

Water Services Delivery Plan Assessment

Assessment Report – Dunedin City Council

Te Kāwanatanga o Aotearoa
New Zealand Government



Internal Affairs
Te Tari Taiwhenua

Glossary and abbreviations

The table below sets out the abbreviations used in this report

	Abbreviation
Asset Management Plans	AMP
Department of Internal Affairs	Department
Drinking Water Quality Assurance Rules	DWQAR
Dunedin City Council	DCC
Funds From Operations	FFO
In-house Business Unit	IBU
Levels of Service	LOS
Local Government Funding Agency	LGFA
Local Government (Water Services Preliminary Arrangements) Act 2024	Preliminary Arrangements Act
Long Term Plan	LTP
Resource Management Act 1991	RMA
Water Services Council Controlled Organisation	WSCCO
Water Services Delivery Plan	Plan
Wastewater treatment plant	WWTP

Assessment Cover Sheet

Background on council and engagement with the Department

Detail	Commentary
Councils involved in plan	Dunedin City Council
Number of connections	Drinking water: 49,617 Wastewater: 48,394 Stormwater: 50,398
DIA comment on council engagement during Plan development process	<ul style="list-style-type: none"> • DCC participated in initial discussions with the Southland–Otago regional grouping, which included eight councils. A working group was established to assess the merits of forming a regional grouping and to provide advice to elected members. The group’s report highlighted significant benefits to regional aggregation, particularly for smaller, rural councils. • On 14 March 2025, the Department spoke with Dunedin City Council to discuss in-house solutions. • DCC consulted their communities from March to April 2025, with an IBU as the preferred model. The consultation noted a shared services arrangement between DCC and Christchurch City Council was also being investigated to identify if there could be reduced costs and enhanced water service delivery for both councils. • On 26 May 2025, DCC approved in-house delivery of three waters services as their water services delivery model. • The final plan was submitted to the Department on 25 August 2025.
Feedback provided to council prior to submission on Draft Plan	DCC provided the Department with a draft Plan for review on two occasions, 21 May and then again 1 July 2025. Both versions of the draft were incomplete and, although feedback was given on the information provided for review, the Department's feedback noted that a view on whether the draft was likely to meet financial sustainability requirements could not be given without a completed Plan.
Engagement with council during review and assessment process	<p>The Department queried and the Council confirmed that:</p> <ul style="list-style-type: none"> • the rate of water loss is 9%; and

	<ul style="list-style-type: none"> provided a signed copy of the Plan.
Other Background Comments	N/A

Assessment Summary

Section	Commentary
Confirmation of submission completeness checklist	Yes – all required components completed.
General Comment on Plan	DCC proposes an enhanced IBU to deliver its water services. The Plan demonstrates financial sustainability, with sufficient revenue to cover the costs, and sufficient investment to meet relevant regulatory standards.
Financial Sustainability Comment	The Plan explains how the delivery of water services will be financially sustainable and that revenue is sufficient to cover the long-term investment that meets the LOS, regulatory requirements and provides for growth. Detailed actions are provided which will ensure financially sustainable delivery of water services, and risks and constraints are identified in the Plan.
Revenue Sufficiency	The average charges for water services are \$1,366 in 2024/25 and are projected to increase to \$2,782 in 2033/34, an increase of 103.7% over the 10 years. Charges for all three waters are 1.3% of median household income in 2024/25 and 2.2% in 2033/34. Revenue collected from water services will cover all costs from 2027/28 onwards and operate at break even. There are cash surpluses forecast throughout the Plan.
Investment Sufficiency	\$1.1b of investment is planned over the 10 years of the Plan, and is sufficient to meet requirements of LOS, renewals and enable growth. Renewals and investment over the 10 years is consistent with AMPs and Infrastructure Strategies. The asset average life remaining is increasing due to expenditure on renewals, LOS and growth projects.
Financing Sufficiency	The Plan confirms sufficient funding and financing can be secured. Council borrowings are within their self-imposed limits and external covenants. Projected borrowings for water services are \$624m over 10 years and are within the self-imposed debt to revenue limits. There is borrowing headroom at a water services level and a whole of council level throughout the whole plan. The FFO identified in the Plan ranges between 11.8% and 18.3% over the 10 years and would support a standalone water services WSCCO.

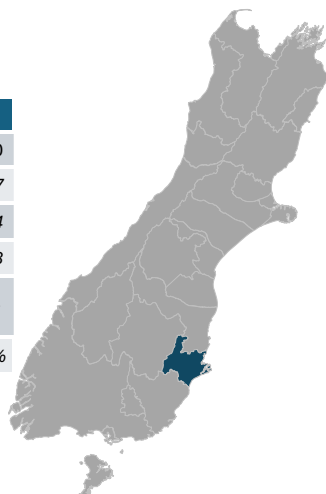
Overall assessment recommendation	The overall recommendation from the assessment phase is to accept the Plan from DCC.
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Issues for discussion with Panel

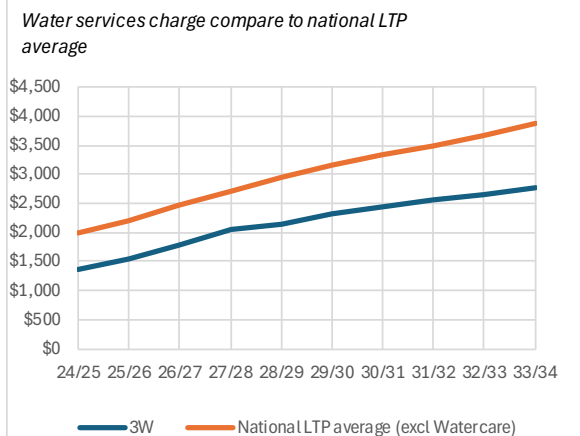
Issue	Description	Recommended treatment
Delivery of capital programme related to regulatory compliance	<p>There are major projects planned to address non-compliance, including multiple water supply upgrades.</p> <p>Major investments include Port Chalmers water supply upgrade (\$19m), network leakage reduction (\$22m), Mosgiel water supply improvements (\$14m), resilience projects for alternative groundwater sources (\$21m and \$18m beyond 2034), expansion of water storage capacity (\$241m), and smart networks with domestic smart meters (\$41m).</p>	We recommend the delivery of projects required to achieve regulatory compliance is monitored.

Council summary information

Summary information	Level
Current population	135,700
Drinking water connections	49,617
Wastewater connections	48,394
Stormwater connections	50,398
High growth council	Yes
10 year population growth	7.7%



Affordability and growth



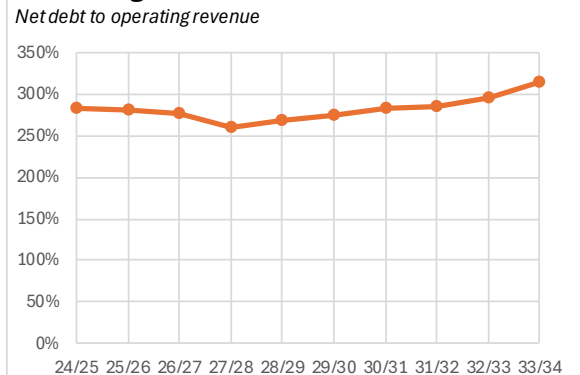
Assets, network and compliance

Asset measures	Year 1	Year 10	10 Year Average
Total assets per connection (\$)	36,615	50,006	43,490
Total debt per connection (\$)	5,403	11,932	8,417
Operating costs per connection (\$)	912	1,359	1,139
Age of network (years)	DW	WW	SW
Average age outlined in plan	49	59	58

Network performance	Level
Level of service performance measures achieved	21 out of 25
Water loss rate (% loss)	9%
Average consumption (litres per person per day)	269

Compliance addressed in the Plan	
Drinking water compliance	Yes
Resource consent compliance	Yes

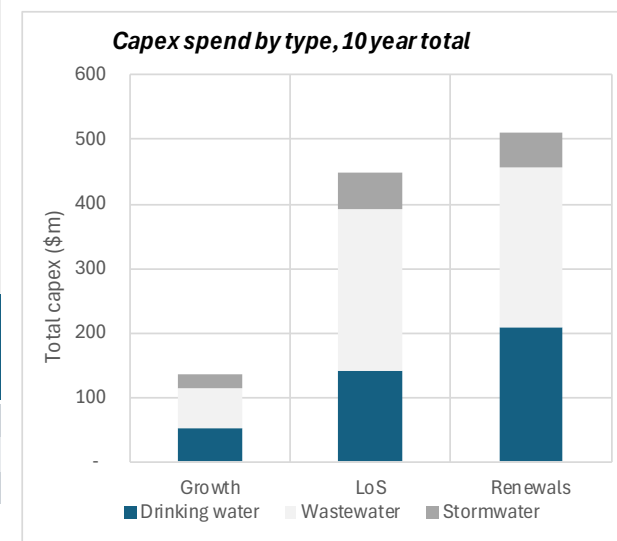
Financing



Capital expenditure	Category of capital expenditure			Total over 10 years
	Growth	Level of service	Renewals	
Drinking water	51,942	140,418	209,888	402,248
Wastewater	63,195	252,777	245,968	561,940
Stormwater	19,486	56,451	55,864	131,801
Total 10 years	134,623	449,646	511,720	1,095,989

Item	Year 1	Year 10	10 Year Average
Total charge as % of median income	1.30%	2.20%	1.82%
Annual price increase	10.50%	4.50%	8.52%
DC collected per new connection (\$)	N/A	N/A	6,084

Item	Year 1	Year 10	10 Year Average
Water related net debt to operating revenue %	282%	315%	282%
FFO to debt	11.8%	14.6%	15.8%
Whole of Council net debt to revenue %	178%	182%	198%



Assessment Report: Part A – Statement of financial sustainability, delivery model, implementation plan and assurance

Section in Part A	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Delivery model and implementation				
Financially sustainable water services provision	DCC's IBU will meet financial sustainability requirements by 30 June 2028.	The Plan explains how the delivery of water services will be financially sustainable and that revenue is sufficient to cover the long-term investment that meets the LOS, regulatory requirements and provides for growth.	Meets requirements	N/A
The proposed model to deliver water services	<p>The proposal is for DCC to continue delivering water services in-house through an enhanced IBU model operating as a fully compliant and financially sustainable unit from 30 June 2028.</p> <p>Governance will remain under the existing DCC structure, with adjustments to meet new legislative requirements. Collaboration with Christchurch City Council is ongoing to explore shared service opportunities without affecting DCC's delivery model.</p> <p>Water services will be financially ring-fenced to comply with legislative requirements, supported by additional resources and robust financial systems. Revenue will primarily come from targeted rates, fees, and development contributions, with a review of fees and charges planned.</p>	<p>The proposed IBU model to deliver water services is clear with a transition from the current arrangements from 1 July 2026 to 30 June 2028.</p> <p>The organisation structure is predominantly unchanged.</p>	Meets requirements	N/A

Section in Part A	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Implementing the proposed service delivery model	<p>To ensure compliance with legislative requirements and financial sustainability, implementation will occur in three stages:</p> <ol style="list-style-type: none"> 1. Transformation - Confirmation of the operating model, alignment of water services delivery and its interactions with other parts of DCC- 3 September 2025 – 31 August 2026 2. Transition (meeting legal requirements, including Commerce Commission Information Disclosure)- 1 July 2026 – 30 June 2028 3. Future State (Operating as a fully compliant and financially sustainable water services entity from 30 June 2028 and achieving full compliance and financial sustainability by 30 June 2028)- 30 June 2028 <p>Key milestones include meeting information disclosure requirements (mid-2026), adopting the first water services strategy (30 June 2027), and achieving financial sustainability (30 June 2028).</p>	The Plan outlines an implementation plan as required by section 13(2) of the Preliminary Arrangements Act.	Meets requirements	N/A
Consultation and engagement undertaken	<p>DCC undertook public consultation between 31 March 2025 and 30 April 2025:</p> <p>DCC consulted on:</p> <ul style="list-style-type: none"> • Option 1: Forming an IBU (DCC’s preferred option) • Option 2: Forming a WSCCO waters company <p>Overall, 67% of submitters supported the preferred IBU option, with the remaining 33% supporting the WSCCO option.</p>	Consultation meets the requirements of Part 3 of the Preliminary Arrangements Act.	Meets requirements	N/A

Section in Part A	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Assurance and adoption of the plan				
Council resolution to adopt the Plan	DCC resolved to adopt the Water Services Delivery Plan on 12 August 2025.	N/A	Meets requirements	N/A
Certification of the Chief Executive of Dunedin City Council	The Chief Executive certified the Water Services Delivery Plan on 25 August 2025.	N/A	Meets requirements	N/A

Assessment Report: Part B – Network Performance

Section in Part B	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Investment required in water services				
Serviced population and serviced areas	<p>DCC services 86% of the population for water and 83% for wastewater, based on a current population of 135,700.</p> <p>Annual growth is projected at 0.7% until 2034, reaching 146,100 in 10 years and 149,500 in 30 years.</p> <p>As of 30 June 2024, Dunedin's residential water supply includes three schemes (Dunedin: 47,554 connections, Waikouaiti: 1,105 connections, Outram: 434 connections), while wastewater services cover five schemes totalling 48,033 connections.</p> <p>Stormwater services are rated for 49,488 properties across harbour stormwater catchments and outlying areas.</p> <p>Water services are not provided to some communities within Waikouaiti Coast, West Harbour, Otago Peninsula, Saddle Hill, Mosgiel-Taieri, and Strath Taieri, with an estimated self-serviced population of 20,000.</p> <p>The Plan states that water loss is 9%.</p> <p>The Plan enables 710 new connections by 2034 and infrastructure-ready connections totalling 4,420. LOS for 2023/24 and 2024/25 show partial achievement, with drinking water standards and average water consumption (269 litres/day) not met, alongside dry weather sewerage overflow issues (4 incidents in 2023/24).</p>	<p>Detailed information is provided on service areas, connections and growth.</p> <p>LOS are partially met.</p> <p>The Department queried and DCC confirmed the water loss figure is accurate.</p> <p>A water meter programme is in place for commercial and non-residential users.</p>	Meets requirements	N/A

Section in Part B	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Assessment of the current condition and lifespan of the water services network	The average age of Dunedin's water supply assets is 49 years, wastewater assets are 59 years, and stormwater assets are 58 years. Critical assets are identified, rated, and mapped into GIS. Above-ground assets show water (34%), wastewater (29%), and stormwater (78%) in poor or very poor condition. Below-ground assets are assessed by age/useful life, with critical pipes inspected. Below-ground, water assets show 29% in poor/very poor condition, wastewater assets show 30% in poor/very poor condition (77% of CCTV-inspected pipes), and stormwater assets shows 23% in poor/very poor condition.	The existing and future condition information and performance information is suitable to plan maintenance, renewals, and capital and operating plans in the long term. Critical assets are identified. Condition assessments have been completed, and information is suitable to prioritise maintenance, renewals and capital and operating programme.	Meets requirements	N/A
Asset management approach	DCC delivers water services through a hybrid model, managing core asset management functions internally while outsourcing tasks like network maintenance, renewals, and compliance. Proposed changes to the three waters operating model include novated contracts, enhanced financial and compliance capacity, and cost reduction initiatives, alongside shared services collaboration with Christchurch City Council. Asset management systems include Hexagon's EAM, IPS, and Geocortex GIS, supported by a \$2m upgrade plan. DCC follows ISO 55000 standards under its 2019 Asset Management Policy, with maturity self-assessments completed in June 2025.	Detailed information is provided on asset management approach. This includes commentary on how asset management will support the proposed IBU model, including internal and contracted tasks. An asset maturity assessment has been completed in 2025.	Meets requirements	N/A

Section in Part B	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
<p>Statement of regulatory compliance – drinking water</p>	<p>DCC owns and operates four registered drinking water supplies: Dunedin City, Outram, Waikouaiti, and West Taieri, along with Dunedin Airport. All supplies have Drinking Water Safety Plans, bacterial and protozoal treatment barriers, and residual disinfection, though there is only partial compliance with DWQAR.</p> <p>There has been one boil water notice in the past three years, and partial fluoridation (in the Dunedin City supply). Average consumption is 650L/connection/day. There is partial firefighting sufficiency.</p> <p>Major investments include Port Chalmers water supply upgrade (\$19m), network leakage reduction (\$22m), Mosgiel water supply improvements (\$14m), resilience projects for alternative groundwater sources (\$21m and \$18m beyond 2034), expansion of water storage capacity (\$241m), and smart networks with domestic smart meters (\$41m).</p>	<p>Investment to address compliance issues is underway.</p> <p>We recommend that the Department monitor delivery projects required to achieve regulatory compliance.</p>	<p>Meets requirements</p>	<p>Yes</p>

Section in Part B	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
<p>Statement of regulatory compliance – resource consents</p>	<p>DCC holds 17 water take consents, eight water treatment plant discharge consents (including one under s 124 RMA), two water supply discharge consents, and eight water supply dam consents, with two expiring in the next decade. Non-compliance includes one moderate-risk and 15 low-risk non-compliances, with improvement actions underway.</p> <p>The wastewater system includes network infrastructure, seven WWTPs, and discharge facilities for ocean, land, and freshwater disposal, while the stormwater system spans a large geographic area with discharges to freshwater and coastal waters. DCC holds 14 WWTP discharge consents (two expired under s 124 RMA, 14 expiring in the next decade), four wastewater network discharge consents, and 11 stormwater discharge consents (one expiring in the next decade).</p> <p>Non-compliance includes one significant, four moderate, and five low-risk wastewater issues, alongside 10 moderate stormwater non-compliances, two active wastewater consent applications, four abatement notices, and one stormwater infringement notice in the past 24 months.</p>	<p>Investment is included in the Plan to address compliance issues. Two abatement notices have been resolved, and a further two are currently being resolved. The consenting strategy to renew consents is stated.</p>	<p>Meets requirements</p>	<p>N/A</p>
<p>Capital expenditure required to deliver water services and ensure that water services comply with regulatory requirements</p>	<p>DCC has projected investment of \$134.6m over 10 years to meet additional demand, \$449.6m to improve LOS and \$511.7m to replace existing assets.</p> <p>Significant projects have been identified.</p> <p>Metering is proposed.</p>	<p>The investment for renewals, growth and LOS is sufficient to ensure that water services comply with regulatory requirements.</p>	<p>Meets requirements</p>	<p>N/A</p>

Section in Part B	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
<p>Historical delivery against planned investment</p>	<p>Historical investment has consistently exceeded planned levels, reaching 126.8% for renewals and 122.7% for total investment in 2021/22–2023/24. This has involved strategic planning, partnerships, and long-term contracts for key works, ensuring annual delivery despite challenges like contractor availability and supply chain issues. Early market engagement aims to enhance cost certainty and readiness, while strategic planning and project management address investment peaks to align with the LTP and community needs.</p>	<p>The planned capital programme steadily ramps up over the nine-year period with the capital programme tripling by 2033/34 compared to actual spend in 2024/25. The Plan acknowledges that the capital programme is ambitious and reflects the scale of investment required to maintain and improve Dunedin's water supply infrastructure. The Plan states that DCC is committed to delivering its full programme of works each year, supported by strong planning and strategic partnerships. To ensure consistent and scalable delivery, long-term contracts are in place for network, treatment plant, and pump station capital works. These contracts provide a stable foundation for project execution and foster enduring partnerships, while also encouraging the growth of a competitive and capable contractor market to support future infrastructure needs. DCC is actively working to accommodate peaks in the investment plan through strategic planning, enhanced project management capabilities, and ongoing collaboration with delivery partners.</p>	<p>Meets requirements</p>	<p>N/A</p>

Assessment Report: Part C – Revenue and financing arrangements

Section in Part C	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Revenue and charging arrangements				
Charging and billing arrangements	Water services are charged through targeted rates, fees and charges, development contributions. DCC proposes to maintain the current charging arrangements.	Detailed charging and billing arrangements are identified, and sufficient detail is provided.	Meets requirements	N/A
Water services revenue requirements and sources	Total revenue required in 2024/25 is \$96m and increases to \$201m by 2033/34. Revenue sources include targeted rates, fees and charges, development contributions, grants and subsidies, and vested assets.	Sufficient revenue sources and requirements for water services have been identified in the Plan.	Meets requirements	N/A
Existing and projected commercial and industrial users' charges	Non-residential consumers pay fixed drainage, drainage, and fire protection rates based on capital value, plus water charges based on usage.	The Plan has sufficient information on commercial and industrial user charges.	Meets requirements	N/A
The affordability of projected water services charges for communities	Water service charges for three waters are 1.3% of household income in 2024/25 rising to 2.2% in 2033/34.	Water affordability is stated at a three waters level. The affordability cannot be split to a two waters level as wastewater and stormwater are combined as a "drainage" charge.	Meets requirements	N/A

Section in Part C	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Funding and financing arrangements				
Water services financing requirements and sources	Water services will be financed through Dunedin City Treasury Limited which provides financing to the DCC group. Water services debt is forecast to increase from \$241 in 2023/24 to \$625m in 2033/34.	Sufficient financing sources and requirements have been identified in the Plan.	Meets requirements	N/A
Internal borrowing arrangements	There are no current (or expected) internal borrowing arrangements between water services and non-water services.	Water services will not have internal borrowings.	Meets requirements	N/A
Determination of debt attributed to water services	At 30 June 2024, the total value of water services borrowings was \$241m.	Debt attributable to water services is clearly identified in the Plan.	Meets requirements	N/A
Insurance arrangements	DCC has insurance policies for water services covering above ground and below ground assets. Above ground assets are insured for \$526.9m and below ground assets are insured for \$4.5b.	Insurance arrangements clearly identified. Water assets are insured for more than the identified replacement value (\$5.1b insured vs \$4.1b replacement cost identified).	Meets requirements	N/A

Assessment Report: Part D – Financial sustainability assessment

Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Financially sustainable water services provision				
Confirmation of financially sustainable delivery of water services by 30 June 2028	Water services will be financially sustainable by 30 June 2028. The Plan meets revenue, investing, and financing sufficiency.	The Plan explains how the delivery of water services will be financially sustainable and that revenue is sufficient to cover long-term investment that meets the LOS, regulatory requirements and provides for growth.	Meets requirements	N/A
Actions required to achieve financially sustainable delivery of water services	Detailed actions are provided for revenue, investment, and financing. Separate water services ledgers will ensure ringfencing, and water service financing will be separated from other financing in DCC. Capital projects will be delivered as forecast.	Detailed actions are provided outlined to ensure financially sustainable delivery of water services.	Meets requirements	N/A
Risks and constraints to achieving financially sustainable delivery of water services	Detailed risks and constraints are identified. These risks include capital expenditure budget for renewals, internal capacity and capability, external capacity and capability, useful lives of significant assets, fixed asset valuations, inflation, borrowing costs, and sources of funds for future replacement of significant assets.	The Plan identifies risks and constraints.	Meets requirements	N/A

Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Assessment of revenue sufficiency				
Projected water services revenues cover the projected costs of delivering water services	Projected revenues have an operating deficit for 2024/25 to 2026/27. From 2027/28 onwards water services are run at breakeven with \$0 operating surplus generated.	Revenues collected from water services will cover all costs from 2027/28 onwards and operate at break even.	Meets requirements	N/A
Average projected charges for water services over 2024/25 to 2033/34	Average charges for water services are \$1,366 in 2024/25 increasing to \$2,782 in 2033/34. Charges are 1.3% of median household income in 2024/25 and 2.2% in 2033/34.	Average water charges are identified for water supply and drainage. The drainage activity includes wastewater and stormwater charges.	Meets requirements	N/A
Projected operating surpluses/(deficits) for water services	Operating deficits are generated from 2024/25 to 2026/27. From 2027/28 onwards water services are run at breakeven with \$0 operating surplus generated.	Water services are forecast to operate at breakeven from 2027/28 onwards.	Meets requirements	N/A
Projected operating cash surpluses for water services	Cash surpluses are forecast throughout the Plan. The projected cash surplus increases from 46.9% (\$43.8m) in 2024/25 to 60.8% (\$120.3m) in 2033/34.	There are cash surpluses forecast throughout the Plan.	Meets requirements	N/A
Assessment of investment sufficiency				
Projected water services investment is sufficient to meet levels of service, regulatory requirements and provide for growth	<p>\$1.1b of capital investment is planned over 10 years to meet LOS, regulatory compliance, and growth, with the asset investment ratio rising from 26.1% to 78.6%. While depreciation is underfunded in the first three years, revenue is projected to exceed costs from 2027/28 onward.</p> <p>The investment planning approach adopted by DCC is consistent with the approach used for the development of their LTPs, AMPs and Infrastructure Strategy.</p>	The Plan demonstrates investment is sufficient to meet requirements of LOS, renewals and enable growth.	Meets requirements	N/A

Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Renewals requirements for water services	DCC's 30-year Infrastructure Strategy addresses a \$1b renewals backlog, aiming for elimination by 2055, with a 4% reduction achieved by 2033/34 through prioritising high-risk assets like treatment plants. While 22% of assets are at or near the end of their life, renewals are based on condition, performance, and criticality rather than age. The asset sustainability ratio fluctuates between negative 52.1% in 2028/29 and improves to a positive 32.0% by 2033/34, with renewals expenditure also accounting for growth-related needs.	Renewals are sufficient to meet requirements for water services.	Meets requirements	N/A
Total water services investment required over 10 years	DCC's priorities align with asset management goals, focusing on managing asset risk, improving knowledge of asset condition, ensuring contractor availability, and maintaining reliable service delivery. The asset investment ratio remains positive throughout the Plan period, increasing from 3.9% in 2024/25 to 78.6% in 2033/34, reflecting growing investment aligned with the AMP and LTP. Projected investment exceeds projected depreciation.	The total water services investment required over 10 years is consistent with AMPs and Infrastructure Strategies.	Meets requirements	N/A
Average remaining useful life of network assets	The asset consumption ratio remains consistent over the 10-year period, ranging from 41.8% to 43.5%. Additional investment planned for Years 11–30 under the Infrastructure Strategy is expected to improve the asset consumption ratio.	Asset average life remaining is increasing due to expenditure on renewals, LOS and growth projects.	Meets requirements	N/A
Assessment of financing sufficiency				
Confirmation that sufficient funding and financing can be secured to deliver water services	Sufficient funding and financing can be sourced through Dunedin Treasury Limited.	The Plan confirms sufficient funding and financing can be secured to deliver water services.	Meets requirements	N/A

Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Projected council borrowings against borrowing limits	Projected DCC borrowings are within borrowing limits for the Plan period. DCC has a 280% net debt to revenue limit in place with LGFA and an internal net debt to revenue limit of 250%. DCC borrowings have an opening balance of \$662m (178% net debt to revenue) in 2024/25, peaking at \$1,159m in 2030/31 for borrowings and 213% net debt to revenue in 2029/30. Borrowings reduce to approximately \$1,165m in 2033/34 with a net debt to revenue ratio of 182%. The whole of council has borrowing headroom throughout the Plan.	DCC borrowings are within their self-imposed limits and external covenants.	Meets requirements	N/A
Projected water services borrowings against borrowing limits	Projected borrowings for the water services internal business unit have a self-imposed net debt to revenue limit of 400%. Water services remain below the 400% debt to revenue limit throughout the Plan with a debt to revenue percentage of 282% in 2024/25 before reducing to 269% in 2028/29 then rising to 315% in 2033/34.	Projected water services borrowings are within the self-imposed debt to revenue limits.	Meets requirements	N/A
Projected borrowings for water services	Projected borrowings for water services are \$263m in 2024/25 rising consistently to \$624m in 2033/34.	Projected borrowings for water services are clearly identified in the Plan.	Meets requirements	N/A
Borrowing headroom/(shortfall) for water services	Borrowing headroom is available throughout the whole Plan with \$111m available in 2024/25, peaking at \$209m in 2031/32 before reducing to \$168m in 2033/34. The borrowing headroom is calculated against a 400% net debt to revenue ratio.	There is borrowing headroom at a water services level and a council level throughout the whole Plan.	Meets requirements	N/A
Free funds from operations	The DCC FFO has ranges between 11.8% in 2024/25 before peaking at 18.3% in 2027/28 then declining to 14.6% in 2033/34.	The FFO identified in the Plan is at a level that would support a standalone WSCCO.	Meets requirements	N/A
Assessment of financing sufficiency	The Plan demonstrates financing sufficiency.	The Plan confirms sufficient funding and financing can be secured to deliver water services.	Meets requirements	N/A

Assessment Report: Part E – Projected financial statements for water services

Section in Part E	Summary of content in Plan	Assessment Review Comment	Focus for panel
Projected funding impact statement	Projected funding impact statements are provided at a water services level and for each activity.	The financial statements provided reconcile to each other and the information provided in the Plan.	N/A
Projected statement of comprehensive revenue and expense	The projected statement of comprehensive revenue and expense is provided at a water services level and for each activity.		N/A
Projected statement of cashflows	The projected statement of cashflow is provided at a water services level and for each activity.		N/A
Projected statement of financial position	The projected statement of financial position is provided at a water services level and for each activity.		N/A

Assessment Report: Part E – Financial projections and measures

Projected statement of comprehensive revenue and expense

Water Services Delivery Plan page 86

Projected statement of financial position

Water Services Delivery Plan page 88

Financial measures: revenue sufficiency

Water Services Delivery Plan pages 73 - 76

Financial measures: investment sufficiency

Water Services Delivery Plan pages 77 - 79

Financial measures: financing sufficiency

Water Services Delivery Plan pages 80 - 83

Assessment Report: Water Service Delivery Plan – Additional information

Additional information	Summary of content in Plan	Assessment Review Comment	Focus for Panel
Additional disclosures to support Plan	N/A	N/A	N/A
Significant capital projects	The table shows all significant capital projects that generate cost and is consistent with the nine-year Plan 2025-34. All values are shown in nominal dollars.	Meets requirements.	N/A
Key issues, constraints, risks and assumptions	Key risks and assumptions that are not captured elsewhere in this Plan are disclosed.	Meets requirements.	N/A