derivatives – designated as cash flow hedges (interest rate swaps)	517	-	-	-	-	-	-
Derivatives – designated as cash flow hedges (forward currency deals)	546	-	-	-	-	5,341	(4,370)
Other financial liabilities	1,321,497	(4,885)		4,771			
	1,322,560	(4,885)	-	4,771	-	5,341	(4,370)
Total increase (decrease)		(4,766)	(28,779)	4,642	27,022	5,341	(4,370)
	Carrying		Interest	Rate		FX	(
	Amount	-100	Obp	+100	bp	-10%	10%
	\$000	Profit	Equity	Profit	Equity	Profit	Profit
2023							
Financial assets							
Derivatives – designated as cash flow hedges (interest rate swaps and forward currency deals separately disclosed)	37,181	-	(31,423)	-	29,381	-	-
Derivatives – designated as cash flow hedges (forward currency deals)	110	-	-	-	-	-	-
Other financial assets	145,680	791	-	(791)	-	-	-
	182,971	791	(31,423)	(791)	29,381	-	
Financial liabilities							
Derivatives – designated as cash flow hedges (interest rate swaps and forward currency deals separately disclosed)	-	-	-	-	-	-	-
Derivatives – designated as cash flow hedges (forward currency deals)	2,739	-	-	-	-	4,724	(3,865)
Other financial liabilities	1,110,402	(6,404)	-	6,200	-	-	-
	1,113,141	(6,404)	-	6,200	-	4,724	(3,865)
Total increase (decrease)		(5,613)	(31,423)	5,409	29,381	4,724	(3,865)

^{1.} Cash and cash equivalents include deposits at call which are at floating interest rates. Sensitivity to a 1% movement in rates is immaterial as these deposits are very short term.

- 2. Derivatives subject to the hedge accounting regime are managed by the company to be 100% effective and thus there is no sensitivity to change in either interest rates or exchange rates. Changes to interest rates charged caused by any change to the credit standing of the Group cannot be hedged.
- 3. Borrowings within each of the companies of the Group are subject to the Treasury Risk Management Policy. Sensitivity to any movement in the interest rate in the statement of comprehensive revenue and expense is limited to the effect on the amount of floating rate debt that exceeds the amount of the fixed rate hedge.

38 Commitments, contingencies, guarantees and insurance

Capital commitments

The contractual commitments at balance date for the acquisition of property, plant, equipment and intangible assets are:

	CORE COUNCIL		CONSOLIDATE	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Roading	42,534	60,611	42,534	60,498
Water and waste	19,090	25,298	19,090	25,298
Other property, plant, equipment and intangible assets	4,559	15,180	31,640	48,194
	66,183	101,089	93,264	133,990

Operating leases as lessee

The future aggregate minimum lease payments payable under non-cancellable operating leases are as follows:

	CORE COUNCIL		CONSOLIDATE	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Not later than one year	652	472	4,302	4,329
Later than one year and not later than 5 years	678	1,025	7,328	9,207
Later than five years	-	8	1,577	2,156
	1,330	1,505	13,207	15,692

Operating leases as lessor

Investment property, and other land and buildings, are leased under operating leases. The leases have non-cancellable terms ranging from 1 month to 28 years. The future aggregate minimum lease payments to be collected under noncancellable operating leases are as follows:

	CORE COUNCIL		CONSOLIDATE	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Not later than one year	7,972	6,721	7,972	6,721
Later than one year and not later than 5 years	26,527	18,668	26,527	18,668
Later than five years	12,331	9,014	12,331	9,014
	46,830	34,403	46,830	34,403

No contingent rents have been recognised during the year.

Other commitments

Undrawn Facilities: Level of committed facilities undrawn was \$220,000,000 (2023: \$220,000,000)

Field Service Agreement Contracts: The Group is party to field service agreement contracts. The value of total committed expenditure under these contracts is \$16 million for the 31 March 2025, 31 March 2026, 31 March 2027 and 31 March 2028 regulatory years. The current FSA contracts include network operational expenditure and do not specify the minimum capital expenditure per annum.

Contingencies and guarantees

The Council has guarantees of \$49,592 (2023: \$75,099). These are on behalf of recreation and service organisations that have funded expenditure by way of commercial loan or prospective fund raising. These are not considered to be liabilities as the possibility of an outflow of resources embodying economic benefits is remote.

The Otago Regional Council requires the payment of a bond from those entities involved in solid waste disposal. By mutual agreement the payment of a bond of \$1,000,000 has been waived as long as the Council retains ownership of the Green Island landfill site, and maintains the conditions of the consents.

As detailed in note 21, the Council has uncalled capital of 1,200,000,000 shares for Dunedin City Holdings Limited, the uncalled capital can be drawn by the Company on demand as and when required.

DCC is investigating an historic landfill under Kettle Park which operated next to Ocean beach until the early 1950s. Storm events over the last 15 years have caused erosion to the dune seaward protection of the landfill. Options and timeframes for erosion mitigation and dune remediation work, as well as the approach across the wider landfill site, will be considered as part of the 9 year plan 2025-34. Council is waiting for further assessment of the undertaking before costs can be confirmed and budget inclusions or provisions made.

DCC is investigating options to diligently convey wet weather flows from the Musselburgh pump station to the Tahuna wastewater treatment plant. The options being considered are likely to comprise a combination of rehabilitation and replacement of one or all of the three existing pipelines. Analysis and design work is underway and the cost of physical work will be considered as part of the 9 year plan 2025-34. There is a contingent environmental risk until such time as the physical works have been completed.

DCC is working to get a replacement watercourse pipeline in place on Bath Street. The costs of relocating this pipeline will be met within the Three Waters existing budget.

The DCC's Warm Dunedin targeted rates scheme was available to eligible residents to spread out the costs of floor/ceiling insulation and/or clean heating appliances over 10 years via their rates payments. The scheme began in 2013 and was closed to new applicants in 2021. Repayments and interest are still being received from residents who signed up to the scheme. The Commerce Commission is concerned about any breaches of the Credit Contracts and Consumer Finance Act prior to the programme being stopped. The Government has exempted targeted rates such as Warm Dunedin from the Act, however this exemption may not be retrospective. If the exemption is not retrospective and DCC's Warm Dunedin targeted rates scheme was found not to be compliant with the Credit Contracts and Consumer Finance Act, then DCC may be required to repay interest received from members of the scheme.

The DCC is defendant to a claim brought by a ratepayer for negligence by the Council's Building Services team. The maximum financial exposure of the claim is no more than \$1,100,000.

The DCC is exposed to financial risk in relation to the Building Act 2004 as there are known risks associated with natural hazards and the issue of building consents. The magnitude of financial exposure cannot be quantified at this point in time.

In addition to the above, the Council is exposed to various legal claims on an ongoing basis. The maximum financial exposure under those additional claims is likely to be less than \$1,000,000.

The Group has the following additional contingent liabilities

	COR	CORE COUNCIL		CONSOLIDATED	
	Actual	Actual	Actual	Actual	
	2024	2023	2024	2023	
	\$000	\$000	\$000	\$000	
Performance bonds	-	-	761	402	
	_	_	761	402	

The performance bonds issued are principally in favour of South Island Local Authorities for contract work by Delta Utility Services Limited. There is no indication that any of these contingent liabilities will crystallise in the foreseeable future.

In January 2021 the Labour Inspectorate office opened an investigation into Delta Utility Services Limited's leave processes and payments. Delta Utility Services Limited received and accepted a final report from the Labour Inspectorate which identified errors in the Company's calculation of holiday pay. Delta Utility Services Limited signed an Enforceable Undertaking with the Labour Inspectorate to correct the errors on 31 August 2023. The remedial period is six years prior to the date of signing of the enforceable undertaking. The financial consequences of the remediation are not known, however Delta Utility Services Limited's management and legal advisors estimates of the liability are that it will be less than \$100,000. The Enforceable Undertaking is due to be completed by 31 October 2024.

Employment Matters: There are two active employment matters in progress at Delta Utility Services Limited. The first is a historical claim raised by a previous employee. The matter went to mediation in September 2024 but was unable to be settled. There is an Employment Relations Authority hearing scheduled for November 2024. The financial consequences (if any) are not quantifiable at this time. The second relates to an unsuccessful application for a position at Delta Utility Services Limited who has advised that they have made a complaint of discrimination to the Human Rights Commission. Legal advice provided to Delta is that compensation (if any) will not be material.

In future years there will be a carbon credit liability against a proportion of the carbon credits sequestered from Post-89 forest areas in accordance with New Zealand Emission Trading Scheme Regulations. A proportion of carbon sequestered from Post-89 areas will have to be surrendered to compensate for the carbon liability generated from harvesting those forest areas. As at 30 June 2024, and similar to 30 June 2023, the value of the potential liability in future years is not known with sufficient certainty to be classified as a Contingent Liability due to the variations in the harvesting schedule, carbon reporting periods and the value of carbon to surrender. (2023 \$nil.)

Local Government Funding Agency

The Council is a guarantor of the New Zealand Local Government Funding Agency Limited (LGFA). The LGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. LGFA has a current credit rating from Standard and Poor's of AAA (Stable).

The council is one of 71 local authority guarantors of the LGFA. The LGFA's loans to local authorities total \$20.5 billion (2023:\$17.7 billion), of which the Group and Council have borrowed \$290 million (2023: \$125 million). The council is a guarantor of all of the LGFA's borrowings. At 30 June 2024, the LGFA had borrowings totalling \$23 billion (2023: \$17.7 billion).

PBE Accounting Standards require the Council to initially recognise the guarantee liability by applying the 12-month expected credit loss (ECL) model (as fair value could not be reliably measured at initial recognition), and subsequently at the higher of the provision for impairment at balance date determined by the ECL model and the amount initially recognised. The Council has assessed the 12-month ECL of the guarantee liability, based on market information of the underlying assets held by the LGFA. The estimated 12-month expected credit losses are immaterial due to the very low probability of default by the LGFA in the next 12 months. Therefore, the Council has not recognised a liability.

The Council considers the risk of the LGFA defaulting on repayment of interest or capital to be very low on the basis that:

- it is not aware of any local authority debt default events in New Zealand; and
- · local government legislation would enable local authorities to levy a rate to raise sufficient funds to meet any debt obligations if further funds were required.

Insurance of assets

The following information relates to the insurance of DCC assets as at 30 June:

			2023/24 \$000	2022/23 \$000
Above Ground M	laterial Damage			
Asset Value	DCC		1,845,454	1,853,601
	DCC Group		1,047,322	1,038,786
		-	2,892,776	2,892,387
Sum insured	DCC		1,845,454	1,853,601
	DCC Group		1,047,322	1,036,887
		_	2,892,776	2,890,488
Loss limit fire		*	130,000	130,000
Loss limit other	perils	*	865,500	865,500
Below Ground In	nfrastructure			
Sum insured		**	5,766,726	5,766,726
Loss Limit (includes assum	ption that 60% of the limit will be funded from central government)		625,000	625,000
Fine Arts				
Sum insured			203,394	201,436
Civil Engineering	g Taieri Bridge			
Sum insured			1,523	2,523
Motor vehicle				
Sum insured			6,600	6,234

^{*} DCC Group Limits:

The DCC Group engaged Aon Global Risk Consulting (New Zealand) to complete a maximum foreseeable loss assessment regarding the Above Ground Property Coverage prior to the 2023/2024 renewal. The current loss limits reflect the mid range level of loss that may occur, as confirmed in this assessment.

Notes:

Loss limits are generally any one loss and all losses in the aggregate for the period of insurance.

All policies include sub-limits for various claims.

All claims will be subject to the agreed excess.

A policy also exists for annual contract works (coverage primarily for renewals).

The Council does not have any financial risk sharing arrangements that cover the assets (2023: nil).

An insurance reserve fund of \$339,750 (2023: \$328,000) exists to meet the cost of claims that fall below deductible limits under the Council insurance policies.

39 Transactions with related parties

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect DCC would have adopted in dealing with the party at arm's length in the same circumstances.

Related party disclosures have also not been made for transactions with entities within the DCC Group (such as funding and financing flows), where the transactions are consistent with the normal operating relationships between entities and are on/ within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect DCC and the DCC Group would have adopted in dealing with the party at arm's length in the same

Details of the percentage of ordinary shares held in subsidiaries and associates by the DCC Group are disclosed in the Statement of financial involvement in Council controlled organisations.

Key management personnel compensation - DCC

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity. This includes Councillors and senior management. For further analysis refer to note 13.

	Actual	Actual
	2024	2023
	\$000	\$000
Mayor and Councillors		
Remuneration	1,373	1,373
Executive Leadership Team		
Remuneration	2,471	2,303
Total key management personnel remuneration	3,844	3,676

Key management personnel comprises: 15 full-time equivalent elected members and 9 full-time equivalent executive leaders (2023: 15 full-time equivalent elected members and 8 full-time equivalent executive leaders).

40 Explanations of major variances against budget

Explanations for major variances from the Council's 2023/24 Annual Plan budget figures are as follows:

Statement of comprehensive revenue and expense

Total operating revenue for the year was \$356 million or \$16.7 million greater than budgeted. This additional income was due to:

- · additional roading funding from NZ Transport Agency Waka Kotahi reflecting higher maintenance and capital delivery
- additional roading revenue reflecting increases in corridor access requests and recoverable maintenance costs
- unbudgeted Waste and Environmental revenue relating to additional material received at the Green Island landfill, and additional waste levy revenue received from the Ministry for the Environment
- · an increase in fair value of international and New Zealand equities held by the Waipori Fund, reflecting the recovery in global equity markets over 2023/24.

These favourable variances were partially offset by reduced revenue from parking activities, as well as reduced Building Services revenue as a result of a reduction in work volume.

Total operating expenses for the year was \$392 million or \$23.4 million more than budgeted. This variance was due to:

- · increased costs associated with applying to extend the Green Island landfill consents
- · higher level of Green Island landfill waste levy and landfill contract costs due to increased material
- · unbudgeted non-cash increase in the provision for landfill after-care costs
- greater than expected Transport drainage and environmental maintenance, being routine drainage maintenance. Additionally, Three Waters maintenance expenditure was unfavourable reflecting increased work on reticulation and plant assets, partly due to legislative changes around water standards
- · unbudgeted South Dunedin Futures expenditure
- a net loss on revaluation of investment properties of \$5.1 million.

These unfavourable variances were partially offset by lower ETS and interest costs.

Statement of cashflows

Net cash inflow from operating activities was greater than budget driven by the revenue and expense variances discussed

Net cash outflow from investing activities was higher than budget due to timing of cash outlay for capital expenditure programme.

Reclassification of comparative year figures

The Group has made some minor reclassification adjustments to prior year comparative figures. This is to better reflect the financial position at year end.

42 Local Water Done Well

In December 2023 the Government outlined their Local Water Done Well (LWDW) reform programme for water services (water supply, wastewater and stormwater networks).

Further detail from the Government was announced in early 2024 and proposed a three-stage process to enabling LWDW.

The first stage included the repeal of the then current legislation relating to water services entities and resulted in the passing of the Water Services Acts Repeal Act 2024 on 16 February 2024.

The second stage was implemented with the Local Government (Water Services Preliminary Arrangements) Act 2024 becoming law on 2 September 2024. Key areas under this legislation included:

- · Councils must prepare and submit to the Secretary for Local Government a one-off Water Services Delivery Plan (WSDP) by 3 September 2025.
- Requirements that WSDPs outline future water services delivery arrangements and for councils to commit to an implementation plan.
- · Alternative streamlined consultation and decision-making processes for setting up future water services delivery arrangements.

The third stage will establish the enduring settings by introducing the Local Government Water Services Bill. This legislation is anticipated to be introduced in December 2024 (with enactment in mid-2025) and guidance indicates this will include:

- · New water services delivery models for councils to choose from, including new water organisations that can be owned by councils and/or consumer trusts.
- · Minimum requirements for local government water services providers.
- · A new economic regulation regime for local government water services providers, to be implemented by the Commerce Commission.

The Dunedin City Council is currently undertaking technical analysis on content required in the WSDP which includes the anticipated model and financial considerations.

43 Events after balance date

On 3 October 2024, the Dunedin region experienced a significant rainfall event with more than 160mm of rain falling in a 48 hour period. The full financial impacts of any resulting damage are yet to be determined.

Subsequent to year end, the Dunedin City Council (the DCC) confirmed its intention to undertake a review of the Dunedin Stadium Property Limited (DSPL) and Dunedin Venues Management Limited (DVML). The aim of the review is to establish a future operating and financial model for the stadium and related venues that is fit for purpose, financially and economically sustainable, and delivers the desired community outcomes. Whilst there is a focus on CCO structure and composition, it is expected that the review will deliver a range of possible future scenarios. Any changes the DCC propose to implement as a result of this review, will be consulted on as part of its 2025-34 nine year plan consultation.

Dunedin City Council and Dunedin City Holdings Limited continue to look for alternative operating models that will keep Dunedin Railways in the city. A decision on the future of the Company is not expected until in the next financial year. Dunedin City Council has committed funding for the Company for the 2024/25 financial year. It is expected the future operations of the Company will be subject to consultation as part of the DCC 9 year plan 2025-34 consultation.

During the year, Dunedin City Council consulted on a proposal to sell Aurora Energy Limited, repay its borrowings and to invest the net proceeds in a diversified investment fund. On 25 September 2024, the Council voted to retain ownership.

On 16 September 2024, Dunedin International Airport Limited announced the return of international flights to Dunedin Airport. Jetstar will operate direct flights between Dunedin Airport and Gold Coast Airport from June 2025.

There were no other significant post balance date events.



Section contents

Annual report disclosure statement	167
Council controlled organisations	171
Statement of compliance and responsibility	193
Indonondont Auditor's Donont	10/

Annual report disclosure statement

Annual report disclosure statement for the year ending 30 June 2024

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.

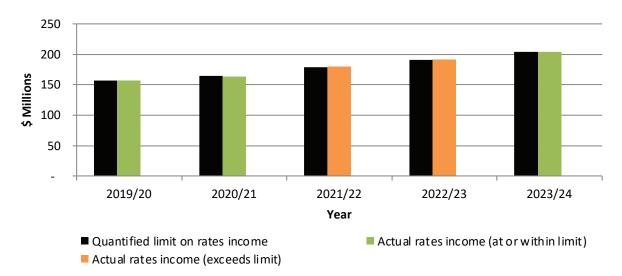
Rates affordability benchmark

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.

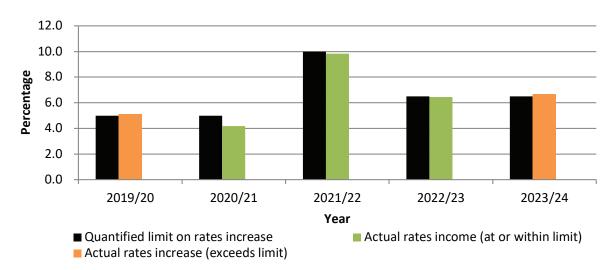
Rates (income) affordability

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 \$204 million in 2023/24.



Rates (increases) affordability

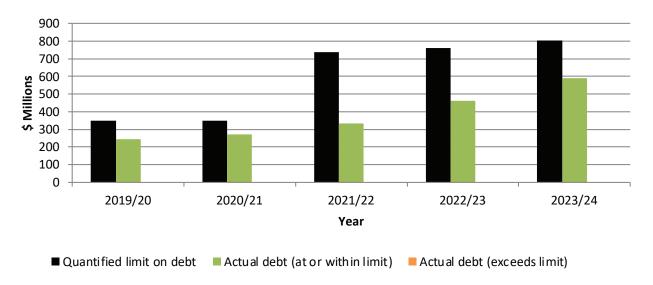
The following graph compares the Council's actual rates increases with a quantified limit on rates increases included in the financial strategy included in the Council's long-term plan. The quantified limit is 6.5% in 2023/24.



Debt affordability benchmark

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

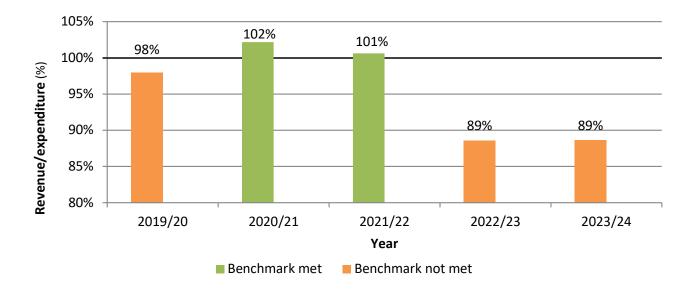
The following graph compares the Council's actual borrowing with a quantified limit on borrowing statement in the financial strategy included in the Council's long-term plan. The quantified limit is \$802 million in 2023/24.



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).

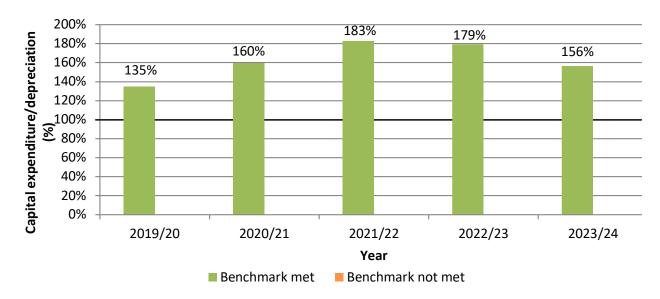
The Council meets this benchmark if its revenue equals or is greater than its operating expenses.



Essential services benchmark

The following graph displays the Council's capital expenditure on network services as a proportion of depreciation on network services.

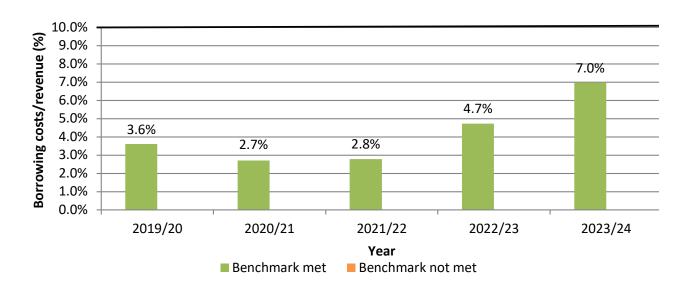
The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



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).

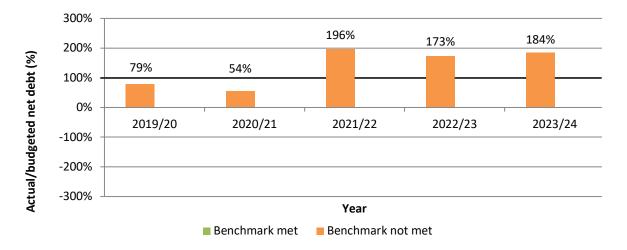
Because Statistics New Zealand projects the Council's population will grow below the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.



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).

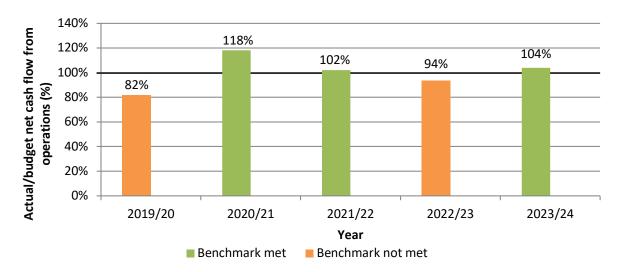
The Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



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

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: Rate projections are set at the end of May each year. Between May and June, additional rates revenue arises due to growth (eg subdivisions, extensions), and budgets don't include this. Actual rates include this growth. This affects the rates affordability benchmarks.

Note 2: Debt control benchmark. The results shown are graphically correct. The Council planned to have net assets for 2019/20 through to 2020/21 – that is, its financial assets (excluding trade and other receivables) were planned to exceed its financial liabilities. 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.

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 2024

The performance targets established in the 2023/24 Statement of Intent (SOI) for Dunedin City Holdings Ltd and the results achieved for the year ended 30 June 2024 are as follows:

PERFORMANCE TARGET	ОИТСОМЕ
DCHL Board perform a monthly review of DCHL Group companies' operating activities, including financial performance against budget (DIAL quarterly).	Each month the DCHL Board reviewed of each of the DCHL Group companies' operating activities, including financial performance against budget, with DIAL reviewed on a quarterly basis.
DCHL Board monitor DCHL Group companies' progress against their SOI targets quarterly.	Each month the DCHL Board monitored each of the DCHL Group companies' progress against their SOI targets on an exception basis.
Synergies have been made across the DCHL Group.	Throughout the year DCHL has continued to support group-wide co-operation including climate-related reporting and insurances. DCHL also led roundtable meetings with Chairs and Chief Executives in November and June.
DCHL Board review consolidated DCHL Group financial performance against budget (monthly).	Each month the DCHL Board reviewed the consolidated DCHL Group financial performance against budget.
DCHL Board review of DCHL Group companies' rates of return (quarterly).	The DCHL board reviewed returns from group companies on a monthly basis and considered portfolio analysis, including rates of return.
DCHL Board provide a quarterly update to DCC's Finance and Council Controlled Organisations Committee on the DCHL Group's performance (financial and other).	On a quarterly basis, the DCHL Chair updates the Council on the DCHL Group's performance. Comprehensive information is provided on the Group's performance for the previous quarter.
DCHL Board review the ownership and capital structures of the DCHL Group companies (at least annually).	The ownership and capital structures of the DCHL Group companies are an ongoing consideration of the DCHL Board. Ownership and capital structures were specifically considered in March.
Consider capital expenditure proposals and business cases in accordance with company constitutions and SOIs.	Capital expenditure proposals and business cases have been considered in accordance with individual company constitutions and SOIs.
DCHL Board engage with each group company at least annually on strategy.	At least once annually each DCHL Group company has presented their strategy to the DCHL Board.
DCHL Board meet with full group of Chairs twice annually.	DCHL Group Chairs met with the DCHL Board twice during the year.
Review draft SOIs by 1 March 2024.	The DCHL Board reviewed each of the DCHL Group companies draft SOIs in February 2024.
Approve SOIs by 30 June 2024.	The DCHL Board reviewed and approved each of the DCHL Group companies final SOIs in June 2024.
Send Letters of Expectation to subsidiary and associate companies by 31 December 2023.	The DCHL Board sent each of the DCHL Group companies a Letter of Expectation by 31 December 2023.

PERFORMANCE TARGET			ОИТСОМЕ	
Complete and publish group-wide carbon emissions roadmap by 31 August 2023.		Completed.		
Complete and publish group-wide waste reduction strategy by 30 September 2023.		Completed.		
Refine and implement DCHL's developed in 2022, and achiev progress against our FY2024	e and publicly		Progress continued - see sustainability se	ection for details.
Measure and publicly report o emissions, and progress towa reduction strategies and targe	rds our emiss	ions and waste	Achieved, see sustainability section for de	tails.
Appointments and re-appoint time, and in compliance with I			All appointments and re-appointments me the 2024 financial year were completed o compliance with DCHL and Council policy.	n time, and in
Ensure DCHL Group companie and procedures in place.	es have approp	oriate policies	Confirmed that all group companies have policies and procedures in place and they a regular basis.	
DCHL Board review DCHL Group companies' (including DCHL) ESG disclosures in their Annual Reports.		Board review these sections when Annual Reports published.		
Ensure that all direct employees are paid at living wage or above.		All employees were paid equal to or higher than the living wage.		
Co-ordinate a group-wide project on benchmarking in health and safety, including reporting back to Council.		DCHL Group health and safety governance progress.	e review in	
All such matters escalated to the shareholder in a timely manner.		All strategic or operational matters which compromise the Council's community out reported to the shareholder in a timely materials.	comes, were	
DCHL board provide briefings to Councillors on matters of significance as required.		Briefing provided on all matters of signific	cance required.	
All such matters reported to t hours.	h matters reported to the shareholder within 24		All substantive matters were reported to within 24 hours of the DCHL Board become them.	
Financial forecasts		\$000	Financial achievement	\$000
Shareholder's funds to total a	ssets	23%	Shareholder's funds to total assets	21%
Interest paid to shareholder		5,902	Interest paid to shareholder	5,902
Dividend distributions		11,000	Dividend distributions	11,000
Net profit after tax		11,521	Net profit after tax	12,850
Cash flow from operations		64,013	Cash flow from operations	69,814
Capital expenditure		104,470	Capital expenditure	118,463
Contributions of equity		2,550	Contributions of equity	2,550
Term loans	parent	20,110	Term loans parent	20,014
	group	1,289,320	group	1,288,354

Aurora Energy Limited

Statement of service performance for the year ended 30 June 2024

The performance targets established in the 2023/24 Statement of Intent (SOI) for Aurora Energy Limited and the results achieved for the year ended 30 June 2024 are as follows:

OBJECTIVES	PERFORMANCE TARGET	ОИТСОМЕ
Our People, Our Place		
Zero serious harm events involving members of the public.	Zero serious harm events involving members of the public.	There were no serious harm events involving members of the public.
Reduce harm to employees and contractors.	"Total Recordable Injury Frequency Rate (TRIFR) per 200,000 hours worked by Aurora and Contractors.	"Aurora Energy and its network approved contractors recorded TRIFR as below.
	Targets: –	Aurora: Nil
	Aurora: Nil	Contractors: 4.84"
	Contractors: < 3.50	
	On review, the TRIFR target of <3.5 included in our Statement of Intent was the target for Aurora and Contractors combined (which uses a higher number of hours in the denominator and produces a lower target), rather than our Contractor target."	
Develop opportunities across the business that support the overall wellness of our team.	A Board-approved Health, Safety and Wellbeing Strategy is in place. The Strategy is reviewed and updated annually.	The health, safety and well-being strategy was reissued in April 2023. The Strategy is implemented and progress is regularly reviewed by the Board.
Aurora Energy Risk Register is regularly reviewed & updated, and the risk profile is managed in accordance with Board approved risk tolerance levels.	"Risk Management Framework embedded as evidenced by:Risk registers reviewed regularly and up to date	Risk registers and treatment plans are reviewed regularly and are up to date. There is regular reporting to the Board and Audit & Risk Committee.
terete.	Risk treatment plans reviewed regularly and up to date	
	Regular reporting to Board and Audit & Risk Committee.	
To create a motivated and satisfied team and to understand and action opportunities for improvement within our team environment.	Average of >75% staff satisfaction result on employee surveys completed during the year.	The average satisfaction result was 90.8% during the year.
People and culture strategies will be documented to promote our support of equity, inclusion, and diversity.	A People and Culture Strategy, and a Diversity, Equity and Engagement Strategy is in place.	'Our Vision, Why it Matters, and How it will Come to Life' was published in January 2022 and provides the strategic roadmap we adhere to.
All employees are paid the living wage or above.	All direct employees are paid at the living wage or above.	As at 30 June 2024, 100% of the Company's employees were paid at or above the Living Wage (as calculated by the Living Wage Aotearoa New Zealand).
Efficient Delivery		
Deliver work programme outcomes to scope, time and budget.	"Work programmes are delivered to Contractors on a rolling quarterly basis in accordance with Field Service contract terms.	"Annual work and project plans are being delivered in accordance with Field Service contract terms (renewed with effect from 1 April 2024).
	Field Service Agreement 2 in place by end of FY2024."	Variations to budget are reported and addressed via delegated.

Develop a digital transformation roadmap to support intelligent business transformation.	Digital transformation roadmap approved by the Board and targets for FY2024 are met.	Digital transformation roadmap approved by the Board and FY24 targets met.			
Reliability Performance Targets (Statement of Intent Targets – Period Ended 31 March 2024)					
SAIDI	Average Minutes Without Electricity per	Consumer			
"Class B Interruptions (Planned)	"≤ 195.96 minutes	"121.83 minutes			
Class C Interruptions (Unplanned)"	≤ 124.94 minutes"	95.48 minutes"			
SAIFI	Average Frequency of Outages per Cons	umer			
"Class B Interruptions (Planned)	"≤ 1.11	"121.83 minutes			
Class C Interruptions (Unplanned)"	≤ 2.07"	95.48 minutes"			
allows for the effect of extreme events t	or as normalised figures. The Commerce Con o be removed, resulting in normalised figu AIFI were 139.1 minutes and 1.85 interrupt	res that are compared against target.			
Our Communities					
Maintain community support through approved sponsorships and community initiatives.	Sponsorship and community initiatives \$ per annum of at least \$10,000.	In excess of \$10,000 was provided to support community initiatives during the year. Aurora Energy's primary community sponsorship was the Otago Science & Technology Fair.			
To provide regular updates and consult with the community on the delivery of our CPP programme.	Annual delivery reporting and regional community engagements are delivered in accordance with the approved CPP timeframe.	"Published the 31 March 2023 Annual Delivery Report on 31 August 2023. Public engagement forums held in each pricing region before 31 October 2023."			
Streamline customer service processes and build key stakeholder relationships.	Annual customer satisfaction/ perception survey shows year on year improvement against key criteria.	Survey results show improvements in the key criteria areas of awareness, performance and trust.			
Licence to Operate					
To deliver commercial, growth-focused value to our shareholder.	Regulatory performance metrics for compliance are tracked and reported quarterly.	Quarterly tracking and reporting of regulatory performance metrics has ensured compliance and informed strategic decisions to drive commercia growth.			
To understand long term value optimisation for the next regulatory period.	"Submissions on strategic regulatory matters are lodged on a timely basis by Aurora (or via ENA) DPP versus 2nd CPP decision framework and timeline in place by 30 June 2024."	"Timely submissions on regulatory matters including the Commerce Commission's DPP4 reset have been delivered during the year. Indicative timeline for engaging with the Commission on CPP roll-off has been agreed."			
Sustainability					
Implement process and capability improvements identified in CPP Asset Management Practices Development Plan (AMPDP).	Asset management development initiatives delivered in accordance with timetable in CPP AMPDP.	Fleet strategies and plans were developed to inform our 2024 Asset Management Plan. The fleet strategies capture plausible asset failure modes and consider the information requirements for management of each asset fleet. Further details are available in the Company's Annual Delivery Report for year ended 31 March 2024.			
Effective long-term planning for Aurora Energy's asset portfolio is in place.	Annual and compliant Asset Management Plan is published as per regulatory requirements.	A full 10-year Asset Management Plan (AMP) was published on 31st March 2024.			

Work collaboratively with the sector on green energy initiatives and enablement of decarbonisation.	Participate in electricity distribution sector 'decarbonisation ready' collaboration groups.	This collaboration initiative has extended to participation in the Electricity Networks Association (ENA) Future Network Forum FNF). Among other initiatives, the FNF is progressing guidelines for the alignment of new electricity connection processes across New Zealand.
Contribute to Council's city-wide Carbon Neutrality initiatives*.	Continue to refine and implement our carbon emissions reduction strategy developed in 2022, and achieve and publicly report progress against our FY2024 targets.	Work to implement Aurora Energy's carbon emissions strategy progressed during the year, however some milestone dates were not achieved. There were no quantified emission targets for the reporting period.

[&]quot;* In September 2024 Dunedin City Council clarified its Carbon Neutrality objectives were defined by reference to greenhouse gasses (excluding biometric methane) emitted within the Dunedin City Territorial Area.

Dunedin City Council also clarified its city wide zero carbon targets were 'Net zero carbon by 2030 (excluding biogenic methane)' and to 'Reduce biogenic methane emissions' in line with the current central government targets.

The Global Protocol for Community-Scale Greenhouse Gas Inventories BASIC+ is a production-based methodology which means it focuses on the emissions produced within the territorial area (such as petrol vehicles, livestock, and burning LPG in the city). It also includes emissions from electricity use and cross-boundary transport.

Globally produced emissions that relate to consumption in the city are excluded (e.g., embodied emissions relating to products produced elsewhere but consumed within the geographic area, such as imported food products, cars, phones,

The city's emission footprint is calculated every three years, with the most recent footprint being calculated for the 2021/2022 financial year. The next scheduled footprint calculation will be completed for 2024/25.

Council defines 'Net carbon zero' as meaning that any greenhouse gases (excluding biometric methane) emitted into the atmosphere in Ōtepoti Dunedin are in balance with the amount of carbon absorbed out of the atmosphere by trees, also known as sequestration."

1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		
Implement opportunities to transition light motor fleet to electric or hybrid vehicles where appropriate.	Achieve the FY2024 targets for electrification of the company's motor fleet as set out in the Aurora Energy emissions reduction strategy.	We have implemented a fleet transition plan to replace ICE vehicles with electric vehicles where fit for purpose electric options are available.
Increase sustainability reporting and climate related disclosures in our Annual Report.	Measure and publicly report our Greenhouse Gas (GHG) emissions, and progress towards our emissions and waste reduction strategies and targets, in our Annual Report.	Sustainability reporting is again included in this year's 2024 Annual Report.
Shareholder		
Consult with the Shareholder at the earliest possible time on matters where conflict may or could result.	"Potential conflicts notified to the Shareholder. Targets: No unnotified potential conflicts."	There were no issues of potential strategic or operational conflict to be notified to the Shareholder.
On a "no surprises" basis, advise the Shareholder promptly of any substantive matter that has the potential to impact negatively on the Shareholder and the Company with a particular focus on the media.	"Substantive matters reported to the Shareholder within 24 hours. Targets: All substantive matters reported within 24 hours."	All substantive matters were reported to the Shareholder within 24 hours.

Financial forecasts	\$000	Financial achievement	\$000
EBITDA*	>75,299	EBITDA*	87,023
Net profit after tax	>15,922	Net profit after tax	23,699
Shareholder's funds	>212,257	Shareholder's funds	221,221
Shareholder's funds to total assets	>25%	Shareholder's funds to total assets	25%
Cash flow from operations	>47,734	Cash flow from operations	67,124
Capital expenditure	>93,230	Capital expenditure	107,608
Term debts	≤538,227	Term debts	538,525
* EBITDA target outcome calculations exclude asset disposals.			

Delta Utility Services Limited

Statement of service performance for the year ended 30 June 2024

The performance targets established in the 2023/24 Statement of Intent (SOI) for Delta Utility Services Limited and the results achieved for the year ended 30 June 2024 are as follows:

PERFORMANCE TARGET	OUTCOME
The Shareholder	
Consult with the Shareholder on matters to be included in the Company's Statement of Intent: Shareholder approval of the Company's Statement of Intent.	The Shareholder (DCHL) was consulted on the content of the Statement of Intent for the 2025 financial year. The final Statement of Intent was submitted to and approved by the Shareholder prior to 30 June 2024.
Consult with the Shareholder at the earliest possible time on matters where conflict may or could result: All potential conflicts notified.	Regular communication with the Shareholder (DCHL) is maintained throughout the year. Monthly KPI reports and financial information were provided in line with the agreed timetable.
On a "no surprises" basis, advise the Shareholder promptly of any substantive matter that has the potential to impact negatively on the Shareholder and the Company with a particular focus on the media: All substantive matters reported to the Shareholder within 24 hours.	There was one substantive matter that arose during the period. This was notified to the Shareholder within 24 hours.
Community	
Maintain community support through local sponsorship/donations: \$25,000 of sponsorship/donations per annum.	Over \$27,000 in sponsorship was provided to local community groups during the year.
Maintain parks, reserves, sports fields, walking tracks, and amenities for the City of Dunedin. Achieve KPIs on service contracts.	Target KPIs were maintained or exceeded on average throughout the year.
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.	Delta generally met or exceeded its KPI's on maintenance contracts held with Aurora Energy and the Dunedin City Council throughout the year.
People	
Reduce harm to employees and contractors:	TRIFR for the year was 4.29 per 200,000 hours worked.
≤ 3.50 total recordable injury frequency rate (TRIFR) per 200,000 hours worked,	While this was over the target of \leq 3.50, the severity of the incidents was minor and related to the high amount of manual handling that is a requirement of the work we
≤ 1.00 total lost time injury frequency rate (LTIFR) per 200,000 hours worked.	complete. LTIFR for the year was 1.34 per 200,000 hours worked. This was over the target of ≤ 1 due to a small number of incidents which, while they required some time off work, were not severe in nature.
Maintain all existing Health and Safety accreditations: Maintain ISO 45001 Occupational Health and Safety Management System accreditation throughout the period.	The Company maintained ISO45001 Occupational Health and Safety Management System accreditation throughout the period.
Monitor absences due to illness: $\leq 3.5\%$ sick leave based on total hours worked.	Staff sick leave was 3.44% of total hours worked during the year, a reduction from 4.59% the prior year reflecting the reducing impact of Covid-19 on our workforce.
Maintain an employee wellbeing programme: Employee wellbeing programme maintained throughout the year.	The WorkWell employee wellbeing programme was maintained throughout the period. A WorkWell action plan was approved by the Leadership Team and has been submitted to WorkWell to be assessed for Bronze Audit.
Ensure that all direct employees are paid at living wage or above: No employee is paid at less than the living wage.	All employees were paid equal to or higher than the living wage.

PERFORMANCE TARGET		ОИТСОМЕ	
Promote diversity, equity and inclusion within the business. Develop a People and Culture strategy and a Diversity, Equity and Inclusion strategy.		A People and Culture Strategy has been developed. We have reviewed and updated the Diversity, Equity and Inclusion standard as part of the work to develop a strategy.	
Monitor voluntary leavers relative to permanent staff: ≤ 17.0% staff turnover.		Voluntary staff turnover was 9.08% for the year ending 30 June 2024. This is a pleasing reduction due to a number of factors, including the tightening economy and staff retention strategies that have been put in place.	
Environment			
Maintain all existing Environmental accreditations. Maintain International Organisation for Standardisation (ISO)14001 Environmental Management Systems accreditation throughout the period.		The Company maintained ISO 14001 Environmental Management accreditation throughout the year.	
Maintain full compliance with the Resource Management Act (RMA); Zero breaches.		There were no breaches of the RMA during the year.	
Implement Delta's Carbon Emission and Waste Reduction Strategy developed in the 2022 financial year, and achieve our FY2024 targets.		During the year we worked to confirm what net zero carbon means for Delta. Consistent with the strategy developed in FY22, our goal is a 45% reduction in our Scope 1 emissions, a 100% net reduction in our Scope 2 emissions, and a 20% gross reduction in selected Scope 3 emissions by 2030. The Scope 2 emissions reduction is a net target as these emissions are offset by the purchase of Renewable Energy Certificates (REC's). Over the 2024 financial year an Energy Audit was completed across all major depots and as a result an energy efficiency strategy has been developed. The recycling programme was refreshed in October 2023. The idle time of Delta vehicles increased 4.6% from the prior year. Much of this is not easily controlled as it is due to the type of work completed in the field. We are currently waiting on our GPS provider for the ability to split out the data within the geo fenced depots as idle time in depots is within our control to reduce. The review of scope 3 emissions has yet to take place but is scheduled for September 2024.	
Undertake an Energy audit of our major depots.			
Implement a new and refreshed recycling programme.			
Reduce idle time of Delta vehicles by 10%.			
Undertake a review of scope 3 emissions and areas that the business could begin to measure.			
Financial forecasts	\$000	Financial achievement	\$000
EBITDA	≥10,669	EBITDA	10,245
Net profit after tax	≥2,161	Net profit after tax	1,570
Shareholder's funds	≥29,175	Shareholder's funds	28,294
Return on Shareholder's funds	≥7%	Return on Shareholder's funds	6%
Cash flow from operations	≥9,778	Cash flow from operations	10,544
Capital expenditure	≤3,500	Capital expenditure	2,156
Term borrowings	≤9,500	Term borrowings	7,900
Dividends distributions	≥1,000	Dividends distributions	1,000
Shareholder's funds to total assets	≥47%	Shareholder's funds to total assets	47%

The company recorded a net profit after tax of \$1.6m in FY24. This was below the FY23 net profit after tax of \$2.6m, however the FY23 result was supported by non-operating income of \$3.1m from Infinity Yaldhurst Ltd. The company's financial result from operations before tax improved by \$2.25m from the prior year. This was due to several factors including reduced impacts of the COVID-19 pandemic, positive impacts from staff retention strategies, a successful overseas recruitment campaign increasing our base of skilled and qualified staff and inflation adjustments being made to some of the larger customer contracts. EBITDA was close to target at \$10,245 and NPAT was \$1,570 (behind the target of \$2,161). Revenue was higher than budget, however this was offset by costs that were also higher than budget as inflationary pressures continue to be felt.

Cashflows from operations at \$10.5 million were ahead of the budget of \$9.8 million and are reflective of changes in working capital balances between financial year ends. Term borrowings are favourable to target largely due to a lower than budgeted capital expenditure programme as the business continues to improve financial performance from the prior years.

We were pleased to pay a dividend in line with the target of \$1 million for FY24. Shareholders funds were \$28.3 million against a target of \$29.2 million, with the Company's equity ratio increasing to 47% from 42% in FY23. In approving the dividend payment, the Board carefully considered the prudent balance between shareholder returns and retained earnings.

As one of the Dunedin City Council's group of companies, the Company's financial returns and dividends ultimately benefit its community owners.

City Forests Limited

Statement of service performance for the year ended 30 June 2024

The performance targets established in the 2023/24 Statement of Intent (SOI) for City Forests Limited and the results achieved for the year ended 30 June 2024 are as follows:

PERFORMANCE TARGET	OUTCOME
The Company will achieve a 5.5% return (or greater) on shareholders' funds measured on a post-tax 3 year rolling average basis.	Three year rolling average return on shareholders' funds is 2.2%.
A review of the Company's long term strategic plan will be completed each year, which targets a 5.5% return (or greater) on shareholders' funds measured on a post-tax 3 year rolling average basis.	Strategy day held on 26 March 2024. The Company's long term strategic plan was reviewed and adopted by the shareholder during the annual budget and statement of intent process. Due to market conditions with challenges in the export real estate and construction sector, the plan incorporates a below target return on shareholders' funds of; 2.2% for the first 3 years measured on a forecast 3 year rolling average basis.
No single customer will have received more than 30% of the Company's annual harvest by volume.	Our largest customer Taelim Timber received 9% of the Company's annual harvest volume.
The percentage of annual supply to the domestic market by volume will be tracked.	Domestic log production was 29% by volume. (21% last year).
The Company will participate in the New Zealand ETS and may realise returns from the sales of carbon stored in the Company forests in compliance with its Carbon Policy.	The Company continues to participate in the ETS. No Carbon sales were made during the year. The Company was compliant with its Carbon Policy.
The Company will incorporate carbon accounting into the strategic plan in accordance with the requirements of the Emissions Trading Scheme.	The Company's 10-year strategy plan incorporates Carbon. Future Carbon sequestration and surrender obligations are forecast in accordance with the Company's ETS obligations.
The Company's annual harvest volumes as detailed in the strategic plan will be within 30% of projected long term sustainable yield.	The annual harvest from the Company Forest estate during the year was 389,116m3 including additional billet wood and slash recovered. This is 104.7% (on an equivalent basis) of the sustainable yield of 350,159m3. Forecast harvest levels in the long-term strategic plan for the next 3 years are; 350k m3, 350k m3 and 350k m3. All are within +/- 30% of the sustainable yield.
The Company will carry out annual forest inventory to measure and verify forest yield. The number of sample plots measured will be reported.	The Company completed 423 sample plots during the period.
A forest surveillance program will be in place as part of the National Surveillance program to assess the forest estate for pests and diseases.	The City Forests, forest health surveillance program was conducted during the 2023 – 2024 year.
The annual fire plan will be updated and operational by 1 October each fire season.	Fire plan update was completed in September 2023 prior to the start of the fire season.
The Company will actively participate in regional land use and environmental planning processes.	The Company has been active is submitting into the ORC land and water plan change process and the National Environmental Standard – Commercial Forestry.
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 achieve research objectives.	The Company has paid the Forest Growers Levy. Four 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.

PERFORMANCE TARGET	ОИТСОМЕ
The implementation of research outcomes into operational management plans will be tracked.	Management plans are updated to reflect current management practices which are informed by research outcomes, i.e. target tree stocking rates per hectare to optimise site carrying capacity. Reporting and tracking of operational progress to Board.
The Company will maintain supply arrangements with Otago and Southland wood processors provided customers match (or better) alternative supply options.	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).
Annual supply volumes to the three largest wood processors customers will be tracked and reported.	Major wood processors were suppled the following volumes during the period: Pan Pac: 24,214m³ Daiken: 32,685m³ Hollows Timber: 6,672m³
The annual volume of wood supplied for bio-energy uses will be tracked and reported.	Bio-energy supply: 29,138m³
Lost time accident rates for staff and forest contractors will be minimised and not more than 15 lost time accidents per 1,000,000 hours worked.	12 month rolling lost time accident rate for staff and forest contractors was 12.0 lost time injuries per 1,000,000 hours.
The Company will undertake drug and alcohol testing of staff and the contract workforce. The number of random tests and percentage of positive tests will be reported.	96 random tests were conducted during the period. 0% of tests were recorded as positive.
The Company will have in place a People and Culture Strategy and a Diversity, Equity and Engagement Strategy by June 2024.	The company has an equal opportunity employment policy and is reporting gender diversity statistics in the annual report.
Forest Stewardship Council Certification of the Forest Estate will be maintained.	Forest Stewardship Council Certification was maintained following audit in 2023.
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.	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.
The Company will work with partners Doc, University of Otago & contractors to maintain and enhance RT&E species on and around the Company estate. Sponsorship amounts for these activities will be reported annually.	Sponsorship of \$30,000 to Orokonui Eco-Sanctuary, \$10,000 to the Yellow Eyed Penguin Trust and \$10,000 to Dunedin Wildlife Hospital, to contribute towards conservation of rare threatened and endangered (RT&E) species on and around the Company estate.
The company will report on the number of National Certificates achieved by its workforce each year.	Company Staff, Contractors and their employees achieved 7 National Certificates during the year.
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.	At 30 June 2024 one modern apprentice was employed in Company operations.
The Company will maintain a forest access permit system, track and report on recreational use statistics.	Recreation use is monitored through forest access permit issuance. 356 forest access permits were issued during the year.
A continued and measured expansion of the forest estate will be part of Company Strategy. The area of acquired land will be reported annually.	Company has purchased 57.7 ha of land during the period.

PERFORMANCE TARGET		оитсоме	
Consult with the shareholder in a timely manner on DCHL Group strategic or operational matters which could compromise the Council's community outcomes. Any such matters were escalated to the shareholder in a timely manner.		No significant issues arose that would compromise Council community outcomes, however communication channels were maintained with the shareholder such that the shareholder is well informed of Company activities.	
·	Report to the shareholder within 24 hours of the Board becoming aware of any substantive matter, including any matter likely to generate media coverage.		nroughout the communicated atter.
The Company will report on the proportion of (staff) receiving the living wage.	of its workforce	All staff renumeration is greater than the li	ving wage.
Measure and publicly report our Greenhouse Gas (GHG) emissions, and progress towards our emissions and waste reduction strategies and targets, in our annual report.		The carbon emission and waste reduction strategy (2022-2030) has been established. The strategy does not contain any quantified reduction targets for FY2024 however progress is being made towards achieving the strategy.	
The company will develop an emissions reduction strategy and associated targets for the 2023/2024 financial year.		The carbon emission strategy (2022-2030) has been established. The strategy does not contain any quantified reduction targets for FY2024 however progress is being made towards achieving the strategy. The company has reported its greenhouse gas emissions and progress towards its emissions reduction strategies in City Forest's annual report.	
The company will develop a waste reduction strategy and associated targets for the 2023/2024 financial year.		The waste reduction strategy (2022-2030) hestablished. The strategy does not contain a reduction targets for FY2024 however progmade towards achieving the strategy. The creported its greenhouse gas emissions and towards its waste reduction strategies in Ciannual report.	any quantified ress is being company has progress
Financial forecasts	\$000	Financial achievement	\$000
EBITDA	8,700	EBITDA	10,447
Net profit after tax	4,598	Net profit after tax	5,094
Shareholders' funds to total assets	66.5%	Shareholders' funds to total assets	66.4%
Normal dividend	3,000	Normal dividend	3,000
Special distribution	13,500	Special distribution	13,500
Cash flow from operations	8,300	Cash flow from operations	6,814
Capital expenditure	1,200	Capital expenditure	987
Term borrowings	47,100	Term borrowings	50,700
Shareholder funds			

Dunedin Railways Limited

Statement of service performance for the year ended 30 June 2024

The performance targets established in the 2023/24 Statement of Intent (SOI) for Dunedin Railways Limited and the results achieved for the year ended 30 June 2024 are as follows:

PERFORMANCE TARGET		оитсоме	
Hibernation plan is prepared and reported on to on a quarterly basis.	the Board	Achieved.	
Target zero lost time injuries (LTI).		Not Achieved. There was 1 LTI during the reporting period.	
People and Culture Strategy, and a Diversity, Equ Engagement Strategy will be in place by 30 June	•	Achieved.	
A draft 2024/2025 Statement of Intent will be su the Shareholder by 1 March 2024.	bmitted to	Achieved.	
Refine and continue to implement DRL's carbon of strategy developed in 2022, and achieve and pubereport progress against our FY2024 targets.		Achieved.	
Refine and continue to implement DRL's waste restrategy developed in 2022, and achieve and pubereport progress against our FY2024 targets.		Achieved.	
Measure and publicly report our Greenhouse Gas (GHG) emissions, and progress towards our emissions and waste reduction strategies and targets, in our Annual Report.		Achieved.	
Ensure that all direct employees are paid at living wage or above.		Achieved.	
Consult with the shareholders in a timely manne strategic or operational matters which could con Council's community outcomes.		Achieved.	
Report to the shareholder within 24 hours of the becoming aware of any substantive matter, inclumatter likely to generate media coverage.		Achieved.	
Financial forecasts	\$000	Financial achievement	\$000
Shareholders' funds to total assets	100%	Shareholders' funds to total assets	46%
Dividend/subvention distributions	-	Dividend/subvention distributions	-
EBITDA	(363)	EBITDA	(1,322)
Net profit after tax	(388)	Net profit after tax	(1,355)
Cash flow from operations	(347)	Cash flow from operations	1,214
Capital expenditure	-	Capital expenditure	84
Term loans	-	Term loans	-
Shareholder funds	428	Shareholder funds	305

Dunedin City Treasury Limited

Statement of service performance for the year ended 30 June 2024

The performance targets established in the 2023/24 Statement of Intent (SOI) for Dunedin City Treasury Limited and the results achieved for the year ended 30 June 2024 are as follows:

OBJECTIVES	PERFORMANCE TARGET	оитсоме
Manage the liquidity risk of the DCC Group and use a variety of funding sources to achieve appropriate levels of funds as required by the DCC Group.	Zero breaches of DCC Treasury Risk Management Policy's borrowing maturity profile.	There were no breaches of DCC Treasury Risk Management Policy's borrowing maturity profile.
Utilise a portfolio approach to minimise funding costs and manage interest rate risk in accordance with the DCC Treasury Risk Management Policy.	Zero breaches of DCC Treasury Risk Management Policy's interest rate risk policy.	There were no breaches of DCC Treasury Risk Management Policy's interest rate risk policy.
Securely invest surplus cash available from within the DCC Group, ensuring funds deposited outside the DCC Group are compliant with the DCC Treasury Risk Management Policy.	Zero breaches of DCC Treasury Risk Management Policy's investment management policy.	There were no breaches of DCC Treasury Risk Management Policy's investment management policy.
Manage the issuance of securities as and when required.	Successfully fill any issues brought to the market during the year.	Filled all issues brought to the market during the year.
Maintain financial relationships with preferred financial providers.	Maintain funding lines with ANZ, BNZ and Westpac.	Funding lines with ANZ, BNZ and Westpac have been maintained during the year.
Maintain a benchmarking system to measure DCTL's performance.	Regular reporting of the Company's achievement against defined benchmarks.	Reporting achievements against defined benchmarks are provided to the Board monthly and quarterly.
Manage the 'Waipori Fund' fully in accordance with policy and objectives set by Council to achieve the investment objectives.	Management of the fund and meeting the investment objectives set by Council in the Statement of Investment Policy and Objectives.	The fund did not meet the investment objective to grow the fund's base value, due to current market conditions. The fund recorded a return for the year of 5.6%.
Maintain a risk management framework to regularly identify, mitigate, and report risks.	Quarterly review by the Board, of the DCTL Risk Register Dashboard.	The DCTL Risk Register Dashboard was reviewed by the Board quarterly.
Comply with the DCC Treasury Risk Management Policy.	"No breaches of policy. Where breaches have occurred, there are no breaches that have not been reported to the Chief Financial Officer within 1 business day and as per requirements of the policy."	There were no breaches of policy that were required to be reported to the shareholder.
Consult with the shareholder in a timely manner on DCTL strategic or operational matters which could compromise the Council's community outcomes.	No such matters that were not escalated to the shareholder in a timely manner.	There were no matters requiring escalation to the shareholder.
Report to the shareholder within 24 hours of the Board becoming aware of any substantive matter, including any matter likely to generate media coverage.	No such matters that were not reported to the shareholder within 24 hours.	There were no matters of substance to report to the shareholder.

Contribute to Council's Carbon Neutrality initiatives.	Refine and implement DCTL's carbon emissions strategy developed in 2022, and achieve and publicly report progress against our FY2024 targets.	DCTL continues to implement its strategy and is tracking carbon emissions. DCTL will continue to refine this strategy to reduce carbon emissions in line with the target to contribute to Dunedin City Council's goal of achieving net carbon neutrality city-wide by 2030.
	Refine and implement DCTL's waste reduction strategy developed in 2022, and achieve and publicly report progress against our FY2024 targets.	DCTL continues to implement its strategy and is tracking waste emissions. DCTL will continue to refine this strategy in its efforts to reduce waste in line with the target to contribute to Dunedin City Council's goal of achieving net carbon neutrality city-wide by 2030.
	Measure and publicly report our Greenhouse Gas (GHG) emissions, and progress towards our emissions and waste reduction strategies and targets, in our Annual Report.	As reported in DCTL's Annual Report.
	Ensure that all direct employees are paid at living wage or above.	DCTL does not employ any staff directly.
Maintain a credit rating equal to that of the Dunedin City Council where the rating agency used applies the same credit rating to both entities.	Credit rating equal to that of Dunedin City Council.	Obtained a credit rating of AA/ Negative/A-1+; equal to that of Dunedin City Council.

Financial forecasts	\$000	Financial achievement	\$000
Net profit after tax	7	Net profit after tax	2
Cash flow from operations	3,191	Cash flow from operations	280
Capital expenditure	-	Capital expenditure	-
Term loans	1,289,320	Term loans	1,288,354
Shareholder's funds to total assets	2.3%	Shareholder's funds to total assets	1.6%

Dunedin Venues Management Limited

Statement of service performance for the year ended 30 June 2024

The performance targets established in the 2023/24 Statement of Intent (SOI) for Dunedin Venues Management Limited and the results achieved for the year ended 30 June 2024 are as follows:

PERFORMANCE TARGET	оитсоме
Safety and Compliance	'
No incidents or injuries reportable to Worksafe during the reporting period as logged into the safety management system.	Achieved.
An Incident Frequency Rate Events (IFRE) < 0.05% of the total number of event attendees across all venues.	Achieved.
Total Incident Rate (TIR) < than 6 incidents per 200,000 hours worked.	Achieved.
Total Recordable Incidents (TRI) < 3.	Achieved.
Lost Time Incidents (LTI) < 2.	Not achieved - there were 2 lost time incidents during the reporting period.
Lost Time Incident Frequency Rate (LTIFR) < 17 per 1,000,000 hours worked.	Not achieved - the Lost Time Incident Frequency Rate was 29 per 1,000,000 hours worked.
Safety and Wellness internal audits completed as per programme, the resulting actions added to the Safety & Wellness improvement plan and completed within the agreed timeframes.	Achieved.
Current Building Warrant of Fitness (BWOF) is maintained.	Achieved.
Marketing and Business Objectives	
Survey Members for satisfaction level - minimum 80% satisfaction to be achieved.	Not measured - a question on Members satisfaction was not included in the Members survey.
Achieve a 75% retention rate of member renewals by contract value.	Achieved.
Achieve 85% ratepayer satisfaction with Forsyth Barr Stadium in the Dunedin City Council's Residents' Opinion Survey.	Achieved.
Report to the Dunedin City Council on the application of the Service Level Agreement for Community Event Funding to ensure it caters to a variety of events and community groups.	Achieved.
Attend at least 1 Conference and Incentive Trade Show per annum and meet/communicate with major content providers on a regular basis.	Achieved.

PERFORMANCE TARGET	OUTCOME	
Marketing and Business Objectives (Economic Development	Strategy)	
A minimum of \$5m visitor marginal direct spend for Dunedin City per each major event which uses Event Attraction Funding.	The Visitor Marginal Direct Spend for major events in the year to 30 June 2024 as determined by an independent economist were as follows:	
	Event Visitor Marginal Direct Spend	
	(\$000) All Blacks v Australia \$12,600 P!NK \$16,610 Total \$29,210	
Achieve minimum 80% satisfaction rating through surveys of all major events (>10,000 pax).	Not achieved - due to satisfaction of one event not measured.	
	Satisfaction and attendance numbers for major events in the year to 30 June 2024 were:	
	EventSatisfactionFIFA Women's World CupNot measuredAll Blacks v Australia90%P!NK93%	
Environment & Sustainability		
Continue to refine and implement DVML's carbon emissions strategy developed in the 2022 financial year and achieve our FY2024 targets.	Achieved.	
Continue to refine and implement DVML's waste reduction strategy developed in the 2022 financial year and achieve our FY2024 targets.	Achieved.	
Measure and publicly report our Greenhouse Gas (GHG) emissions, and progress towards our emissions and waste reduction strategies and targets, in our Annual Report.	Achieved.	
Tenders for asset refurbishments and replacements to consider the carbon impact of the lifecycle of the asset.	Achieved.	
Report to the Dunedin City Council 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.	Achieved.	
Human Resources		
Performance reviews are conducted at least twice per year.	Achieved.	
Conduct a confidential staff annual engagement survey acting on outcomes as appropriate.	Achieved.	
Provide 'pop up' staff wellness sessions on various topics of interest through the Safety & Wellness Committee.	Achieved.	
No employee is paid less than the living wage.	Achieved.	
To create a People and Culture Strategy, and a Diversity, Equity and Engagement Strategy by 30 June 2024.	Achieved.	
Financial		
Achieve a 15:1 return on investment (ROI) of the Event Attraction Fund (EAF). ROI is achieved and calculated by	The return on investment of the Event Attraction Fund for 2023/24 was:	
Visitor Marginal Direct Spend against the level of EAF investment for the major event.	EventReturnAll Blacks v Australia73:1P!NK58:1	

PERFORMANCE TARGET		OUTCOME	
Shareholder			
Matters which may or could conflict 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 DCHL within 24 hours of the Board becoming aware of substantive matters which have the potential to negatively impact on the Shareholder and DVML with a particular focus on matters of interest to the media.		There were no matters which had the potential to negatively impact on the Shareholder and the Company that were required to be reported to Dunedin City Holdings Limited.	
Financial forecasts \$000		Financial achievement	\$000
EBITDA	2,744	EBITDA	2,782
Net profit after tax	113	Net profit after tax	209
Cash flow from operations	4,455	Cash flow from operations	4,472
Capital expenditure	788	Capital expenditure	909
Term loans -		Term loans	-
Shareholder Funds	1,652	Shareholder Funds	2,199
Shareholder funds to total assets	0.09:1	Shareholder funds to total assets	0.18:1
Dividend	-	Dividend	_

Dunedin Stadium Property Limited

Statement of service performance for the year ended 30 June 2024

The performance targets established in the 2023/24 Statement of Intent (SOI) for Dunedin Stadium Property Limited and the results achieved for the year ended 30 June 2024 are as follows:

OBJECTIVES	PERFORMANCE TARGET	ОИТСОМЕ
Ensure an Asset Management Plan which enables general use of the stadium, and meets asset warranty and guarantee requirements, is in place.	An Asset Management Plan is in place.	An Asset Management Plan is in place.
Ensure the Asset Management Plan remains current and relevant.	The Asset Management Plan is internally reviewed annually, and externally reviewed every three years (next external review is due in the 2023 calendar year).	"The Asset Management Plan has been internally and externally reviewed during the 2024 financial year.
Ensure an appropriate debt repayment programme is in place.	A debt repayment program is in place and is reviewed by the board annually.	DSPL's current debt repayment plan is to direct any available funds, after expenses, to debt reduction. This was reviewed as part of consideration of the budget for FY2025 to FY2027 and results for the year. DSPL borrowings increased by \$1.93m in FY2024 and are forecast to continue to increase through the forecast period, noting higher interest rates and forecast capital expenditure.
Ensure Statement of Intent is consistent with objectives of the shareholder.	A draft 2024/2025 Statement of Intent will be submitted to the shareholder by 1 March 2024.	The draft 2024/2025 Statement of Intent was submitted to DCHL and DCC by 1 March 2024.
Contribute to Council's Carbon Neutrality initiatives.	Refine and continue to implement DSPL's carbon emissions strategy developed in 2022, and achieve and publicly report progress against our FY2024 targets.	DSPL continues to implement its strategy. Carbon emission impacts are now considered as part of all capital expenditure proposals and opportunities to reduce carbon emissions have been identified. No formal targets were set for FY2024.
	Refine and continue to implement DSPL's waste reduction strategy developed in 2022, and achieve and publicly report progress against our FY2024 targets.	DSPL continues to implement its strategy. Waste impacts are now considered as part of all capital expenditure proposals. No formal targets were set for FY2024.
	Measure and publicly report our Greenhouse Gas (GHG) emissions, and progress towards our emissions and waste reduction strategies and targets, in our Annual Report.	DSPL does not report a GHG emissions footprint because all emissions associated with Forsyth Barr Stadium are measured and reported by sister company Dunedin Venues Management Ltd.
	Ensure that all direct employees are paid at living wage or above.	DSPL does not directly employ any staff.
Consult with the shareholder in a timely manner on DSPL strategic or operational matters which could compromise the Council's community outcomes.	No such matters that were not escalated to the shareholder in a timely manner.	There were no matters requiring escalation to the shareholder.
Report to the shareholder within 24 hours of the Board becoming aware of any substantive matter, including any matter likely to generate media coverage.	No such matters that were not reported to the shareholder within 24 hours.	There were no matters of substance to report to the shareholder.

The Asset Management Plan schedules anticipated 6x maintenance works with a combined budget of \$392,864, and 20x capital renewal works with a combined budget of \$4,590,091 in FY2024.

Of the 6x planned maintenance works scheduled for FY2024:

- 5x works with a combined budget of \$336,864 were deferred to a future year. 4x deferrals relate to work that will now be completed in FY2025, 1x was deferred as a result of a specialist contractor assessment.
- 1x works were delivered, totalling \$48,229 (compared with budget of \$56,000) was near completion at 30 June 2024.

DSPL spent a further \$208,734 on unscheduled maintenance at the stadium during the financial year, to respond to unanticipated repairs and maintenance needs.

Of the 20x capital renewal works scheduled for FY2024:

- 1x works with a budget of \$749,084 was commenced with a spend to date of \$84,598. The remaining work was unable to be completed due to access being denied while the new sports lights were being installed. This work will be recommencing in FY2025.
- 3x works were delivered, totalling \$62,221 (compared with budget of \$96,798). 1x works related to exit sign illuminations which was deferred from 2023 due to internal resource constraints.
- 6x works with a combined budget of \$755,152 were deferred to a future year. The majority of this (1x works) relates to Asphalt/Sealed Areas which has been deferred to FY2026.
- 3x works with a combined budget of \$84,820 have been deferred following a specialist contractor assessment.
- 1x works with a budget of \$278,000 was commenced with a spend to date of \$103,875. The works are awaiting delivery of the remaining components.
- 1x works with a budget of \$100,158 was commenced with a spend to date of \$16,000 for design fees. The remaining work has been deferred to FY2025.
- 2x works with a budget of \$24,083 was commenced with a spend to date of \$22,767. The remaining works will be completed in FY2025.
- 1x works completed with a budget of \$2,495,000 and a project spend of \$2,595,334 was in relation to the replacement of the sports lights and crowd experience lighting.

We do not anticipate the deferrals made in FY2024 to significantly impact the operations or effectiveness of the stadium. Most works have been deferred in line with the externally reviewed asset maintenance plan and will be completed as required.

Financial forecasts	\$000	Financial achievement	\$000
EBITDA	2,522	EBITDA	1,508
Net profit after tax	(6,715)	Net profit after tax	(6,334)
Cash flow from operations	(1,651)	Cash flow from operations	(1,062)
Capital expenditure	4,590	Capital expenditure	3,132
Term loans	87,397	Term loans	85,300
Shareholder's funds to total assets	37%	Shareholder's funds to total assets	38%
Dividend	-	Dividend	-

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 deficit before tax and subventions for the year of \$7,578,000 is largely consistent with the budgeted operating deficit before tax and subventions of \$8,273,440.

Dunedin International Airport Limited

Statement of service performance for the year ended 30 June 2024

The performance targets established in the 2023/24 Statement of Intent (SOI) for Dunedin International Airport Limited, and the results achieved for the year ended 30 June 2024 are as follows:

PERFORMANCE TARGET	оитсоме	
Safety		
Safety & security are our top priorities.		
Strive for 'Zero harm' to anyone as a result of our operations.		
Nil Serious harm to our staff, airports users or contactors.	There was one serious harm injury during the 2024 financial year.	
Nil Runway Incursions.	There were nil Runway Incursions during the 2024 financial year.	
Lost Time Injury Frequency Rate (LTIFR) to remain below WorkSafe benchmark level of 4.66.	The 12-month rolling LTIFR as of 30 June 2024 was 2.35.	
Achieve FY24 DIAL Safety Plan targets.	There was one serious harm injury during the 2024 financial year. All other areas of the Safety Plan were met.	
Actively manage wildlife hazard and risk of bird strike.		
Strike rate <5 strikes per 10,000 on 12-month moving average.	The 12-month rolling strike rate for the first quarter of 2024 was 3.3, with a low and downward Incident Rate Trend.	
Sustainability		
To be considered one of New Zealand's most sustainable airports.		
Implement DIAL's Sustainability Strategy and achieve FY24 sustainability targets.	Dunedin Airports Sustainability Policy directs management to develop Action Plans to deliver on our priorities. The Action Plan for 2024 included 14 actions, 6 of which were completed in the 2024 financial year. Delays in the recruitment of a dedicated General Manager Sustainability & Planning impacted achieving of all 14 actions. Dunedin Airport is committed to completing our uncompleted 2024, and our 2025 actions in the 2025 financial year.	
Maintain full compliance with the Resource Management Act (RMA) with zero breaches.	There were no Resource Management Act breaches during the 2023/2024 financial year.	
Implement DIAL's Carbon and Waste Reduction strategy.		
Measure and report our Carbon emissions in the Annual Report.	FY24 GHG inventories measured and disclosed in 30 June 2024 Annual Report.	
Achieve FY24 Carbon and waste reduction targets.	FY24 carbon reduction target (under 245t Scope 1 & 2) – 213 t Scope 1 & 2 measured in FY24 – 23% reduction from prior year. Landfill diversion rate increased to 39.5% from 24.7%, reflecting an increase in recycling efforts during the 2023-2024 financial year.	

PERFORMANCE TARGET	оитсоме	
Infrastructure		
To provide Kaitiakitanga and to make the best use of our assets.		
Maintain our assets to ensure no delays caused by DIAL to scheduled passenger operations.		
Zero on time performance (OTP) delays to regular passenger transport (RPT) operations due to airport infrastructure.	There were two recorded delays to RPT operations attributable to airport infrastructure.	
Plan, renew and upgrade core infrastructure to ensure sustainable long-term viability and resilience of the airport campus.		
Implement Water Storage master plan.	Procurement of Water Storage infrastructure commenced during 2023/2024 financial year.	
Implement Wastewater master plan.	Capital upgrade of Waste Water Treatment Plant started during 2023/2024 financial year, design/build contractor engaged to undertake investigation and design work for a new Waste Water Treatment Plant.	
Implement Electrification master plan	Site upgrades to enable rental EV charging were completed during 2023/2024 financial year. Higher level infrastructure upgrades in design phase.	
Develop Stormwater management strategy.	Tactical work to improve stormwater management and discharge quality delivered during 2023/2024 financial year, while strategy development placed on hold pending resolution of regulatory changes.	
Provide a high standard of service to our customers.		
'Very good' or greater achieved across all areas in customer insight survey.	Four customer insight surveys were completed this financial year. A majority of 'very good' or better was achieved across all four surveys.	
Route Development		
To grow our business.		
Re-establish and build our international air route connectivity with a new international air route.	International Regular Scheduled Services were not reinstated to the airport during the 2024 financial year. However, route development discussions with airline partners continue.	
Optimise and sustainably grow domestic passenger volumes with Year on Year improvement in Domestic passenger volumes, with strong seat load factors (SLF).	Domestic passenger volumes totalled 903,396 for the 2024 financial year. This represents a 1.8% decrease on the prior year. Seat load factors remained consistent with the prior year at 81%.	
Optimise non-aero revenue derived from passenger traffic.		
Year on year increase in net Passenger Spend Rate (PSR).	Passenger Spend Rate has increased by \$0.75 (3.1%) over the prior financial year.	
Year on year increase in net Income per Passenger (IPP).	Income per Passenger has increased by \$0.30 (5.5%) over the prior financial year.	
Execute our access strategy (ground transport).	The landside access and carpark design professional services project was awarded and commenced during the 2023-2024 financial year.	
Develop a long term, sustainable strategy for our commercial land holdings i.e., Farms, Village, Service station and commercial property.		
Finalise Air Cargo strategy.	Stage One of Air Cargo strategy completed. No further strategic development to occur in this space. Watching brief will be maintained on opportunities.	
Implement our Farm Strategy.	Delayed pending the recruitment of a General Manager Sustainability & Planning. Wildlife Hazard management strategy to be interfaced into Farm planning.	

PERFORMANCE TARGET	ОИТСОМЕ	
Business Development		
To develop & strengthen our customer, partner & shareholder relations.		
Implement initiatives to improve the performance of our relationships.		
Conduct stakeholder engagement surveys once a year with our strategic partners to review the strength of the relationships.	A stakeholder engagement survey was completed with 20 respondents.	
Continue and build on our relationship with local iwi.	Engagement with our local Runaka (Otakou) continuing to develop. Cultural narrative and co-design engagement for the access strategy (ground transport) to commence early in the 2025 financial year.	
Provide sponsorship to community events and organisations.		
Invest 0.25% of prior year operating revenue to sponsorship.	\$30,422 was provided in sponsorship and donations to events and organisations. This represents 0.15% of prior year operating revenue.	
Operate on a "no surprises" basis with shareholders.		
Substantive matters reported to shareholders within 24 hours, which have potential to significant impact negatively on DIAL or our shareholders.	No substantive matters were noted in the 2024 financial year.	
Our People		
To be a great place to work.		
Maintain and optimise the wellbeing of our people.		
Achieve FY24 Wellbeing plan targets.	Wellbeing programme introduced. Measured through feedback in staff engagement survey where 86.5% of responding staff feel Dunedin Airport takes employee health & safety, and well-being into account consistently.	
Ensure that our people are engaged with the company's Vision, Purpose, and Values.		
Improvement in our annual engagement survey score.	Engagement score improved from 74% to 85% engaged.	
Cultivate, maintain, and optimise an equitable & diverse workforce.		
Develop a People and Culture Strategy.	People & Culture Strategy created.	
Develop a Diversity, Equity and Engagement Strategy by 30 June 2024.	Diversity, Equity & Inclusion policy implemented.	

Statement of compliance and responsibility

Compliance

The Council and Management of the Dunedin City Council confirm that all statutory requirements of Schedule 10 Part 3 of the Local Government Act 2002 regarding financial management and borrowing have been complied with.

Responsibility

The Council and Management of the Dunedin City Council accept responsibility for the preparation of the annual Financial Statements and Statement of Service Performance, and the judgements used in them.

The Council and Management of the Dunedin City Council accept responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Council and Management of the Dunedin City Council, the annual Financial Statements 30 June 2024 fairly reflects the financial position and operations of the Dunedin City Council.

Jules Radich, Mayor of Dunedin

31 October 2024

Sandy Graham, Chief Executive Officer



Independent Auditor's Report

To the readers of Dunedin City Council's annual report for the year ended 30 June 2024

The Auditor-General is the auditor of Dunedin City Council (the City Council) and its subsidiaries and controlled entities (the group). The Auditor-General has appointed me, Rudie Tomlinson, using the staff and resources of Audit New Zealand, to report on the information in the City Council's annual report that we are required to audit under the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

- whether the City Council has complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the City Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014.

We refer to this information as "the disclosure requirements" in our report.

We completed our work on 31 October 2024. This is the date on which we give our report.

Opinion on the audited information

In our opinion:

- the financial statements on pages 88 to 93 and pages 96 to 165:
 - present fairly, in all material respects:
 - the City Council and group's financial position as at 30 June 2024; and
 - the results of the operations and cash flows for the year ended on that date: and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards; and
- the funding impact statement on page 94, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the City Council's annual plan; and

- the services and activities section on pages 33 to 86:
 - presents fairly, in all material respects, the levels of service for each group of activities for the year ended 30 June 2024, including:
 - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved; and
 - the reasons for any significant variation between the levels of service achieved and the intended levels of service: and
 - complies with generally accepted accounting practice in New Zealand; and
- the statement about capital expenditure for each group of activities on pages 38, 41, 46, 49, 53 to 54, 58, 62, 67 to 68, 74, 78, 81 and 85, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the City Council's annual plan; and
- the funding impact statement for each group of activities on pages 39, 42, 47, 50, 55, 59, 63, 69, 75, 79, 82 and 86, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the City Council's long-term plan.

Report on the disclosure requirements

We report that the City Council has:

- complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- made the disclosures about performance against benchmarks as required by the Local Government (Financial Reporting and Prudence) Regulations 2014 on pages 167 to 170, which represent a complete list of required disclosures and accurately reflects the information drawn from the City Council's audited information and, where applicable, the City Council's long-term plan and annual plans.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Council and our responsibilities relating to the audited information, we comment on other information, and we explain our independence.

Basis for our opinion on the audited information

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. We describe our responsibilities under those standards further in the "Responsibilities of the auditor for the audited information" section of this report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information.

Responsibilities of the Council for the audited information

The Council is responsible for meeting all legal requirements that apply to its annual report.

The Council's responsibilities arise under the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare the information we audit that is free from material misstatement, whether due to fraud or error.

In preparing the information we audit the Council is responsible for assessing its ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to amalgamate or cease all of the functions of the City Council and the group or there is no realistic alternative but to do so.

Responsibilities of the auditor for the audited information

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the City Council's annual plan.

We did not evaluate the security and controls over the electronic publication of the audited information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City Council and group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We determine the appropriateness of the reported intended levels of service in the services and activities section, as a reasonable basis for assessing the levels of service achieved and reported by the City Council.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the City Council and group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the audited information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the City Council and the group to cease to continue as a going concern.
- We evaluate the overall presentation, structure, and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the audited information of the entities or business activities within the group to express an opinion on the consolidated audited information. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Council is responsible for the other information included in the annual report. The other information comprises the information included on pages 1 to 21, 23 to 32 and 95 but does not include the audited information and the disclosure requirements, and our auditor's report thereon.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the City Council and group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board.

For the year ended 30 June 2024 and subsequently, the independent Chair of the City Council's Audit and Risk Committee is also the independent Chair of the Auditor-General's Audit and Risk Committee. The Auditor-General's Audit and Risk Committee is regulated by a Charter that specifies that it provides independent advice to the Auditor-General and does not assume any management functions. There are appropriate safeguards to reduce any threat to auditor independence, as a member of the Auditor-General's Audit and Risk Committee (when acting in this capacity) has no involvement in, or influence over, the audit of the City Council.

In addition to our audit and our report on the disclosure requirements, we have carried out statutory and regulatory engagements for the City Council's subsidiaries and associate and performed a limited assurance engagement related to the City Council's Debenture Trust Deed, which are compatible with those independence requirements. Other than these engagements, and the relationship with the Auditor-General's Audit and Risk Committee, we have no relationship with, or interests, in the City Council or any of its subsidiaries and controlled entities.

Rudie Tomlinson Audit New Zealand

On behalf of the Auditor-General

Dunedin, New Zealand

For advice or information

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DunedinCityCouncil





