

Annual Plan 25/26 – what is planned and what has changed

SPECIAL EDITION

Te Mātāpuna | The Source

YOUR SOURCE OF OTAGO REGIONAL COUNCIL COMMUNITY NEWS | *March 2025*

Rates changes for 2025/26

An overall rates increase of 7.8% is planned for the 2025/26 year, which is less than the previously forecast 13.8% increase.

We are aware that people are facing economic challenges and are conscious of the impact of rates rises.

The overall rates increase for 2025/26 is 7.8% – less than the previously forecast 13.8% – the result of cuts to planned public transport upgrades, work to gain efficiencies, and reduced inflation costs.

To help keep rates down we have also increased Port Otago's financial contribution by \$2 million. An overall rates increase was still needed to help fund the work we do.

The rates increase in 2025/26 is partly due to the new large-scale

environmental fund, a climate change strategy and biodiversity strategy, as well as the costs of doing business, including insurance, depreciation and rental costs.

The rates you pay help this council's work to protect Otago's natural resources – water, land and air – on behalf of the community.

That includes flood protection, natural hazard adaptation, public transport, compliance and a regional response to natural disasters.

Less than half of ORC's funding comes from rates – the rest is from fees and charges, grants, reserves, dividends from Port Otago and investment income.

Some changes are proposed to ORC's fees and charges. Find out more at orc.govt.nz/ap2025

What is behind rates changes

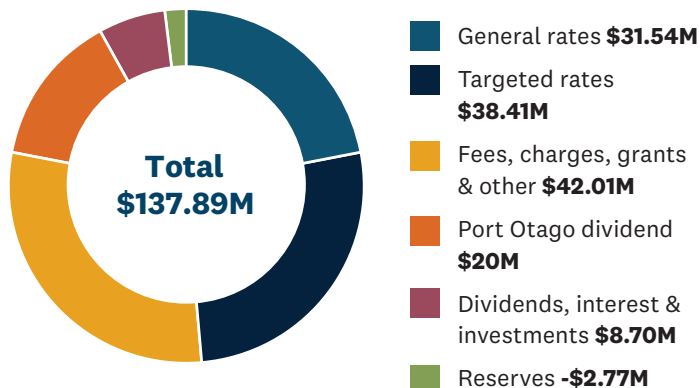
Contributing to reduced increase

- ↓ Planned public transport upgrades in Dunedin and regions not going ahead
- ↓ Increased funding from Port Otago
- ↓ Inflation costs are less than previously expected
- ↓ Decreases/deferral of work programmes

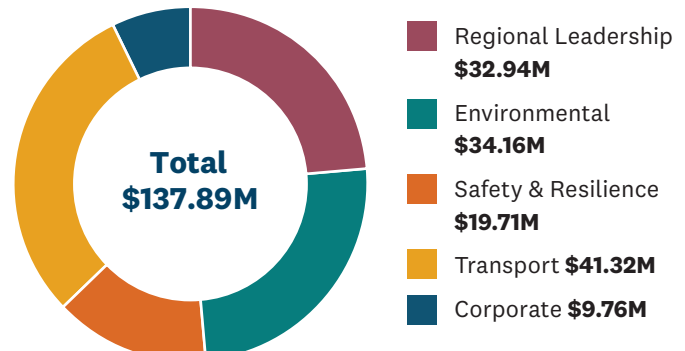
Contributing to rates increase

- ↑ Introduction of new large-scale environmental fund
- ↑ Rental cost of Whare Rūnaka (new office)
- ↑ Public transport upgrades in Queenstown
- ↑ Insurance costs

Where ORC funding comes from



Planned cost of work



See rates examples on page 2

2025/26 rates examples

What rates look like for each property is different – this is influenced by things such as location and the services provided.

Use our rates estimator to see information for your property:

orc.govt.nz/ratesestimator

Location	Property's capital value	2024/25 rate	2025/26 rate	% change
Waitaki	\$430,000	\$258.93	\$274.34	+5.95%
Central Otago	\$740,000	\$332.23	\$358.88	+8.02%
Clutha	\$370,000	\$283.10	\$305.64	+7.96%
Dunedin	\$590,000	\$410.54	\$436	+6.20%
Queenstown*	\$1,250,000	\$635	\$685.07	+7.89%

*Queenstown only, does not include the wider Queenstown Lakes area

Funding change for public transport

Planned public transport upgrades have changed or will not go ahead for Dunedin and some of Otago's regional centres due to the costs.

Councillors wanted to improve access to public transport, and after public consultation in 2024, agreed to progress with increased bus services for Queenstown and Dunedin as well as investigating and trialling regional public transport in some parts of Otago.

Government co-funding for public transport has been reduced – \$4.6 million less than needed for planned upgrades. Rather than ratepayers bearing the full cost of planned upgrades, proposed improvement plans have been pared back.

In the year ahead we'll continue to provide the same passenger transport

services in Otago – buses in Dunedin and buses and ferries in Queenstown.

Changes ORC is now proposing are:

- Investigating a service between Ōamaru and Dunedin; an alternative to an around-town option.
- Investigating a transport option for commuters from Alexandra and Cromwell to Queenstown. This recognises the volume of traffic between Central Otago and Queenstown, including commuters, and replaces the previously proposed trial for these towns.
- Investigating a transport option to connect Balclutha to existing Dunedin bus services instead of trialling a Balclutha–Dunedin Airport–Dunedin bus service.
- In Dunedin, increasing service frequencies on Route 5/6 (Pine Hill–Calton Hill) and Route 10/11 (Opoho–Shiel Hill) will not go ahead.

- Expanding bus services in Queenstown will go ahead – increased frequencies, improved connections and an Arrowtown 'direct' route via Malaghans Road are planned for 2025. Queenstown Ferry services will continue but won't be expanded.
- Funding constraints mean a Wānaka/ Upper Clutha public transport business case won't go ahead.

Around 5.3 million trips were taken on ORC buses in Queenstown and Dunedin in the 2023/24 year. Public transport also helps our environment by reducing congestion and carbon emissions.

We value your voice – tell us what you think and help shape Otago's future: orc.govt.nz/ap2025

Give feedback on fares and public transport services

Tell us what you think about public transport fares and the services we offer – we'll be asking for your feedback soon. **You'll be able to have your say at orc.govt.nz/rptp**



Queenstown

Environment fund on way

From July, environmental work in the region will get an extra boost when a new \$2 million a year large-scale environmental fund is introduced.

This new fund was agreed in ORC’s Long-Term Plan last year, and is designed to support large-scale environmental work, helping communities with activities that benefit our special Otago environment.

To pay for this fund, ratepayers will see an increase in their Catchment Management Rate.

For around 77% of ratepayers, this is less than \$15. Use our rates estimator to see the change in this item of your rates bill.

This will support significant work happening in communities to improve their environment. It comes on top

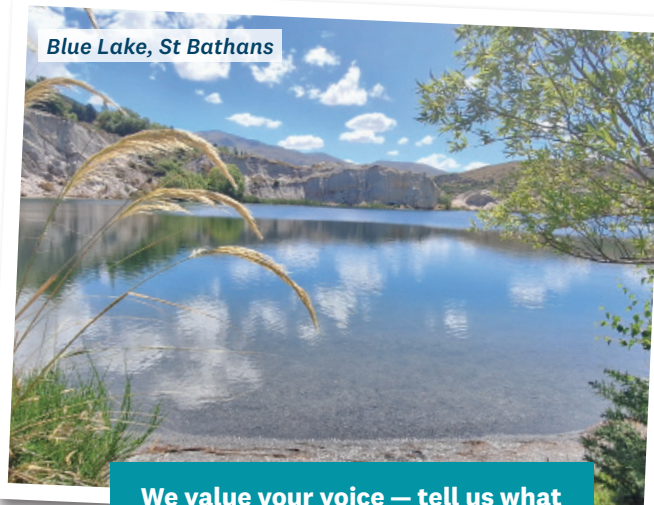
of ORC’s existing work and environmental project funding.

The fund supports ORC’s work to enhance our environment and protect our flora and fauna — vital for wellbeing, communities and economy.

By funding environmental improvements, ORC is investing in current and future generations, our economy and the work communities do.

We’re helping to maintain environmental gains already made in Otago, such as dealing with plant and animal pests, and we’re supporting climate change work.

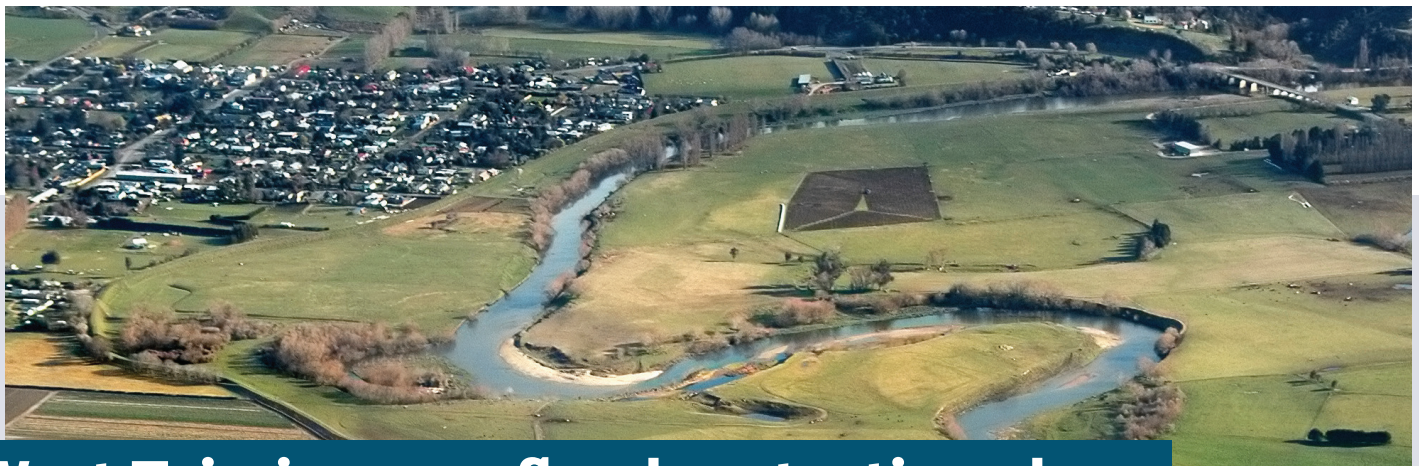
In the year ahead, we’ll build on a new catchment action plan programme that will empower communities to



Blue Lake, St Bathans

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manage and restore their catchments, and we’ll have a stronger focus on biosecurity, such as keeping pests at bay, and biodiversity to help our native species thrive.



West Taieri among flood protection plans

Otago Regional Council provides flood protection and drainage to around 43,000 ha of rural and urban land across Otago.

In 2025/26 that includes completion of the West Taieri contour channel resilience project, which has strengthened the scheme and reconstructed parts of the floodbank. This work is funded by ORC and central government.

While more work is planned across the region over the long term, less than forecast will be spent in 2025–26. This is because the focus is largely on planning for efficient project delivery in subsequent years.

Planned work in the year ahead includes investigations looking at hazards in Middlemarch and for Lindsay Creek (North Dunedin), resilience work for the Kaikorai Stream near Green Island, and we plan to install river mouth monitoring technology in key areas.

Communities will also be able to better feed into the shape of flood protection and drainage schemes from this year as ORC establishes liaison groups — a decision made during the Long-Term Plan process.

The first, Lower Taieri, was set up recently and will be followed by new liaison groups for the Lower Clutha and Tokomairiro catchment schemes.

ORC is responsible for a lot of infrastructure, including 218 km of floodbanks, 14 pumping stations, 42 bridges, 535 km of drains, and 369 culverts — all of which can be impacted by things like climate change, settlement trends and change in land use.

Over the next 10 years we plan to spend \$67 million renewing infrastructure — doing more work on our rivers than we have in the past.

We value your voice — tell us what you think to help shape Otago’s future: orc.govt.nz/ap2025



We're building a stronger future for Otago



Gretchen Robertson ORC Chair

Otago Regional Council's vision is for Otago's environment and communities to be healthy and connected *ki uta ki tai* — from the mountains to the sea.

We've focused on finding better value for money while still doing important work for Otago's communities and the environment.

A key highlight for the coming year is introducing a new \$2 million annual environmental fund, which, through our communities, will achieve meaningful environmental outcomes and widespread benefits across the region.

Improving bus services remains a priority. While enhancements are planned for Queenstown and attracted Government co-funding, proposed enhancements to Dunedin's network did not attract co-funding and existing services will continue unchanged.

Co-funding gaps mean some regional improvements — including a business case for Wānaka — will not proceed as planned. We remain committed to exploring ways to improve public transport across the region and will investigate options for provision

of some services for Ōamaru, Balclutha and Central Otago.

Our essential services will continue, including civil defence, biosecurity, water and air quality monitoring and regulation, navigational safety, and 24-hour pollution response.

Addressing climate change also remains central to our work.

We're working within our Climate Strategy to advance natural hazard adaptation programmes in South Dunedin, the Clutha Delta, Roxburgh and Head of Lake Whakatipu, alongside projects to strengthen our flood protection schemes.

We'll continue to work with communities on the things that matter to them, including catchment management, flood protection and pest management.

I encourage you to learn more about the work proposed for the year ahead and give your feedback.

We look forward to hearing from you.

Gretchen Robertson
Chair, Otago Regional Council

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Want to know more?

We value your voice — tell us what you think and help shape the work done to safeguard Otago's future and provide public transport. Your feedback helps ORC to plan and ensure our work reflects the needs and aspirations of your community.

Feedback is open until 15 April 2025

Get more information about the work ORC plans over the next year at orc.govt.nz/ap2025

If you want to find out more but don't have online access, call us on **0800 474 082** for help.



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